

# BUSINESS REVIEW

## PEOPLE DEVELOPMENT

Further details on People Development  
<https://www.misc.com.my/solutions/sustainability>



## KEY HIGHLIGHTS



A diverse and inclusive workforce of

**8,632**  
employees  
from  
**43**  
nationalities



**RM47.7 million**  
invested on capacity building of our employees



**0** labour standard  
non-compliance  
issues in 2020



**1<sup>st</sup> Runner Up**  
**Graduates' Choice Award:**  
**Most Attractive Graduate Employers**  
to Work for in 2020 for Logistics Company category





Puan Shariza binti Mohd Jaffar Sadiq Maricar is MISC's proud example of a home-grown talent and a true testament to the company's commitment of nurturing its people and sustainably developing the internal bench strength. She joined the company 13 years ago as a junior executive in Human Resource Division and throughout the years she rose from the ranks, assuming various roles in HR and management and gaining invaluable experience. Puan Shariza was officially appointed as the Vice President of Human Resource Management effective 1 March 2021.

**Puan Shariza binti Mohd Jaffar Sadiq Maricar**  
Vice President, Human Resource Management

## PEOPLE DEVELOPMENT VICE PRESIDENT'S REMARKS

One of MISC's mission is to promote individual and team excellence of our employees. Staying true to the steer, our talent strategies have always aimed to nurture our employees with the resources and opportunities they require to harness their full potential. In 2020, we bore the fruits of our internal talent development programmes by promoting internal talents into 785 positions across the MISC Group, and six seafarers to shore positions.

The year saw us contending with the unprecedented challenges of the COVID-19 pandemic, testing the organisation's agility in adapting new ways of working. As MISC's businesses are classified as essential services, our main priority is to ensure our seafaring and shore employees remain connected, and are able to perform their duties safely. This involves setting up the right infrastructure as well as providing the support mechanisms for our employees' wellbeing.

A key reason the Group was able to swiftly shift towards digital ways of working was due to our sustained investments through the years in building our IT infrastructure. These include digital tools such as business communication platforms, and web and video conferencing applications that connect our global workforce. During the pandemic, these digital tools and platforms enabled our employees to work remotely from home.

In April 2020, at the onset of the pandemic, MISC launched the Employee Assistance Programme (EAP), a helpline that all employees can access to seek impartial advice on professional as well as personal matters, that has the broader aim of uplifting their wellbeing. In addition, we have conducted three virtual sessions of the Personal Resilience and Stress Management Workshop, towards helping employees feel less isolated in the new work-from-home norm, which has kept them away from the office environment and the company of their colleagues. In order to encourage them to remain physically fit, we have also conducted virtual fitness sessions.

Our people development agenda continues as a key area of focus, and in 2020 our employees completed a total of 120,000 hours of training,

which translates to approximately 17 learning man-hours. Enabled by our Talent Management System (TMS) which had been launched in 2019 to cater to online learning and development modules, we were delighted to note an increase in the uptake of virtual training opportunities by our employees. Apart from the specific training modules they were tasked to complete, our employees also accessed customised eLearning modules, videos and audio books at their own convenience and according to their personal development aspirations. In 2020, we continued to progress with our HR digitalisation programme by launching Phase 2 of the TMS which encompasses Competency Management and Succession Planning modules. In line with our 'Tell Me' cultural belief, we also launched ECHO\*, a mobile and web app that promotes and allows employees to seek and receive feedback.

As MISC embarks on our 2021-2025 Sustainability Strategy, we are committed to develop talent excellence in line with ensuring a strong pipeline of talent that will support our company's growth ambitions. Our emphasis has always been on promoting individual and team excellence to create positive outcomes for our business, as well as rewarding careers for our employees. One of the propositions that has enabled MISC Group towards these outcomes is our commitment to embrace the diversity of our employee base, as we provide equal opportunities on career advancement for our people. Drawing from my own career path, I believe MISC provides equal opportunities for all to succeed. Continuing with our journey, we will remain true to the principles of meritocracy and fairness, anchored on our cultural beliefs 'Nurture Trust, Tell Me and Shared Success' and our Shared Values on 'Cohesiveness' that aim to unite our diverse employees in the spirit of inclusivity. We are on track in chartering our diversity and inclusion aspirations to grow our diverse talent in an inclusive culture and work environment, as led by our 'Leader owned Diversity and Inclusion' programmes.

Recently MISC was awarded with the First Runner-up Graduates' Choice Award 2020 – Most Attractive Graduates' Employers to Work For in 2021 (for Logistics Company category). This award has motivated us to remain steadfast in our commitment to nurture young talents by giving them a head start in the career. Towards strengthening MISC's leadership and succession development agenda, we plan to roll out a Graduate Development Programme (GDP) in the near term future, which will solidify the talent pipeline for future MISC leaders.

As we continue into 2021, employee development remains at the forefront of MISC's Human Capital strategy. We will focus on building both our sea and shore employees' capabilities as we leverage on technology as an enabler towards best-in-class Operations Excellence. The Group will continue to roll out the functional competency framework throughout all business units and subsidiaries. Coupled with the established leadership competencies, we look forward to rolling out the structured leadership and functional curriculum; a more structured and focused development framework that will strengthen our talent bench strength and optimise our capability development spending.

I look forward to making my contributions on the human capital development front, as the MISC Family continues our path of building the strength of our international brand within our global footprint.

**Puan Shariza binti Mohd Jaffar Sadiq Maricar**  
Vice President,  
Human Resource Management

## INTRODUCTION

At MISC, we believe that our employees are our most valuable assets, as the human capital that drives our business goals and delivers our value creation agenda. Our core belief is encapsulated in our theme 'People. Passion. Possibilities'.

