



## Human Resources

At CNPC, we actively push ahead with the reform of talent development system and strengthen talent pool building to develop an innovative and motivated workforce and provide an enabling environment for employees' self-realization.

Upholding the people-first concept, we attach great importance to safeguarding employees' legal rights and interests, building an effective platform for employees' career development, and promoting the localization and diversification of our overseas workforce. We pay close attention to the physical and mental health of our staff, care about their life, and ensure that all employees could benefit from the company's development and grow along with the company.

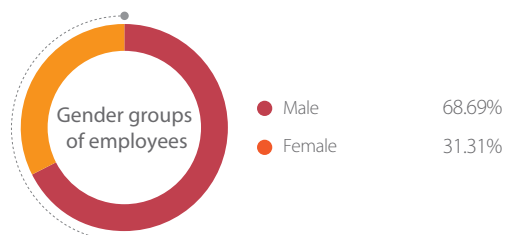
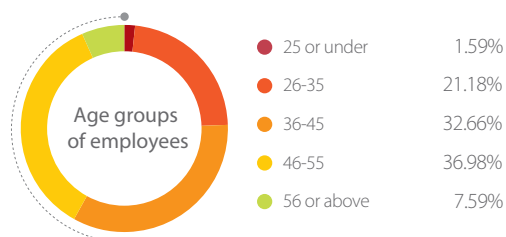
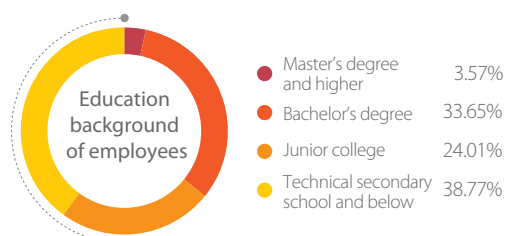
## Employees' Rights and Interests

Strictly complying with international conventions on labor and human rights, we respect and safeguard employees' legal rights and interests, and advocate an employment policy focused on equality and non-discrimination. We continue to perfect the compensation and benefits system, and improve workplace democracy, 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, and strive to increase the percentage of women and ethnic minorities, and guarantee fair compensation, benefits and career development opportunities for all employees.

In 2020, we participated in the "Boosting Jobs amid the Pandemic" Initiative of state-owned enterprises and increased the number of graduate hires, recruiting 6,492 fresh graduates throughout the year, of which 36.6% were masters or PhDs. As of the end of 2020, 31.31% of the company's employees are female, and 37.22% hold bachelor's degree or higher.



## Compensation and Benefits

We intensify our efforts to reform the remuneration and benefits system, improve policies on enterprise annuity and supplementary medical insurance, and further improve the salary distribution system which is more performance-based and profit/efficiency-focused. We have formulated and issued the incentive measures on performance excellence, improved a differentiated approach to salary distribution, pushed ahead with a dividend-sharing system in sci-tech enterprises and promoted the inclusion of various factors in salary distribution. Priorities are given to high-productivity and high-profit subsidiaries, as well as to front-line workers, key position staff and talents with much-needed expertise and skills to make employees feel valued. 100% of our employees are covered by labor contract as well as *the Social Insurance Law of the People's Republic of China*.

## Employee Engagement

The company has a democratic management system and an open bulletin system based on workers' congress in place to encourage employee engagement in company management. We have established multiple channels to communicate with employees for opinions through employee representative meetings. In addition, we guarantee the employees' rights to know, participate, manage, vote and supervise to improve employee engagement constantly.

## Career Development Platform

To accommodate the needs for career development of our employees at different stages, we stress the importance of career planning, promote innovation in the environment and mechanism for talent development and bolster the resource pool system to support talent development. All this provides a great platform for employee self-realization.

## Education and Training

At CNPC, a "two-tier planning and three-tier training" mechanism is adopted to ensure participation and effectiveness of employee training. We unleash the potential of human resources through "Internet + training" and introduce new training methods to meet the diverse and differentiated needs for training. We strive for positive interaction between employee development and business growth to improve qualities and competences of our employees effectively. In 2020, our spend in employee training totaled RMB 1.45 billion, covering 8,400 training programs and achieving a "full coverage" for employee training across the organization during the pandemic.

We emphasize on the "Four Talent Training Projects". Training of managerial personnel is focused on improving ideological qualities and leadership capabilities; training of technical experts maintains a focus on the latest scientific and technological theories and innovation capabilities; training of skilled operators is aimed at improving overall competences and professional skills; training for key position staff in international operation is designed to cultivate high-level international talents.



An innovative and motivated talent development environment enables employees' self-realization



In 2020, we

**Beefed up the building of a standard system for on-the-job training**

- Launched the first training course design competition and providing a shared platform for employee training
- Started the building of HR cadres qualification training system and the on-the-job training standard system to set out the structure and sequence of the training system

**Promoted "Internet + Training"**

- Brought online the CNPC e-learning APP, which integrates mobile learning, training management and knowledge management
- Offered 252 online training programs in the form of live streaming, online examination and hybrid virtual/in-person training etc.



