

Human Resources

At CNPC, we regard innovation as the key growth driver and talent as the greatest asset. We build up a strong talent pool to support business growth by deepening the reform of talent development system, implementing the talent-driven corporate development program, and maximizing the value of talents. Upholding the people-first concept, employees' all-round development is one of our top priorities. We strive to safeguard employees' legal rights and interests, build an effective platform for career development of our employees, pay close attention to their physical and mental health and ensure all employees can grow along with the Company while benefiting from the Company's development and innovation.



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

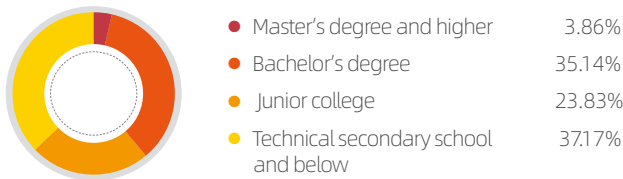
We always value and safeguard the lawful rights and interests of our employees in line with the "people come first" principle. We strictly comply with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and the *Trade Union Law of the People's 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. We endeavor to create jobs in minority areas and poverty-stricken areas. We uphold the rights and interests of women and ensure that female employees have equal remuneration, benefits and career development opportunities. A hundred percent of our employees are covered by labor contracts and social security programs in accordance with the *Social Insurance Law of the People's Republic of China*.

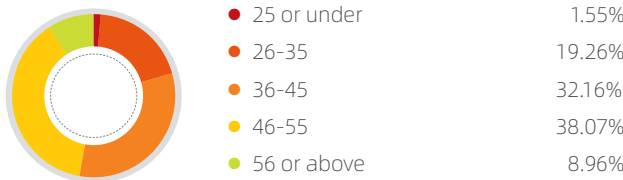
Remuneration and Incentives

In 2021, in line with the theme of high-quality growth, the Company continued to improve the institutional system and the market-oriented remuneration mechanism with a focus on boosting quality and efficiency, advancing scientific and technological innovation, and talent-driven corporate development program. Incentives measures for performance excellence were optimized and the competitive and profit/efficiency-focused salary distribution system was perfected. Meanwhile, the salary structure was optimized to improve internal distribution, with priorities given to front-line workers, key and demanding positions and technical professionals. Medium- and long-term incentives were studied and formulated for implementation in an orderly manner to keep core staff motivated. The human capital management program advanced with improvements in talent-oriented incentives, market-based salary distribution and salary differentials to increase incentives for personnel of high-level management skills, experts in R&D of key technologies, and top talents with much-needed expertise.

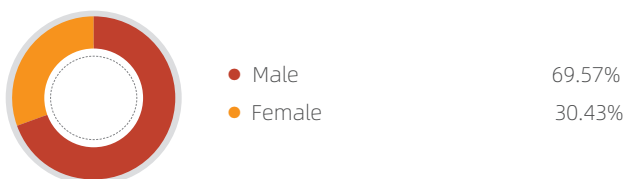
Educational background of employees



Age groups of employees



Gender groups of employees



Employee Engagement

At CNPC, we value the role of our employees in democratic management, democratic participation and democratic supervision. A democratic management system and an open bulletin system based on workers' congress and the labor union are in place to ensure employees' right to know, participation, and supervision. A variety of channels for internal communication are available and democratic procedures are followed to encourage employees to offer their opinions and advices regarding the Company's development through meetings with employee representatives and online interactions etc.

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 provide the necessary resources to support talent development. All this provides a great platform for employees in self-realization.

Education and Training

At CNPC, we unleash the potential of human resources through “Internet + Training”, based on the modern practices of corporate training and the fast-paced transition towards e-training. A differentiated and diversified approach to vocational training is developed, leveraging needs analysis and innovative forms of training. In 2021, the Company started formulating the *14th Five-Year Plan for Employee Education and Training* to provide a multi-category, multi-tier standardized training system, focusing on encouraging innovativeness, professional competence, and value-creating capabilities. Job-related training standards and curriculum

structure were developed to ensure a comprehensive improvement in standard-based, systematic and disciplined training activities. In 2021, the Company spent RMB 1.52 billion on trainings, and of the number of people receiving training from the Company’s face-to-face and online training programs totaled 318,000 and 14.36 million person-times respectively.

Career Development

At CNPC, we attach great importance to the career planning of employees and support the career development of employees to realize their value. Upholding the principle that “a talent shall possess both integrity and ability and the former takes precedence”, the Company strives to create a positive atmosphere for all kinds of talents to stand out and excel, based on a democratic, open, competitive and merit-based mechanism for talent selection. In 2021, the Company moved forward with the top tech talent program and the leadership succession planning. Meanwhile, the Company improved the mechanisms for job rotation, evaluation, selection/



New employees’ training at Dushanzi Petrochemical

appointment, and remuneration incentives to provide employees with a barrier-free and well-paced career path.

As of the end of 2021, the Company has established 92 Skilled Expert Workshops, including 28 National Skilled Expert Workshops, which serves as an effective platform for career development.