Empowering our workforce is an important aspect of nurturing a high-performance culture, and we appreciate the importance of inspiring and allowing our people to become the best version of their authentic selves. Our people are our brand ambassadors, and the energy and enthusiasm they bring to every interaction with our stakeholders strengthens our brand reputation. Our approach to empowerment lies in creating an environment where, guided by our purpose and values, our people feel inspired and able to take action, to drive our business forward and create sustainable value for our stakeholders.

## HUMAN CAPITAL INDUSTRY TRENDS

Human capital trends in 2020 were significantly influenced by the COVID-19 pandemic. Organisations throughout the world leveraged on digital technologies and platforms to adapt to movement restrictions and social distancing to safeguard public health, as they continued to maintain operations.

The key trends observed are as follows:

- **Demand in specialist technology skill sets**

Acceleration of digitalisation globally led to greater demand for technology specialist skill sets such as data analytics, automation, cyber security and compliance. Engineering remains to be in demand, especially for talents with engineering, procurement, construction, installation, commissioning, operations and maintenance, decommissioning, and demobilisation (EPCICODD). Demand for the said talents will be further exacerbated as candidates would be more conservative in switching employers during the current pandemic situation.

- **Focus on employee experience**

Organisations have embedded deeper cultural shifts and adopted a more holistic approach in managing the workforce. For example, flexible working arrangements help working parents who had to juggle work with at-home schooling, or employees who need to take care of sick family members. This way, organisations help to create a more equitable and responsive workplace, hence a better employee experience.

Employee wellbeing has also become a significant focus, to prevent employee burnout and to keep people motivated. There is a shift towards the need for a leadership that demonstrate compassion, empathy and inclusivity, and identifying leaders who are transparent, courageous, agile and able to create a psychologically safe workplace.

In addition, employee engagements, seen now to be more relevant than ever, were conducted through virtual townhall sessions.

- **Remote work arrangements**

Technology is playing a key role in facilitating and enabling the workforce to stay connected as they work remotely to remain safe during the pandemic. Tools such as business communication platform, web conferencing and video conferencing applications help connect workforce to get things done.

This new norm will see organisations proactively incorporating remote work into their future strategies.

- **Employee development**

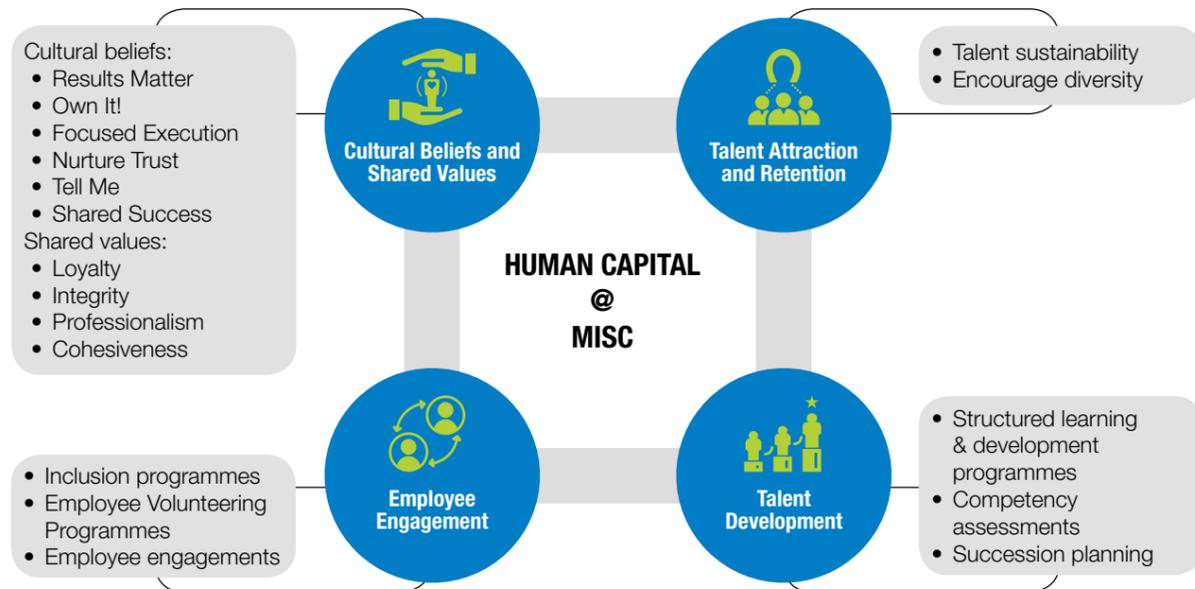
With physical instructor-led training programmes put on hold, online learning has been the medium of choice. The presence of online learning platform also promotes self-driven learning, where employees take personal responsibility for their skills development.

# PEOPLE DEVELOPMENT

## HUMAN CAPITAL VALUE CREATION

We believe that our employees are the driving force behind our success, leaving lasting impressions through the connections they make. We therefore strive, at all times, to ensure that our people are engaged and aligned with our people-centric brand promise and are deeply connected through our values. In this way, we deliver on our mission to create a sustainable value for all our stakeholders.

The following presents our approach towards creating value for our human capital.



### Human Capital Masterplan

Our human capital five-year masterplan was developed based on the objective of promoting individual and team excellence of MISC's workforce. The strategy aims to drive superior performance and enhance productivity while providing opportunities for growth within our organisation and ultimately unlocking the maximum value of the company through our employees.

We believe that a sustainable talent pipeline across all job levels is the key for business, ensuring the growth and development of all employees in line with our organisational ambitions and aspirations.

In parallel with this, employee competency development plan focuses on addressing gaps in skills through structured and mandatory training programmes. Additionally, we will be introducing a career management framework for employees to plan their career progression within the Group.

Towards achieving the five-year masterplan targets, we have driven the succession planning process and employee competency development programmes to ensure involvement, alignment and relevancy across the Group.



