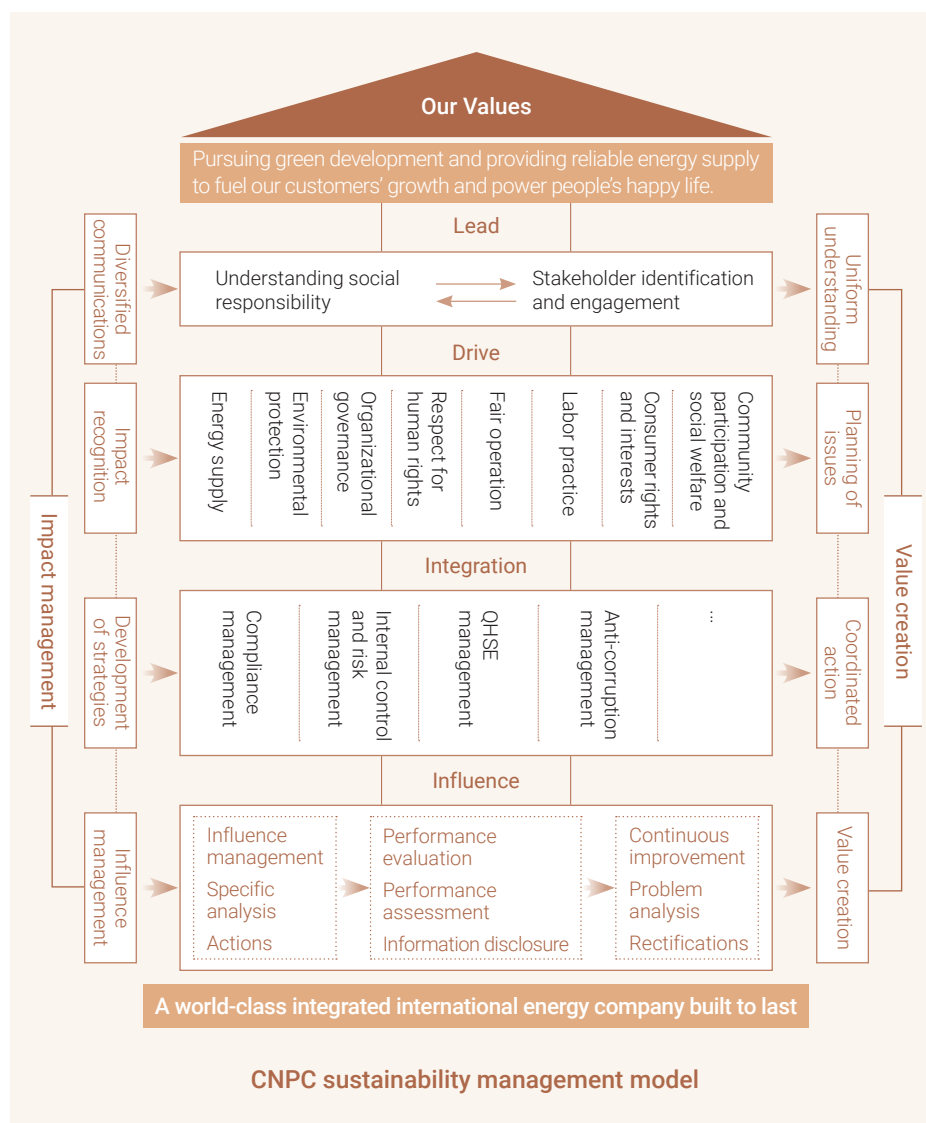


SUSTAINABLE DEVELOPMENT MANAGEMENT

Concept of Sustainable Development

For a company, fulfilling its corporate social responsibilities is not only a necessary path to achieve economic, environmental and social sustainability, but also an inevitable choice for its own sustainable development; it is not only an external requirement to adapt to economic and social development trends, but also an internal requirement to enhance its sustainability; it is not only an important way to change its development mode and achieve sustainable development, but also a strategic requirement for expanding its international operations.