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. In line with the *Local Hiring Guidelines for Overseas Projects*, 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 encourage innovation and best practices in the management of locally hired employees, and attract and retain top talents from the local community by providing them with a career development platform.

Promoting local employment

At CNPC, we create job opportunities, employ and train local people, and promote local employees to management positions. Our overseas operations are hiring professional talents in E&P, engineering and construction, international trade, finance, accounting and human resources management in more than 80 countries and regions. In 2021, international employees and local employees accounted for 86.67% of the Company's overseas employees.

Respecting Cultural Diversity

At CNPC, 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.

Overseas talent development through international work skill competition

In June 2021, the Company held the first work skill competition for overseas employees. The competition was held online simultaneously in China, Kazakhstan, Uzbekistan and Myanmar. More than 3,000 local employees from the Company's overseas projects participated in the competition, and 16 individuals and 8 groups were recognized with a prize. As a platform for overseas employees to demonstrate their talent in work skills, the work skill competition encourages personal development and helps improve the overall level of work skills in the host country.



The employees of Oman project sharing ideas with each other

Employee Health

At CNPC, we treasure employees' life and attach great importance to employees' health. We have rolled out a series of policies and measures to provide a favorable working environment for the physical and mental health of our employees and ensure that they can work in good physical conditions with positive attitudes.

Occupational Health

At CNPC, we give priority to improving occupational health of our employees. In 2021, under the *Healthy China 2030 Initiative*, the company issued the *Measures for Occupational Health and Employee Health Management* and the *Measures for Employee Physical Examination Management*, held the Occupational Disease Prevention Law Awareness Week and implemented organization-wide occupational health monitoring. In 2021, 100% of our employees received occupational physical examinations, the screening rate of workplace occupational hazard was 99.92%, and occupational health records were prepared for 100% of our employees.

Mental Health

At CNPC, we take measures to continuously improve the employee recuperation and vacation system. We offer various forms of training on mental well-being to promote positive and healthy attitudes among our employees. In 2021, the company continued to provide overseas employees with consulting services under the employee assistance program (EAP) to relieve stress, ensure good health at work, and improve quality of life.

Overseas Employee Assistance Program

- ◆ The help-lines for overseas employees provided 1,228 hours of counseling service in 2021
- ◆ Overseas employees and their family members were invited to join the “Love on the Cloud” online lectures on mental health
- ◆ The IAP for employees was upgraded to provide consulting services in different ways and forms

Occupational health examination (% of employees)

100%



Occupational health records (% of employees)

100%



Screening rate of workplace occupational hazard

99.92%



The first overseas “Hearty Hut”

In 2021, CNPC's first Hearty Hut, an employee mental health center integrating knowledge with fun, opened in N'Djamena, the capital of Chad. Equipped with a variety of devices for emotion measurement and stress management, the Hearty Hut is designed to support employees in properly evaluating their sleep, anxiety and depression conditions. At the same time, the results are used in designing targeted training on concentration, meditation and emotional management to help employees deal with stress and emotions. In addition, the Hearty Hut has also developed an online and offline emotion management training system for family members of overseas employees to enhance family coherence and sense of companionship.



Feature

Implementing the talent-driven corporate development program to invigorate the industry and serve the nation

Talent is indispensable for a nation as well as a business. President Xi Jinping pointed out that talent is a strategic resource for realizing national rejuvenation and seizing the initiative in international competition. As the timeframes of the Two Centenary Goals converge, amid the opportunities and challenges coming with the green and low-carbon development in the energy industry, the Company has formulated the talent-driven corporate development program, aiming to create a dynamic human capital ecosystem and an outstanding talent pool to serve our high-quality growth.

Setting goals for talent-driven corporate development

In 2021, the Company issued the *Action Plan for Talent-Driven Corporate Development*, setting out the guidelines, goals and major tasks for the program.

In the first stage, the Company will make new breakthroughs in institutional innovation, high-level talent acquisition and structural optimization to form balanced and coordinated talent strength by 2025.

In the second stage, the Company will build up the capabilities in unleashing talent vitality, empowering talent-led innovation and manifesting value creation to form a high-quality talent pool and rank top among SOEs in terms of talent strength by 2030.

In the third stage, the Company will tailor the size, quality, structure and succession planning of its talent pool to the strategic goal of building a world-class company and enjoy a world-leading position in terms of value contributed by talent and talent strength by 2035.

Improving the institutional system for talent

After intensive studies on the measures for talent-driven corporate development, the Company has formulated the work program and supporting documents centered on ten talent schemes and the mechanism to train & groom, attract & pool, appraise & motivate, and use & develop talents, including the *Action Plan for Talent-Driven Corporate Development*, the *Human Resource Value Evaluation Method (Trial)* and the *Talent Development Scheme for New Energies, New Materials and New Businesses, etc.*, to create an integrated policy system for the orderly implementation of the talent-driven corporate development program.