The first training course design competition

We appraise and recognize model workers, outstanding workers, technical experts and academic leaders, encourage employees to participate in award programs at home and abroad, and commend their success in the forms of financial rewards and social recognition. Job skill competitions are conducted regularly, in combination with on-the-job training, to help achieve skill excellence and motivate front-line employees.

**Career Development**

We attach great importance to the career planning of employees and support the career development of employees to realize their value. In 2020, we continued to deepen the reform in technical rank-based career development, improve job rotation and incentive mechanism to unleash the potential of employees and create an independent, unimpeded and stable career path for technical staff. We pushed ahead with the talent training initiatives including Oil Scientist Training Program, Petroleum Master Program and Outstanding Young Technician Training Project so as to enable upward mobility for innovative talents.

As of the end of 2020, we have 23 CAS and CAE academicians, 185 senior technical experts and 468 technical experts. In addition, we have set up 112 Skilled Expert Workshops with 380 Skilled Experts, including 28 National Skilled Expert Workshops.

**In 2020**

We spent RMB **1.45** billion in employee training, covering **8,400** training projects with a total training time of **21** million hours

In-person training: **693,000** person-times; online training: **16,626,000** person-times

**100%** of front-line employees received necessary training

**100%** of senior technicians and operators in key positions received advanced training



## Localization and Diversity

At CNPC, we embrace a culture of respect, openness and inclusiveness and take a profession-based and market-driven approach to local employment. We continue to improve our HR procedures for recruitment, employment, performance review and reward/punishment under the applicable laws and regulations of the host country. Meanwhile, we attract and retain top talent from the local community by providing them with a career development platform.

### Local Employment

We bring job opportunities, employ and train local people, and promote local employees to management positions. Our overseas operations are hiring professional talent in E&P, engineering and construction, international trade, finance, accounting and human resources management in more than 80 countries and regions. As of the end of 2020, we had an overseas workforce of 120,000 employees, including 105,000 local hires and international employees, with a localization rate of 88%. In particular, local employees accounted for 95% of CNPC-invested projects.

### Respecting Cultural Diversity

We give full accommodation to the personality, ability and background of employees, and cherish their varied talents. We make every effort to eliminate the employment and occupational discrimination, create a relaxing and inclusive working environment, and promote the mutual respect and understanding among employees from different ethnic groups, nationalities and cultural backgrounds.

### Training on cultural diversity management at Abu Dhabi project

The Abu Dhabi project is one big family with employees from Asia, Europe, Americas and Africa. A cultural diversity management training program is implemented to promote understanding among employees from diverse ethnic, cultural or religious backgrounds and address cultural collisions in workplace.

World's top experts are invited to work with leading teams in cross-cultural communication training in designing and deploying a training course on "managing cultural diversity and building a learning organization in a multinational company". The training course comprises "preparation of questionnaires on trainee information" + "short sessions on key topics" + "one-on-one competency assessment" + "assessment report analysis and improvement" etc., aiming to find out how well managers perform in a multi-cultural working environment, give suggestions for improvement in the form of one-on-one review to boost performance. The training course is well received by all participants.

## Employee Health

We give top priority to employees' life and health. We have rolled out a series of policies and measures to provide a favorable working environment for the physical and psychological health of our employees and ensure that they can work in good physical conditions with positive attitudes.

## Occupational Health

As part of our ongoing efforts to improve occupational health of our employees, we launched a health risk assessment project, an occupational health survey and a publicity campaign on the *Occupational Disease Prevention and Control Law* in 2020. We released the implementation plan for the *Healthy China 2030 Initiative*, pinpointing 12 key tasks and 38 activities and setting forth requirements for mental health, dietary health and pandemic control based on the company's business portfolio and experience on COVID-19 control. In 2020, 99.23% of our employees received occupational physical examinations and the screening rate of occupational hazard factors stood at 99.39%.

## 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 of employees. In 2020, given a new normal with COVID-19, we organized a team of experts to address employee mental health issues and provided counseling services through help-lines for overseas employees. The counseling services under EAP provided a trusted and effective way to seek and receive psychological assistance and ensure the mental health of overseas employees and their families.

## Fighting COVID-19 for the health and safety of overseas employees

In the face of the raging COVID-19 pandemic, we have established a comprehensive system to safeguard employee wellbeing in our overseas operations by identifying the need for COVID-19 supplies, creating an online medical assistance platform, offering online lectures on pandemic control and providing overseas medical teams with access to the resources at domestic healthcare institutions.

As of the end of 2020, we reported zero COVID-19 cluster case and zero COVID-19 related employee death in overseas operations.