## CULTURAL BELIEFS AND SHARED VALUES

At MISC, we make a meaningful difference in the way we manage our human capital through our cultural beliefs and shared values which drives our individual and team behaviours in sustaining a strong and committed workforce.

Our cultural beliefs are centred on achieving the best outcomes, as *Results Matter* to us. We are deeply committed to *Own It!* and being Focused on execution. We *Nurture Trust* by seeking, encouraging and acting positively on feedback - *Tell Me* - as a mean to achieve our goal of *Shared Success*. We embrace shared values of loyalty, integrity, professionalism and cohesiveness.

CULTURAL BELIEFS	
	<b>Results Matter</b> I stretch my limits to deliver superior results
	<b>Own It!</b> I own the results and don't blame others
	<b>Focused Execution</b> I plan, commit and deliver with discipline
	<b>Nurture Trust</b> I always keep my promise and build mutual trust
	<b>Tell Me</b> I seek, give and act positively on feedback
	<b>Shared Success</b> I collaborate for the greater good of MISC Group

SHARED VALUES	
	<b>Loyalty</b> Loyal to corporation
	<b>Integrity</b> Honest and upright
	<b>Professionalism</b> Strive for excellence
	<b>Cohesiveness</b> United, trust and excellence

Our cultural beliefs are aligned and mapped directly against our majority shareholder PETRONAS' cultural beliefs, and aim to create a single, unified PETRONAS identity throughout the Group.

### COVID-19 : How our Cultural Beliefs and Shared Values Kept Us Moving

In 2020, our cultural beliefs and shared values were clearly demonstrated during the COVID-19 pandemic. This was evident through the dedication exhibited by our people from all levels of the organisation as follows:

- Our seafarers who had to undergo strict standard operating procedures (SOPs) such as additional health checks and COVID-19 swab tests, long quarantine periods both before and after an assignment, and the mental stress of dealing with the fear of exposure to COVID-19 as well as being away for an extended period of time as crew onboard vessels (**Cultural Belief: Own It!, Shared Value: Loyalty**);
- Our ship management team who worked tirelessly to manage crew change challenges, whilst adhering to various countries' SOPs in order for our global team to continue operating seamlessly (**Cultural Belief: Focused Execution; Shared Value: Cohesiveness**);
- Our IT support team who had to deal with the influx of support requests pertaining to the use of online and digital applications as a result of the Work From Home (WFH) arrangements (**Cultural Belief: Own It!; Shared Value: Professionalism**);
- Our HSSE and facilities team who kept abreast of the government lockdown rulings globally and ensured that all SOPs were strictly implemented to ensure the safety of employees at work and at home (**Cultural Belief: Focused Execution; Shared Value: Cohesiveness**);
- Our Management Team who met regularly to review the situation and make precautionary decisions on measures that effectively and proactively managed dynamic circumstances at both sea and shore (**Cultural Belief: Nurture Trust; Shared Value: Cohesiveness**);
- Our business representatives who ensured our customers were briefed on the situation and precautionary measures were taken way above and beyond mandatory SOPs to ensure that both people and cargo arrived safely at their global destinations (**Cultural Belief: Results Matter; Shared Value: Integrity**);
- Our shore support team that pivoted to using online and digital platforms to continue supporting our people in their respective roles (**Cultural Belief: Focused Execution; Shared Value: Loyalty**);
- Last but not least, our Leaders who conducted numerous online townhall meetings, to seek feedback and share messages in order to reassure and motivate our employees at sea and shore to remain strong and vigilant in surviving the pandemic (**Cultural Belief: Nurture Trust, Tell Me; Shared Value: Cohesiveness**).

We have not just remained strong, but have enhanced our resilience in certain aspects, as we continue to embrace our culture beliefs and shared values to face the future.

### SPECIAL FEATURE – PETRONAS ORGANISATIONAL CULTURAL SURVEY 2020

The PETRONAS Organisational Cultural Survey 2020 (POCS 2020) was conducted to understand what really matters to our people, what drives them, and what we can do better to create an even stronger workplace culture for our business growth. POCS is designed to assess the culture of our organisation and focuses on aspects that have a direct link to business performance. During the survey period, we have achieved an impressive response rate of 94%. MISC looks forward to the result once it is available to help support its overall strategy and goals.

#### Key topics in POCS 2020





## INVESTING IN OUR PEOPLE

### Talent Retention & Attraction

A key strategic priority for the Group is retaining and attracting the right talent in order to sustain the business and engender future growth. In 2020, Graduates' Choice Award awarded MISC the First Runner-Up for the Most Attractive Graduate Employers to Work For in 2021 for Logistics Company category.

As it is critical for the Group to retain high performing talent, we will sustain efforts to provide our talents with a challenging role, competitive remuneration and structured development in both functional and leadership areas. In 2020, the retention rate of high performing talents was at 97%.

In the ever-present Volatile, Uncertain, Complex, Ambiguous (VUCA) environment, MISC continues to equip talent with skills in creativity, agility and adaptability. This is further supported by the competency management, career management framework and the online learning platform.

MISC's measures to promote talent sustainability include:

- **Implementation of the Talent Management System (TMS) to manage employee career development**

With the successful launch of TMS Phase 1, MISC was able to realise the potential of digitalisation of its first two modules; Learning & Development, and Recruitment. As the system was developed with the Group in mind, the project has also achieved an indirect benefit of standardising some of the HR processes across the Group. Boosted by the current pandemic situation, the learning platform boasts online learning capability that empowers MISC employees to take charge of their development anytime, any where and on various devices.

TMS Phase 2 further refined the platform by introducing Succession Planning and Competency Management modules. This greatly accentuates MISC's succession planning and leadership agenda with centralised succession data repository and linkage to the potential successor's development.

- **Launching ECHO+ as Cultural Beliefs tool**

The new MISC feedback platform encourages and promotes a culture of feedback exchange to further strengthen the institutionalisation of MISC's cultural beliefs among employees. Real-time and instantaneous feedback via web and mobile apps provides the opportunity for managers to have meaningful and forward-looking conversations on professional development with the individual employee, resulting in better engagement and improved productivity.

