

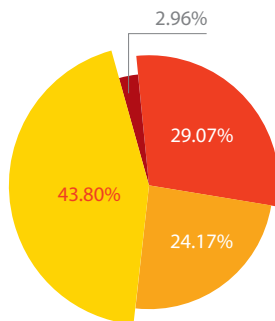


# Human Resources

CNPC keeps improving HR mechanisms to cultivate a stronger workforce with greater competency, efficiency and motivation to sustain business growth.

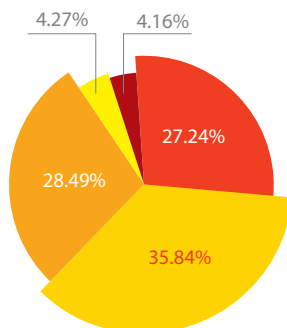
## Education background of employees

- Master's degree and higher
- Bachelor's degree
- Junior college
- Technical secondary school and below



## Age groups of employees

- 25 and below
- 26-35
- 36-45
- 46-55
- 56 and above



We have always committed to "people-first" in HR management and attached great importance to protecting our employees' rights and interests. We create a fair, impartial and harmonious working environment with career development platforms for employees. For building a well-structured, competent and efficient workforce, we promote localization and diversity, and help our employees grow together with the company.

## Employment Policy

CNPC pursues equal and non-discriminatory employment policies in compliance with applicable laws and regulations, and ensures equal employment and career development opportunities for employees of different nationalities, races, sexes, religious beliefs and cultural backgrounds. There has been a continuous improvement in our HR management system with sound processes for recruitment, employment, performance evaluation and remuneration. We adhere to the principles of democracy, openness, competition and meritocracy in selecting and recruiting talents from inside and outside the company.

In 2016, we recruited 3,091 college graduates and those who graduated from top universities and petroleum industry-related colleges accounted for 73%. 30% of the new recruits held a master's degree or a doctorate. As of the year end, we had 1,403,000 employees, 32% of which have a bachelor's degree or higher. 34% of our employees are female in which 48 are senior executives and 1,842 are director-level employees.

## Employee Training

Our employee training system has evolved over time with better training facilities and innovative online programs in four areas, i.e. management, skills, technologies and international teambuilding. Based on business development needs, different kinds of employee training programs are offered at different levels, resulting in a remarkable improvement in employee's competency and performance.

We send executives and technical experts to leading companies such as Siemens and GE for training. We also have trainees attending programs offered by prestigious universities such as Stanford University, Tsinghua University, and China University of Petroleum. These training programs and courses cover a wide range of subjects, including business management, financial management, information technology, oil and gas exploration and production, petrochemicals and HSE. In 2016, CNPC headquarters organized 163 training programs for over 20,000 participants.

CNPC's online training system was further optimized in e-learning framework, system features, network design and courseware, etc. In 2016, we launched 258 online training programs for 430,000 person-times, with the number of training person-days totaling 38,440.

We promote the awareness of craftsmanship among our employees through a series of skill competitions. In 2016, we held competitions for well cementing, logging and seismic prospecting. In addition, we sent employees to participate in national and international competitions such as the Second National Hazardous Chemical Rescue Competition, the Eighth National Petroleum and Chemicals Skill Competition, the Fourth XCMG National Hoisting Skill Competition and the 2016 (Fourth) ARC Welding Contest. A number of employees were recognized for their excellence in professional skills.

## Career Development

CNPC pays high attention on career planning and development of employees. We keep reforming internal mechanisms and build a variety of career paths for our employees to meet their self-actualization and career development goals.

We adopted a knowledge-oriented distribution policy and created an environment encouraging innovation among technological talents. A series of talent-foster programs were developed or launched, including the Petroleum Scientist Program, the Young Talent Program, the Operator Skill Development Program, the Innovation & Efficiency Enhancement Program and the "Petroleum Master" Program etc. Meanwhile, skilled expert studios were set up to groom high-level scientific and technological talents.

CNPC has different kinds of 180,000 technical personnel and 840,000 operating personnel. There are 54 skilled expert studios, including 14 national master studios. In 2016, 175,380 employees participated in verification of professional technical ability, in which 113,595 employees received certificates of different levels.

## Cao Hong and Gao Xionghou Were Selected into China's "Ten Thousand Talent Program"

China launched the "Ten Thousand Talent Program" in 2012 in a bid to identify and support 10,000 high-caliber talents in natural science, engineering, philosophy, social sciences and higher education over a 10-year span.

In 2016, CNPC's Cao Hong and Gao Xionghou were selected by the Ten Thousand Talent Program in recognition of their excellence in promoting technological innovation and technological advancement.

Cao Hong, director of the Geophysical Prospecting Laboratory of Research Institute of Petroleum Exploration and Development and a senior expert at CNPC, specializes in basic research, R&D and application of seismic petrophysics and hydrocarbon detection theories. Cao Hong and his team built the most sophisticated seismic petrophysical laboratory in China with prominent achievements in theories and technologies for petrophysical modeling of porous media and seismic detection of natural gas.

Gao Xionghou, vice president of CNPC Petrochemical Research Institute and head of the R&D team on FCC (fluid catalytic cracking), is in charge of a number of R&D projects and has made an exceptional contribution to the upgrading of gasoline quality, efficient conversion of heavy oil, and the production of high value-added chemical materials.

## Local Employment

Adhering to the principle of “mutually beneficial cooperation for common development” in overseas operations, CNPC actively creates job opportunities and promotes local employment to support the communities where we operate. By the end of 2016, the company had a total of 50,870 foreign employees, with local employees accounting for 90% of our overseas workforce.

We have an employee training system that offers a range of training programs such as apprenticeship courses, on-the-job training sessions, international training programs, local training programs and training programs in China, to cultivate skills and competencies. Local employees are provided with career development opportunities for various management and technical positions. A unique employee training program known as SHADOW was implemented in Sudan to identify local promising employees and prepare them for important management and technical positions through hands-on training, administrative training and partner training etc. In addition, we actively promoted the Young

Talent Program in local communities. Since 2011, CNPC Southeast Asia Pipeline Company has hired 128 local college graduates and sent them to petroleum colleges in Yangon, Myanmar, and China to learn petroleum storage and transportation knowledge. Coupled with internship at pipeline stations, many of the young employees registered fast progress. Humphery, a Myanmar employee, stood out in the third skill competition on optical fiber fusion splicing held in Mandalay and won the title of “optical fiber fusion splicing dab”.