Adhering to legal operation, we are honest and trustworthy, conserve resources and protect the environment, insist on the people-oriented principle and build a harmonious enterprise, in order to make returns to society and realize value sharing. We aim to achieve the organic unity of economic, environmental and social responsibilities, and strive to become an outstanding global corporate citizen with higher profitability, stronger brand influence, and a sound reputation in society.



Management Mechanisms

Sustainable development management is an important part of CNPC's drive for deepening the modernization of its governance system and capabilities. At CNPC, we regard the establishment and improvement of the social responsibility management mechanism as a fundamental task in advancing sustainable development management. Focusing on system establishment, organizational structure and capability building, we have established a set of comparatively comprehensive sustainable development management mechanisms.

System Building

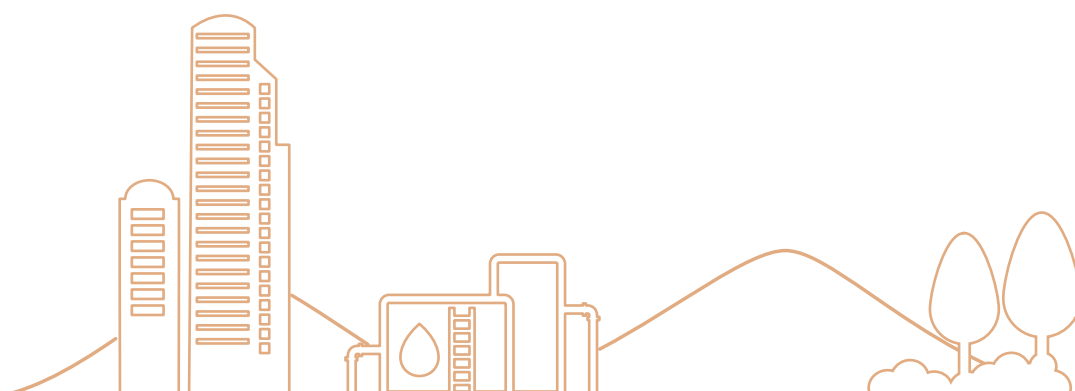
We have developed a "1+N" system, with the "Guideline of CNPC on Fulfilling Social Responsibility" as the guiding document for sustainable development management. Focusing on corporate governance, energy transformation, green and low-carbon, safety production, product quality, employee health, and social welfare, laying a solid foundation for sustainable development management (see corresponding chapters of this report for details).

Organizational Structure

The Social Responsibility Management Committee is responsible for making social responsibility strategies and plans. The Committee is composed of heads of headquarters functional departments, with a company leader as the director. Meanwhile, we have established an External Experts Committee and regularly hold meetings to solicit professional advice on social responsibility management and best practices, and to provide support for our decision-making. At the headquarters, we have set up the Social Responsibility Office for CSR implementation, which is responsible for organizing and coordinating the planning and implementation of our social responsibility work. A working mechanism has been established, in which the Committee takes the lead, departments in charge organize the work, business sectors take respective responsibilities and affiliates are fully engaged. This has effectively ensured the progress of our social responsibility standards and planning.

Capacity Building

We actively carried out research in the field of social responsibility, promoted CSR education and training, and boosted communication with relevant organizations at home and abroad, in order to continue enhancing CSR awareness and our capability to fulfill responsibilities among all employees.



CNPC and UN SDGs

The UN SDGs represent the greatest consensus of mankind on sustainable development. CNPC gives full play to its own advantages, and seeks opportunities through meeting social development and addressing common challenges, striving to contribute to the achievement of the United Nations Sustainable Development Goals.



We implemented Rural Revitalization Project to help eliminate poverty in all forms.

- ▶ We earmarked RMB 659 million in rural revitalization and social welfare



We took action to restore farmland, boost agricultural production and supply water to rural areas to promote local agricultural development.