- **Facilitating 'Sea to Shore' career advancements**

Understanding the family and career needs of our seafarers, we continuously offer shore roles to individuals to continue their career progression in management roles on shore. In 2020, a total of six job transfers from sea to shore were successfully implemented.

- **Conducting employee wellbeing initiatives**

We also provide measures and programmes that seek to improve employee wellbeing. In 2020, MISC focused on an employee wellbeing plan that offers its people psychological, emotional and mental health support. As part of the wellbeing plan in 2020, we implemented the Employee Assistance Programme, to reach out to our people and support them through the difficulties of the pandemic. More details on this initiative can be found in the Operating Safely and Sustainably section on page 213 of this Integrated Annual Report.

### Human Capital Development

The development of a high-performance culture is a key performance imperative for all MISC employees. In line with the diverse operations that the Group's main business segments are composed of, we have in place a wide range of programmes that aim to upgrade employee skills based on identified gaps and needs.

Throughout the year, MISC continued to implement our succession planning and talent management journey to ensure key employees in critical positions are earmarked. Competency management remains our focus in ensuring successors' readiness to assume the next roles.

At MISC, competency requirements for each role are comprehensively mapped out and assessments are conducted with the incumbent of the job. The outcome of the competency assessment is translated into learning and development programmes to fulfil the needs of current and future succession roles.

We strongly believe in supporting our employees' career progression. In 2020, a total of 50% of vacancies were filled up by internal candidates demonstrating the success and agility of our competency and career progression programmes.

### Learning and Development Programmes

As the pandemic had resulted in restrictions in organising face-to-face classroom training session, MISC's learning and development programmes were focused on online training programmes and the development of e-learning modules on our Learning Management System which forms part of our TMS, and will eventually be linked to our career management programme. Throughout the Group, wherever possible, all face-to-face trainings were converted face-to-face training to virtual sessions.



# PEOPLE DEVELOPMENT

## Key Talent Development Programmes

The following comprise the key talent development programmes MISC conducted in 2020:

Types of training	Training programmes title	Key content / description
Functional and technical skills development	<ul style="list-style-type: none"> <li>Working in a Global Environment</li> <li>Professional Presentation Skills for Technical Employees</li> <li>Business English for Technical Employees</li> </ul>	<ul style="list-style-type: none"> <li>Addressed specific needs of groups of employees, for example providing training for engineering employees to support the Group's business expansion into the global market</li> </ul>
High performing talents' development career programme	<ul style="list-style-type: none"> <li>Development Career Programme</li> </ul>	<ul style="list-style-type: none"> <li>High performing talents conduct 18-month assignments with MDs/CEOs and VPs across the Group</li> <li>Employees given opportunities to learn and develop on-the-job management skills including the considerations that need to be taken into account when making key decisions within the company</li> <li>Upon completion, employees are offered opportunities in key roles based on their competency ratings</li> <li>Job rotations between corporate and business units/subsidiary roles further enhance the employee's competency and on-job knowledge</li> </ul>
Leadership programmes	<ul style="list-style-type: none"> <li>Online Leadership Programmes</li> </ul>	<ul style="list-style-type: none"> <li>Collaborated with external learning partners to convert the content of our leadership programmes to be delivered on virtual platforms</li> <li>Conducted multiple pilot sessions to gauge the effectiveness of the programme prior to the rollout</li> <li>Majority of the leadership and functional training programmes were duly executed and employees were able to complete their training programmes</li> </ul>
	<ul style="list-style-type: none"> <li>Self-learning and e-learning content such as Harvard ManageMentor (HMM) and Skillssoft, to keep MISC employees getting sufficient development and support in achieving their objectives in this challenging time.</li> </ul>	<ul style="list-style-type: none"> <li>A notable uptake on employees who enrolled for the online HMM programme, a prestigious programme offered by Harvard Business Publishing's Corporate Learning Centre that focuses on building leadership capabilities for global organisations.</li> </ul>
	<ul style="list-style-type: none"> <li>Introduced new programmes such as Executive Mindset, Creativity and Innovation Workshop, Critical Thinking and Decision Making, Analytical and Problem-Solving Skills, Crucial Conversation and Managing Conflicts, Leading and Influencing Change, Negotiating and Influencing Skills and Impactful Presentation Skills</li> </ul>	<ul style="list-style-type: none"> <li>Addressed mindset change, creative problem-solving and communication gaps</li> </ul>
	<ul style="list-style-type: none"> <li>Eaglestar's Leadership Programmes</li> </ul>	<ul style="list-style-type: none"> <li>To develop the next generation of leaders for the organisation through a structured employees succession planning programme that supports workers by identifying gaps in their skillsets and conducting planned interventions to enhance their capabilities.</li> </ul>

	<b>59 Leadership Programmes*</b>	<b>1,429</b> Participants <b>2,094</b> Training man-days
	<b>353 Functional Training Programmes*</b>	<b>6,691</b> Participants <b>9,784</b> Training man-days
	<b>Platform Series</b>	<b>3</b> Sessions
	<b>Total Training Costs</b>	<b>RM47.7</b> million
	<b>Average Training Hour/Employee</b>	<b>17</b> hours

\*For shore employees only



## Employee Engagements

Various employee engagement events were organised throughout 2020 to create an informal environment for employees to interact. These events served as a platform for the Group to communicate on latest messages and to provide networking opportunities amongst our employees across the various functions and businesses.

### • PGCEO Townhall

MISC's 2020 theme, "One Heart. One Mind. One Dream" was unveiled by our President/Group CEO, Mr Yee Yang Chien at the MISC President/Group CEO's Townhall at KL Convention Centre in front of a live audience of more than 700 attendees across the MISC Family, as well as our sea colleagues from a range of vessels. More details can be found in the Anchoring Sustainability @ MISC section on page 110 of this Integrated Annual Report.

