

## Human Resources



The company actively pushed ahead with the reform of talent development system and strengthened talent pool building to develop an innovative and highly motivated workforce and provide an enabling environment for achieving self-worth.



Upholding the people-oriented concept, we attach great importance to protecting employees' legal rights and interests, build an effective platform for employees to develop, and promote employee localization and diversification. We pay close attention to the physical and psychological health and the livelihood of our staff, and make sure that all employees could benefit from our achievements and realize the common development of both the company and employees.

## Employees' Rights and Interests

Strictly complying with international conventions on labor and human rights, we respect and protect employees' legal rights and interests, and advocate the employment policy based on equality and non-discrimination. We continue to perfect the compensation and benefits system, and improve democratic mechanisms, so as to create a fair and harmonious working environment for employees.

### Employment Policies

We always value and safeguard the lawful rights and interests of our employees. We strictly comply with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and the *Trade Union Law of the People's Republic of China*, relevant international conventions approved by the Chinese Government, and relevant laws and regulations of the host countries. We promote the employment policies of equality and non-discrimination, and provide equal opportunities and fair treatment to all employees regardless of nationality, race, gender, religion or cultural background. We resolutely prohibit child labor and forced labor with emphasis on the employment of women and ethnic minorities, and guarantee equal compensation, benefits and career development opportunities for all employees.

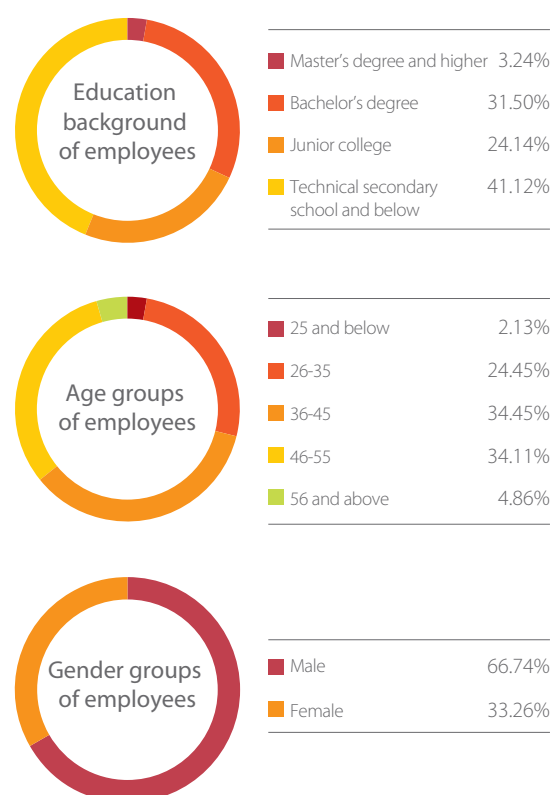
By the end of 2018, the company had approximately 1,266,400 employees, with 34.74% holding bachelor's degree or higher and 33.26% female.

### Compensation and Welfare

We intensified our efforts to reform the remuneration system, improve policies on enterprise annuity and supplementary medical insurance, and further improve the salary distribution system which is more performance-oriented and closely linked with performance appraisal results. A remuneration system highlighting on-the-post contribution and consistent with different types of work was put in place. Besides, we pay special attention, in terms of income, to employees engaged in technological innovation and those working at grass-roots level and in key positions or harsh environment in an effort to reflect the value of each employee.

### Democratic Participation

We ensure that our employees play an important role in democratic management, participation and supervision. We have established a democratic management system and a system to make factory affairs



more transparent with workers' congress being the basic form. Specifically, we have further standardized the content, procedures and means of what should be made public by clarifying rights and obligations, organizational system, and working processes of the workers' congress. By doing so, we have further improved our enterprise democratic management. We have established multiple channels to communicate with employees, continued to implement democratic procedures, and solicited opinions by holding workers' congress, democratic discussion meetings, and employee representative meetings. Besides, we guarantee the employees' rights to know, participate, manage, vote and supervise, and encourage them to offer advice for the enterprise development.

## Career Development Platform

We believe that the company's development is underpinned by our employees' growth. We endeavor to inspire employees' creativity and help them fulfill their personal value through all-staff training, an unimpeded career development path and an improved incentive mechanism.

### Education and Training

We continuously improve our training centers and networks, and provide flexible training programs for employees such as knowledge training, professional training, combination of on-the-job training, off-the-job training and spare-time training to deliver diversified and differentiated vocational training and strive to realize the growth of both the company and individuals. On the basis of promoting all-staff training, we carried out the "Four Talent Training Projects" for managerial personnel, technical experts, skilled operators and internationalized talents. In 2018, a total of 20,000 employees received key training sessions organized by the headquarters.