- ▶ We provided assistance in spring plowing, summer planting, summer harvesting, summer field management and autumn harvesting
- ▶ We invested RMB 10 million in a project to build high-standard farmland and feed processing plants in Qinghe County, Xinjiang, and upgraded a pressurized drip irrigation system for 2,000 acres of farmland to boost agricultural production



We publicized a healthy lifestyle, and provided free medical services to the public. We paid great attention to employee health, and implemented the Employee Assistance Program (EAP).

- ▶ Our employee occupational health examination rate reached 99.41%.
- ▶ Our psychological hotline provided services for about 1,618 hours



While promoting traditional education projects, we explored new models to help solve the problem of educational equity.

- ▶ We earmarked RMB 65.31 million in supporting education
- ▶ We granted CNPC Scholarships to 685 students
- ▶ The "Xuhang Program" helped 3,313 students in poverty



We upheld gender equality, respected and protected female employees' legal rights and interests, and paid attention to the demands of female in poverty-stricken areas, to help them enjoy a better life.

- ▶ We advocated an employment policy based on equality, and the proportion of female employees is 28.7%.



We improved water use efficiency, and strengthened water resources management and water pollution control. We supported and participated in projects to improve drinking water quality in poor areas.

- ▶ We implemented water resources management throughout the industry chain
- ▶ We implemented programs on drinking water safety



We developed new energies, improved energy efficiency, and enhanced our ability to supply natural gas.

- ▶ We added 10.45 million square meters of geothermal heating area
- ▶ Accumulative installed wind and solar capacity exceeded 5 million kW.
- ▶ A total of 21 hydrogen refueling stations were built.
- ▶ Domestic natural gas sales volume reached 229.91 billion cubic meters.



We created job opportunities for local people according to applicable labor standards and prioritized local contractors in economically underdeveloped areas.

- ▶ We had a total of 1.0616 million employees
- ▶ Over 40% of fresh university graduates we recruited are from western China



We attached great importance to technological innovation capability building, and supported infrastructure construction in economically underdeveloped areas.

- ▶ We invested RMB 28.94 billion in R&D.



We had no child employment or forced labor, and no form of discrimination in terms of gender, region, religion, nationality, etc.

- ▶ We launched public welfare projects such as "employment empowerment training for women" to promote women's employment



We helped build inclusive, safe, and risk-resilient cities and communities.

- ▶ We assisted in the construction of terraced homestays for rural tourism in Hengfeng County, Jiangxi Province
- ▶ We assisted in the building of an agricultural, forestry, and flower base in Fan County, Henan Province



We intensified our efforts in clean energy supply, sustainable management of natural resources, hazardous chemicals management and pollutant discharge reduction.

- ▶ Emissions of major pollutants continued to decline



We embrace and support the goal of the *Paris Agreement* and actively responded to climate change

- ▶ We formulated and released the *Action Plan for Green and Low Carbon Development*, put forward low-carbon circular economic development, and defined the path for carbon peaking and carbon neutrality
- ▶ CNPC's methane emission intensity decreased by more than 10% year-on-year



We launched the environmental feature acquisition program, and carried out environmental control and monitoring projects, to protect local marine ecological environment and biodiversity.

- ▶ We protected the marine ecological environment in Brazil



We complied with local environmental protection policies, and animal and plant trading laws and regulations, and protected local rare species.

- ▶ We built 3 Other Effective area-based Conservation Measures (OECMs)



We promoted economic prosperity, and pursued peace and growth.

- ▶ We strengthened overseas security management. There were no security-related fatalities in our overseas projects



We cooperated with host governments and partners to address challenges in energy sustainable development.

- ▶ We have energy cooperation with BRI-related countries, and the annual oil and gas equity output in these countries accounted for 83% of the overseas total equity production.
- ▶ Our total international oil and gas trade volume was 500 million tons in 2023.