### • Virtual Engagement with Sea Staff

As physical meet-ups reduced off the back of social distancing requirements, employee engagements shifted to virtual platforms. Engagements with employees, both at sea and shore continued throughout the pandemic. Managing Director / CEO of Eaglestar, initiated a virtual meet-up for seafarers who were on shore leave to keep them motivated in adapting to the new norms of business operations. A total of 385 seafarers located in 17 countries joined the inaugural virtual meet held on 5 June 2020 which was broadcasted live from Kuala Lumpur. The session provided valuable reassurance to our seafarers on how management has been taking the necessary steps in helping employees across the globe to adapt to the new normal without compromising on their safety and health.

Another engagement session was held for seafarers on board vessels on 17 July 2020. A total of 29 vessels sailing on oceans throughout the world dialled in for the first time to engage with Eaglestar's leadership team. It was a valuable session as the leadership team took the opportunity to recognise the dedication of our seafarers who have ensured uninterrupted operations of the vessels in these uncertain times.

# PEOPLE DEVELOPMENT

## • 'The Platform' Talk Series

In addition to conducting training programmes, our Human Resource Learning and Development Team continued with a series of inspirational talks throughout the year known as 'The Platform Series'. The platform aims to inculcate social learning by inviting distinguished speakers to share their personal stories related to our cultural beliefs and leadership competencies to inspire and impact others positively.

Extract of topics covered in 2020 included the following:

- Making an Impact and Rising Up to the Challenge.
- Tell Me – How to accept feedbacks
- Unconscious Biasness

## Key Developments For Seafarers

As one of the leading global providers of international energy related maritime solutions and services, with a modern and diversified fleet of vessels, a significant portion of our human capital comprise seafarers who execute our business strategies on the high seas. Our pool of seafaring employees is managed by our integrated marine services subsidiary, Eaglestar.

In order to ensure a sustainable pool of seafarers with the right skills sets and knowledge to perform their jobs well, Eaglestar has in place a comprehensive human resource management programme specifically for seafarers. Among the initiatives in place are employees training and re-training programmes, and talent development and succession planning initiatives that seek to enhance employees competency levels, as well as improve and expand their proficiency and capabilities across various aspects of the business and operations.

In 2020, Eaglestar invested a total of RM41 million in training and development programmes for seafarers. Through our career development programme, we enabled career development pathways for seafarers especially female cadets to prepare them to take up leadership roles. We employed a multiskilling approach in our talent development strategy to focus on development programmes that built and expanded our crew capabilities to ensure that they are equipped with the right set of skills to operate more than one type of vessels i.e. very large ethane carriers (VLECs), LNG bunkering vessel (LBV), LNG carriers (LNGCs), LNG dual-fuel and eco-friendly petroleum tankers and dynamic positioning shuttle tankers (DPSTs), LNG floating storage units (FSUs) and modular capture vessels (MCVs). Over the years, many of our Navigating Officers and Engineer Officers onboard our managed vessels progressed from cadets to officers.

We provide opportunities for our seafarers to transition on to a shore-based career. Our seafarers are exposed to shore development training whereby they go through a six month to a year based training in office-based tasks in order to understand the requirements of shore management of vessels and other related functions. This training effectively prepares them for transition from sea to shore careers. To ensure high retention

rates, we have in place unified Term and Conditions across our fleet, covering compensation packages that properly remunerate our people.

In order to develop a sustainable pool of future seafaring talent, Eaglestar and ALAM are collaborating to develop a pool of dedicated and specialised crew. In 2020, Eaglestar in collaboration with shipowners, provided cadet sponsorship for 139 students at ALAM.

The following presents key highlights of our seafarer development programmes in 2020.

## • First virtual Junior Officers' Focus Seminar (JOFS)

In conjunction with the Day of the Seafarer, Eaglestar kicked off our very first virtual Junior Officers' Focus Seminar (JOFS) which was broadcast live from two locations simultaneously, namely Kuala Lumpur and Singapore. More than 80 junior officers on shore joined virtually from various part of the world to participate live in this forum.

Captain Raja Sager, Managing Director/CEO of Eaglestar took the opportunity to share about Eaglestar's business outlook for 2020. The seminar also covered current industry trends and challenges which was delivered by several Eaglestar colleagues. Before the conclusion of the Seminar, a light celebration was held to pay tribute to all Seafarers in conjunction with the Day of the Seafarer. The virtual JOFS certainly provided a new and refreshing experience in this new normal.

