

## **Human Resources**

CNPC adheres to the principle of "people-first" and attaches great importance to and protects our employees' rights and interests. We strive to create a workplace based on fairness, impartiality and harmony, and build favorable career development platforms and promotion channels for our employees. We are trying to foster strong human resources composed of various tiers of talents and help employees grow together with our company.

CNPC enforces a fair and non-discriminatory employment policy and provides impartial and fair job opportunities and development platforms regardless of nationality, race, gender, religion, and cultural background in accordance with relevant laws, regulations and rules. We recruit the best people for technical and management positions from both inside and outside the company on an open, fair and competitive basis. In 2015, we recruited 6,735 college graduates and 136 overseas students. By the end of 2015, CNPC had 1.46 million employees, 29.9% of whom holding bachelor's or higher degrees. Women accounted for 34.4% of our staff, including 61 senior executives and 2,138 in middle management positions.

CNPC supports employee development by providing a variety of training. With an innovative management system and mechanism in place, we promoted four major training programs and set up training infrastructures, whereby the competence and skills of our workforce were improved through training on occupational skills and job operations, as well as skill competitions. In 2015, we offered 163 training programs to nearly 20,000 participants, including 351 senior managers, national experts, corporate experts, and professionals in lesser-known languages trained in 15 preparatory and overseas training (study) classes. Our e-learning network was upgraded to be an improved platform with more courses. In 2015, our E-learning College trained 780,000 persontimes in total.

With a reformed compensation and benefits system, we set up a profit-oriented optimal salary structure in which employees in grassroots, front-line, missioncritical, and harsh positions are paid more. We implemented the "Double Hierarchy of Professional and Technical Positions" reform in all our R&D units. Nine tiers of technical positions with a term of office of three years were built and subject to strict evaluation and dynamic management. The compensation system of these positions was improved to motivate our R&D staff. In addition, we improved the skill-assessment mechanism for our operational staff and further developed our team of senior technical experts and senior skilled experts. By the end of 2015, CNPC had 398,200 skilled employees of senior or higher competency, of which 366,600, or 92%, were senior workers, 26,500, or 6.7%, technicians, and 5,048, or 1.3%, senior technicians. We also had 352 skilled experts at the corporate level and 1,200 skilled experts at the subsidiary level.

In our overseas oil and gas operations, the number of local employees amounted to 53,694 by the end of 2015, accounting for 91.7% of the total staff. To build up the competence of local employees in host countries, training was provided to them on the job, at local professional institutions, in third countries, or in China, in order to extend their basic knowledge and improve their basic skills and operational qualifications. At our Block 6 Project in Sudan, 10 training classes were offered to 265 participants in line with the pragmatic situation of site production. Members of the oilfield community and graduates majoring in petroleum were organized to systematically study the principles and practice of geophysical prospecting, drilling, workover, pipeline transportation, and oil and gas gathering and transportation. Some excellent trainees have become key employees in the project. Our Central Asia-China Gas Pipeline Project financed 27 young Kazakh students to study at the Kazakh-British Technical University, and selected 18 middle managers to participate in administration training in China. In 2015, our overseas projects provided 122 training classes to 2,864 local employees.

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We keep employees motivated and productive and optimized the mechanisms for human capital management by streamlining the organizational structure, restricting headcount and cutting labor costs, in a bid to achieve our business objectives.

We continuously reinforce the construction of overseas training facilities to help train foreign employees. These facilities include training centers set up by BGP in the United States, Pakistan, Sudan, Saudi Arabia, Libya, Nigeria and Iraq; and four training centers set up by CPECC in Sudan, Kazakhstan, Turkmenistan and Iraq. The technical level of local employees was improved by

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a variety of training sessions offered at these facilities. In addition, we launched cooperation on education, research and training between the University of Basra and the China University of Petroleum (Beijing), which was aimed at improving the skill levels of local employees in Iraq and cultivating young talents for the local oil industry.

Skilled employees are the essential part of our workforce and are irreplaceable for our development. CNPC initiated the establishment of National Skill Master Studios and Corporate Skill Master Studios named after front-line operators in 2011 and 2013, respectively. By the end of 2015, we had 13 national studios and 41 corporate studios.



## Shu Binxia

Having joined CNPC in 1983, Shu Binxia is now Deputy Head of No. 103 Oil Production Crew of Huanxiling Production Plant, Liaohe Oilfield. She leads her crew members in searching and implementing "7 steps" for "ball reset by touch and go" and the classification method in oil well management to maximize per well output. Shu is the winner of "China's Role Model of Ingenuity" and the "Skill Award of China". The Shu Binxia Production Skill Master Studio was established in 2012 and is staffed by 37 members.



## Zuo Chengyu

Having joined CNPC in 1984, Zuo Chengyu is now a senior technician at the Cracking Workshop of Daqing Petrochemical. His studies on the operating pattern of ethylene units has resulted in the "best control method of compressor flow" and "operating method to boost unit circulation", which have been the best practices for the avoidance of shutdown and trip of compressor units. Zuo is the winner of "National May 1st Labor Medal" and the "Skill Award of China". Established in 2012, the Zuo Chengyu Skill Master Studio has fostered dozens of excellent operators of ethylene units.



## Zhao Hui

Zhao Hui joined CNPC in 1991 and works as an international welding trainer at the Sixth Construction Company of China Huanqiu Contracting & Engineering Corp. His pioneering results of the "welding mode for fully inaccessible furnace tubes" and the "gas-protected welding technique for inner wall of heat-resistant steel" have been put into wide application. He transfers years of experiences to his trainees, many of whom have become excellent welders. Established in 2013, the Zhao Hui Welding Skill Master Studio gathers seven specialists.