Creating a coordinated and efficient mechanism

In alignment with the 14th Five-Year Plan and the medium and long-term strategic goals, the Company has developed the *2021-2025 Roadmap for Talent-Driven Corporate Development Program* and the *2022 Schedule of Talent-Driven Corporate Development Program* and formulated the *100 Q&As for CNPC Talent-Driven Corporate Development Program*. Talent review methods are developed by category and the results of work are included in the review of the management in order to push ahead with the talent-driven corporate development program step by step.

Ten talent schemes

Serving the innovation, resources, market, internationalization, green and low carbon strategies, the overall development of talent pool is based on the optimization of organizational system, guided by talent-driven value creation and powered by the key talent schemes.

- ◆ Organizational System Optimization Scheme
- ◆ Talent-Driven Value Creation Scheme
- ◆ Scheme to Forge Cadres with Firm Stand, Complete Competence and Strong Will
- ◆ Management Team Function Enhancement Scheme
- ◆ High-level Tech Talent Scheme
- ◆ Talent Pooling Scheme for Scientific and Technological Innovation
- ◆ Skilled Talent Training and Development Scheme
- ◆ International Talent Acquisition Scheme
- ◆ Talent Succession Scheme
- ◆ Talent Development Scheme for New Energies, New Materials and New Businesses

Facilitating talent pool development

At CNPC, we implement and improve the mechanism to train & groom, attract & pool, appraise & motivate, and use & develop talents, press ahead with the ten talent schemes, and step up efforts to provide the ladder, platform and favorable environment for talent with management, R&D and technical expertise to encourage entrepreneurship, scientific spirit, craftsmanship and hard work, continue to inject momentum into our talent pool and boost value contribution by talent.

To train and groom talent

The Company kept adapting its talent training to the needs of talent at different levels, i.e., key training schemes for top tech talents and “petroleum masters” and training programs for new employees. Based on the “Internet + Training” model, CNPC E-Learning offered online training sessions to 500,000 people in 2021, totaling more than 10 million hours.

Apprenticeship programs for skill training

During July 4th to 13th, 2021, the ILO (International Labor Organization) Capacity Building Workshops on Quality Apprenticeship & CNPC Top Skilled Talent Development Week was held at Daqing Oilfield. In 2021, the Company was selected by the Ministry of Human Resources and Social Security as the only SOE to work with ILO on an international pilot program on quality apprenticeship.



To attract and pool talent

The top-level framework designed for talent acquisition was strengthened to attract international talents with strong expertise in key technologies based on specified job requirements via a global recruitment platform. In 2021, the Company recruited 6,599 graduates through on-campus recruitment events, with 40.5% of new recruits holding a master degree or above.

To appraise and motivate talent

The talent evaluation mechanism continued to improve. The *CNPC Rules for Professional Skill Level Certification* were revised to facilitate the transformation and upgrading in skilled talent evaluation practices. A standardized technical title assessment system was put in place to promote the alignment between talent pool development and business growth.

To use and develop talent

At CNPC, we respect the basic principles of talent development and technological innovation. An innovation platform for technical experts was developed to facilitate innovation and value creation activities of high-level skilled talents. The first innovation fund for skilled talents in China was set up. As part of the efforts to improve quality and efficiency, top skilled talents were dispatched to provide assistance to member companies. In 2021, 531 technical problems were tackled and 53 national invention patents were granted.

In 2021, the Company's talent-driven corporate development program made solid progress. Under this program, one CNPC employee was elected as an academician of the Chinese Academy of Engineering; one was named as Craftsmen of the Nation; two received the China Skills Award; two were elected fellow of the China Chemical Industry Association; three received the 4th National Outstanding Engineer Award; 14 were awarded the title of National Technical Expert; a total of 28 gold medals, 34 silver medals, and 47 bronze medals were awarded to CNPC employees in national skill competitions, the best results over the past years. At CNPC, talents are marching ahead into the new era with high morale to make new achievements.

The Company has decided to dedicate the year of 2022 to pushing ahead with the talent-driven corporate development program. With a strong commitment to the talent-driven growth strategy and focusing on building a strategic talent force, we strive to provide competent human resources and intellectual support for a world-class enterprise built to last.



In 2021

■ New Employee Training Program

- ◆ The *Guidance on Strengthening the Training for New Employees* was issued, aiming to create a step-by-step framework for onboarding, follow-up training and further education of new employees
- ◆ The Chairman of the Board of Directors gave nearly 120,000 young employees online their first lecture at the Company

■ Employee Competency Enhancement Plan

- ◆ Training courses were developed for nurturing professional talents in five key areas, i.e., upstream business, refining and chemicals business, oilfield services, engineering and construction, as well as marketing
- ◆ More than 21,000 employees were trained from the headquarters of the Company

■ International Thousand Talents Program

- ◆ More than 140 young employees received training in IT, international business and foreign language skills under the succession plan

CNPC set up China's first innovation fund for skilled talents

On May 13, the CNPC Skilled Talents Innovation Fund was launched in Beijing as China's first innovation fund for skilled talents. As a measure to implement the innovation strategy on the production front lines, the fund will encourage the innovation activities of front-line technical talents and provide financial support for their efforts in technical upgrading and technological research, facilitating technological commercialization and further enhancing quality and efficiency.