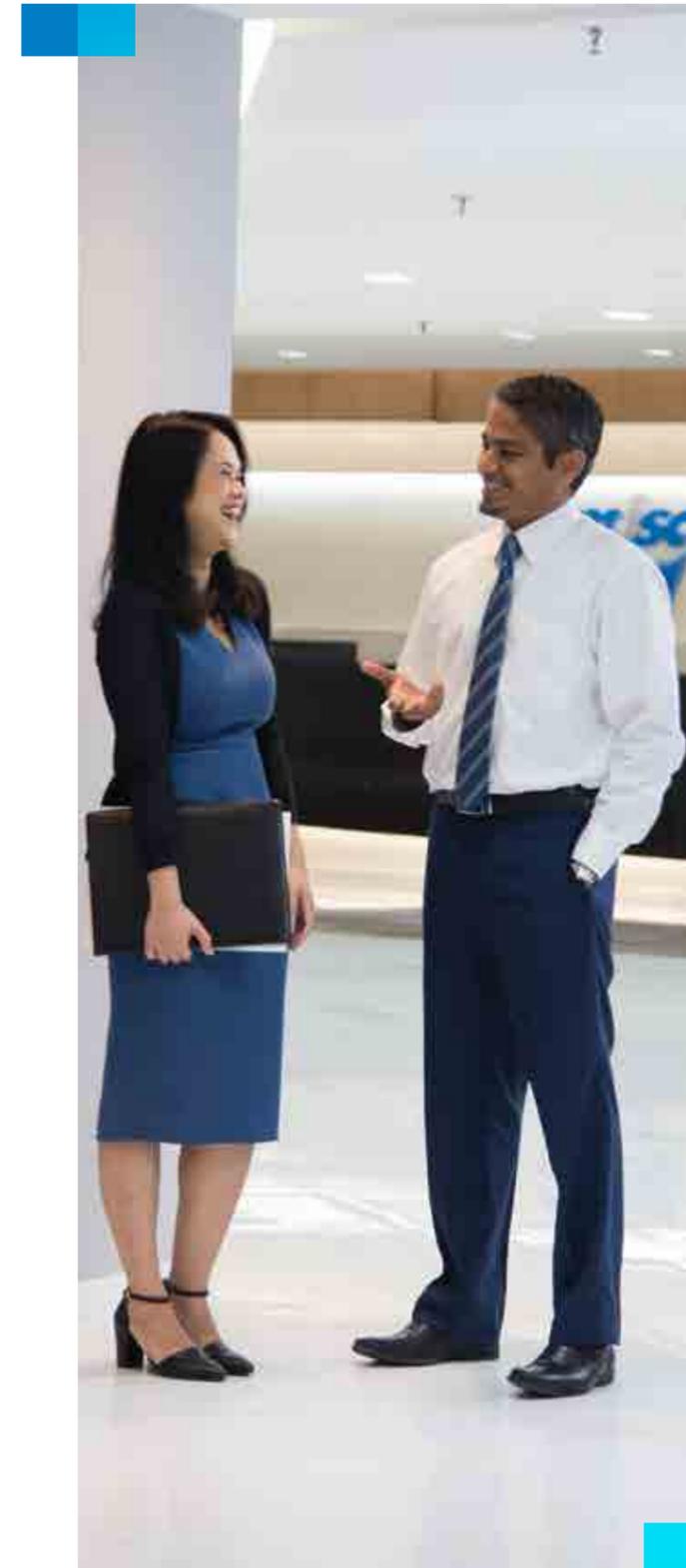
## • Continuing with our talent development programme

We designed and rolled out our seafarer development programmes as planned. These included structured multiskilling training programme for deck and engine officers to acquire skills and certification for operating multiple types of vessels.

In response to restrictions in conducting physical and face-to-face activities, we provided webinars and online trainings to ensure that our workforce remained technically and functionally ready to meet the emerging technologies and non-conventional shipping environment. Similarly, we utilised virtual interviews to recruit and promote our seafarers, both locally and globally.

Through structured programmes that emphasize on operational excellence, fleet performance has maintained vessel availability for trading more than 99% as reflected on the operational scorecard with lesser downtime. The dual-skilling and multiskilling programmes also enabled Eaglestar to successfully deliver four DPSTs, one LBV and one VLEC vessels in 2020.

The engineering and technical teams who were on assignment to shipbuilding sites in China and Korea were able to enhance their knowledge of new technologies during their assignment. This is a significant factor in Eaglestar's ability to better manage and positively contribute towards design and technological efficiencies in our newbuilds.



## • Obtaining mandatory certificates

Despite the challenges faced during the pandemic situation, we were able to obtain the required certification for our vessels and crew. This was achieved as institutions slowly resumed their operations and converted their classroom courses to virtual online courses wherever practical. With proper certification and licenses in place, we were able to promote cross-functional and interfleet mobility among seafarers in order to broaden their functionality and leadership skills.

## • Supporting seafarers mental wellbeing during the pandemic

To help our people, a seafarer survey was conducted to gauge their mental health as a result of the pressure they were under due to the difficulties of the pandemic. We went out of our way to identify personnel who exhibited signs of depression or anxiety, and provided them the support, assistance and, where necessary, any intervention they required.

As a result of the pandemic, the global maritime sector is undergoing a crew change crisis, where a huge number of seafarers are stranded working onboard vessels beyond the period of their initial contracts. Along with over 300 other companies and organisations in the maritime supply chain, MISC has signed the Neptune Declaration on Seafarer Wellbeing and Crew Change, to bring a resolution to this crisis. More details can be found in our Special Feature: Our Response to COVID-19 on page 82 of this Integrated Annual Report.

# PEOPLE DEVELOPMENT

## DIVERSITY AND INCLUSION

At MISC, we are committed to creating and maintaining a diverse and inclusive work environment that attracts, retains and develops the best talent for our core and enabling businesses. Our emphasis on promoting diversity and inclusion has resulted in a committed and engaged workforce who are resilient, driving innovation and continuously improving business performance, all of which are critical in building a sustainable talented organisation.

Our Diversity and Inclusion Aspirations are as follows:

- Our global employer brand is synonymous with diverse and inclusive work environments
- We promote female gender representation on our Boards and senior leadership teams
- Our employees' diverse nationalities reflect the markets we operate in and the clients we do business with
- Our workforce is demographically and cognitively diverse with equity in opportunities and meritocratic human resource policies and processes
- We are recognised as a leader in our sector and accredited for efforts on advancing diversity and inclusion
- The communities we operate in and the partnerships we engage in benefit from our passion and commitment to creating opportunities for all
- Inclusion is embedded as a way of life in the MISC Group

To meet our Diversity and Inclusion Aspirations, we have developed the following strategic priorities:

- **Grow Our Diverse Talent:** Our talent management system includes a focused hiring and recruitment strategy that is aligned with our business goals and growth plans.
- **Inclusive Culture and Work Environment:** In line with our Shared Value of 'Cohesiveness', we aim to create an environment that reflects equal opportunities for our diverse workforce. We believe in respect for diversity and equal opportunities, and the prevention of all forms of discrimination. We employ a zero-tolerance approach towards any form of discrimination based on ethnicity, gender, religion, nationality, age, political affiliation, physical or mental disability, or any other personal characteristics or conditions.
- **Leadership Accountability:** In line with our cultural belief of 'Own It!', we are embracing the spirit of diversity and inclusion by embarking on a 'Leader owned Diversity and Inclusion' programme where our understanding of diversity and inclusion is closely linked to our business strategy.