### Career Development

We attach great importance to the career planning of employees and support the career development of employees to realize their value. In 2018, we deepened the reform of technical rank-based career development for technical staff at R&D institutions, and continued to improve the incentive mechanism to fully unleash the potential of employees in an effort to provide technical personnel with an independent, unimpeded and stable career path. We implement Oil Scientists Training Program and Outstanding Young Technician Training Project, and push forward the Skilled Workers Training and Development Program so as to chart course for the development of innovative talents. By the end of 2018, we had 93 Skilled Expert Workshops, including 18 National Skilled Expert Workshops, 303 senior technical experts and 388 skilled experts.

### Rewards and Incentives

We organize multiple activities to select model workers, outstanding workers, technical experts and academic leaders, encourage employees to participate in international and domestic competitions, and award winners spiritually and materially.

## Local Hiring and Diversity

We embrace a respectful, open and inclusive culture, and are committed to the localization, professionalization and marketization of overseas employees. We constantly improve the employee training mechanism and endeavor to promote local hiring and talent internationalization. By the end of 2018, local employees accounted for 92.9% of the total workforce in our overseas oil and gas operation.

### Local Hiring

We continuously improve the workforce localization, attach great importance to attracting and retaining excellent local talents, enhance the training

### Major progress in education and training in 2018

- The number of trained employees: 800,000, total training hours: 21 million
- Training coverage ratio of senior skilled personnel and key operation post employees: 100%; training coverage ratio of front-line employees: 100%
- Remote training: 6.24 million person-times, 8.75 million hours, 252 projects, online examinations: 620,000 person-times

### Employees' participation in skills competitions in 2018

<ul style="list-style-type: none"> <li>■ Competitions for the refining sector, the pipeline sector and enterprises in Western China</li> </ul>	<b>A total of 2,077 people entered for contests in 13 categories</b>
<ul style="list-style-type: none"> <li>■ The 6th China National Staff Welding Professional Skills Contest</li> <li>■ "Revitalization Cup"–14th National Youth Vocational Skills Contest</li> <li>■ China National Catalytic Cracking Skills Competition</li> <li>■ The 10th Petroleum and Chemical Industry Vocational Skills Competition</li> <li>■ BRICS 2018 Future Skills Challenge</li> </ul>	<b>A total of 9 gold medals awarded, 29 individuals and 22 entities commended</b>

of local employees, and increase the proportion of locals in important technical and management posts. Our local hiring policy not only enables the local employees to play an increasingly important role in the company's development, but also helps to build a talent pool for the sustainable development of local petroleum industry.

## Respect Cultural Diversity

We respect employees' individuality, varied ability and experiences, and cherish their different talents. We make every effort to eliminate the employment and occupational discrimination, create a relaxing and tolerant working environment, and promote the mutual respect and understanding among employees from different nations, areas and cultural backgrounds.

## Employee Health

We cherish employees' life and attach great importance to their health. Striving to provide a favorable working environment for the physical and psychological health of our employees, we have established a mental health platform and rolled out a series of policies and measures to ensure that they can work with fit bodies and positive attitudes.

## Occupational Health

In 2018, we revised the occupational health file management system, established standards for the quantitative review and inspection of occupational health in oil and gas fields and other workplaces, and strengthened the basic management of occupational health. We trained occupational health management personnel and launched the Occupational Health Awareness Week, and conscientiously implemented "occupational health protection for a healthy China", a national concept for occupational health protection. In 2018, 99.35% of our employees received occupational physical examinations and the detection rate of occupational hazard factors stood at 99.66%.

## Mental Health

We take measures to continuously improve the employee recuperation and vacation system. We implement the Employee Assistance Program



(EAP), set up hotlines and website for psychological consultation, and carry out various forms of training on mental health improvement, in order to help employees build a positive and healthy mindset. In 2018, we continued to implement mental health service projects overseas to care for our overseas employees' mental health. We assigned psychologists to carry out the activity of Bringing Sunshine to Overseas Projects and provide on-site mental health consultation services in Kazakhstan, Brazil, Peru, Venezuela and some other countries.

### CNPC EAP overseas

EAP online platform	Psychologists on-site counseling	EAP training
<p><b>Improve psychological counseling service efficiency</b></p> <p>About 1,200 hours of mental health counseling services provided</p>	<p><b>Help employees improve stress management capability and better maintain family bonds</b></p> <p>Assigned psychologists to carry out the activity of Bringing Sunshine to Overseas Projects and provide on-site mental health consultation services in Kazakhstan, Brazil, Peru, Venezuela and some other countries</p>	<p><b>Improve EAP talents training</b></p> <p>A total of 10 sessions of psychological crisis response training, 3 sessions of EAP ambassador training, and 7 sessions of Family Happiness Camp</p>