We value all diversity pillars which are supported through our inclusion efforts. Our efforts towards growing our diversity and representation are focused on the following three key areas:

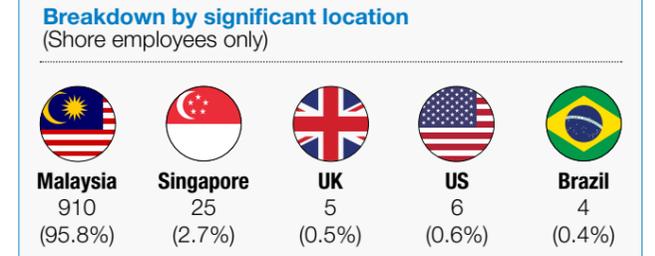
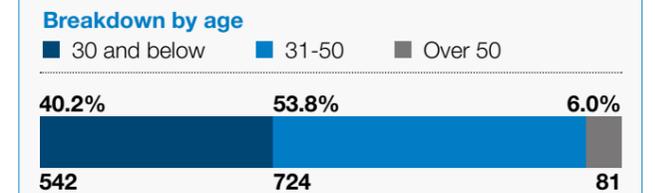
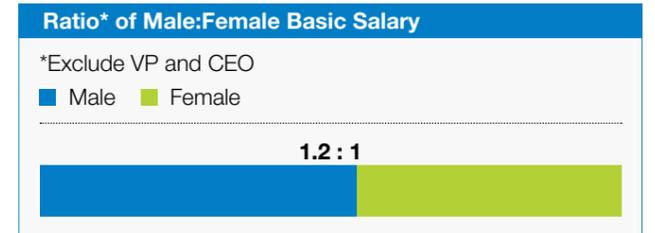
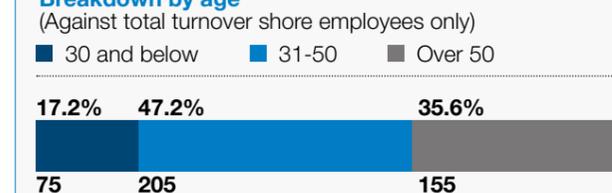
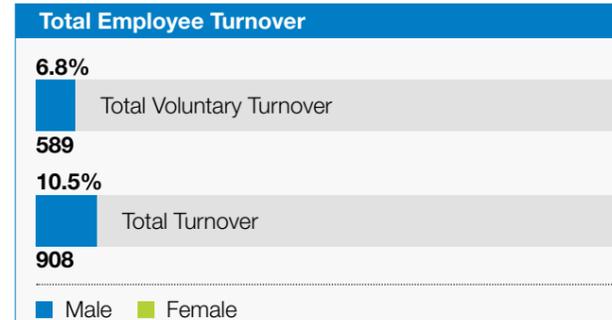
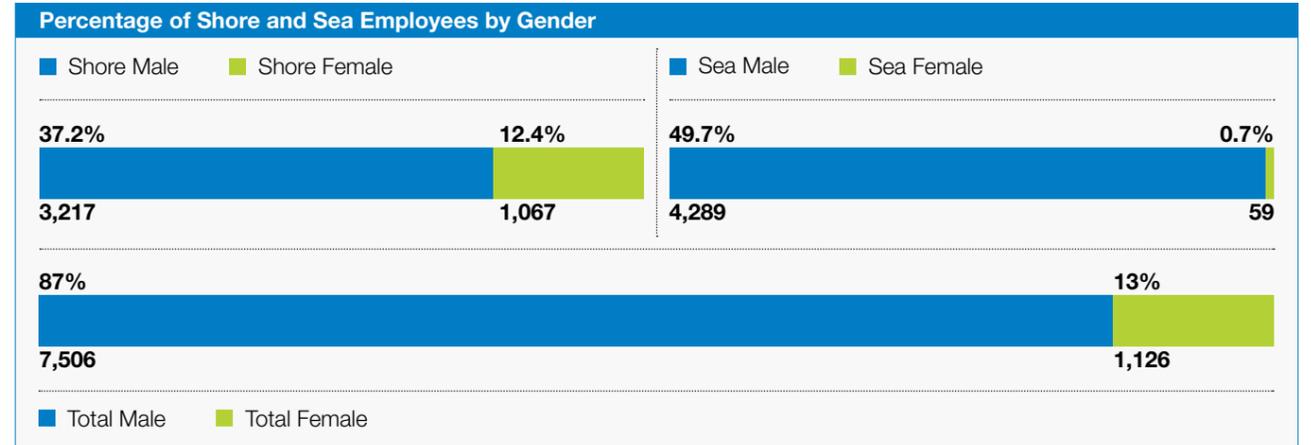
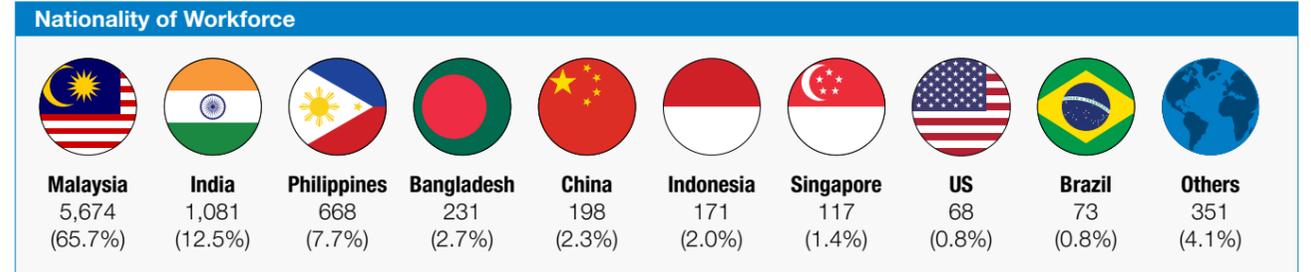
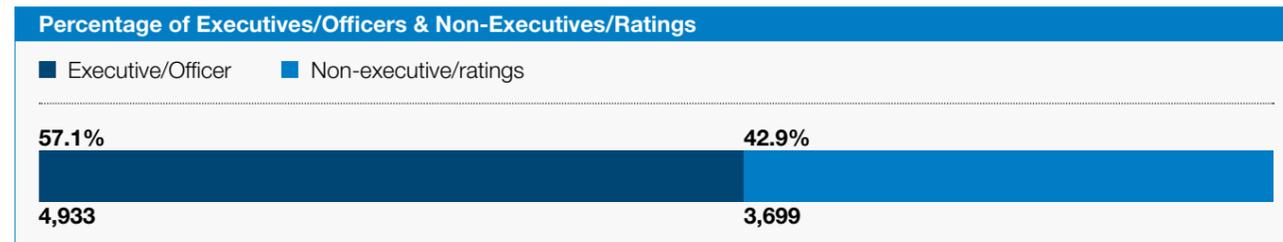
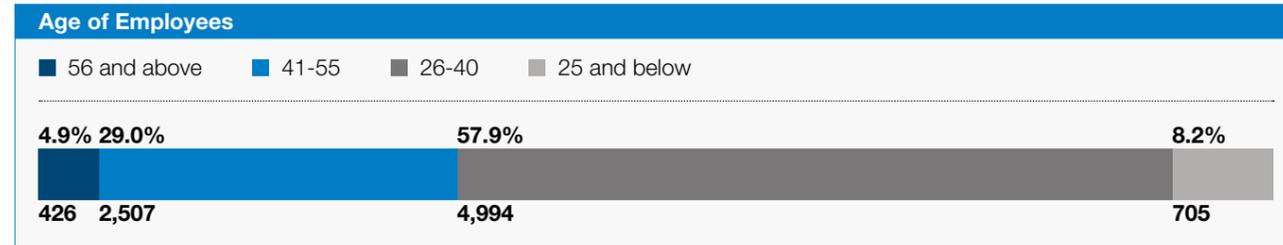
- **Gender** – We support the principles of diversity and practise equality of opportunity among all our employees and have adopted a broad diversity policy to ensure that, over time, we promote gender diversity among senior management.
- **Nationality** – We leverage on our diverse talent pool of multiple nationalities from around the world, to harness perceptions, ideas, insights and innovative thinking from plural perspectives.
- **Multi-generation** – We believe that intergenerational diversity is key to a sustainable work environment that promotes healthy discourse and rich dialogues from different vantage points, which ultimately benefits the business.

### Leveraging the Strength of Diversity

We recognise the strength of our people's diverse knowledge and skills which fosters creativity and enhances our organisational resilience and responsiveness to enable the Group to rise to current challenges and engender a sustainable future.

To date, MISC has a total of 8,632 employees from 43 nationalities. MISC Group has 25% female employees while MISC Berhad and AET recorded 40% and 44% (shore employees only) female employees, respectively, which are above the recommended industry average of 30%.

On the shipping side, we have 59 female seafarers and the highest female ranking seafarer is a Senior Officer. By 2022, we expect at least four more women to take up leadership roles of Master and Chief Engineer at Eaglestar.





## MAINTAINING SOUND LABOUR RELATIONS

MISC supports the workers' rights to exercise freedom of association or collective bargaining. In 2020, MISC had a total of 1,326 unionised employees.

We apply the principles of the Basic Conditions of Employment Act, International Labour Organisation (ILO) and the Maritime Labour Convention (MLC). These are reflected in our Human Rights and Modern Slavery Policies, as well as our Whistleblowing Policy and grievance procedure mechanism that is available to all employees on our company website.

Our employees are also compensated fairly based on the remuneration structures which are also in compliance with the Minimum Wage Order 2016, as set by the government. To ensure the Group's competitiveness in attracting external talents, whilst at the same time retaining internal talents, a benchmarking study on the Group's remuneration package is conducted on an annual basis.

In 2020, a total of 23 MLC audits were performed onboard vessels and there were no non-compliance observed on our vessels. We also recorded zero labour standard non-compliance issues.

## MOVING FORWARD

Our strategic priority will hone in on achieving talent excellence through talent development and retention, and building a performance-driven workforce in an engaging and inclusive work environment, which is in line with UNSDG and MISC Sustainability Agenda.

Training and development remain at the forefront of MISC's human capital strategy for the year ahead. The Group will continue to roll out the functional competency framework throughout all business units and subsidiaries. A more focused and structured leadership and functional curriculum will be developed to support the development needs of our talent pipeline.

Towards strengthening MISC's leadership and succession development agenda, a Graduate Development Programme (GDP) will be rolled out in the coming years. The objective of the GDP is to solidify the talent pipeline for future MISC leaders through a young talent acceleration programme. The 24-month programme is targeted towards young graduates to provide them an immersive and holistic career journey supported by comprehensive developmental programme, learning visits and ship boarding throughout job rotations. It covers both functional and leadership capability building facilitated by an effective support system. Talents who undergo the programme may then be channeled into the Group talent pipeline, to be developed and groomed for future leadership positions.

In addition, focus will also be on managing the impact of the pandemic on the performance of our vessels. Moving forward, in line with the advancement of technologies, we will focus on building both our sea and shore employees' capability to leverage on technology as an enabler towards best in class in Operations Excellence.