

3

People-oriented Employee Development

Employees are our most valuable resource and asset, and the Company's development and success are attributed to the joint efforts of all our employees. 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 care about the physical and psychological health and life of our staff, to make all employees benefit from our achievements and realize the common development of both our Company and employees.

SDGs



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 an employment policy based on equality and non-discrimination. We continue to perfect the compensation and benefits system, and improve democratic mechanisms, in order to create a fair and harmonious working environment for employees.

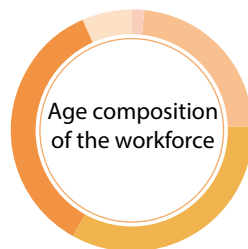
Employment Policies

CNPC always puts people first and values and safeguards the lawful rights and interests of the 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; resolutely prohibit child labor and forced labor; and always aim to promote the employment of women and ethnic minorities. Specifically, we strictly implement the regulations on pregnancy, maternity and parental leave for female employees, and guarantee that the female employees enjoy equal compensation and benefits and career development opportunities. By the end of 2019, the Company had got 53 female senior executives and 1,791 female middle-level managers.



Education background composition of the workforce

■ Master's Degree and above	3.40%
■ Bachelor's Degree	32.54%
■ Junior College	24.11%
■ Technical Secondary School and below	39.95%



Age composition of the workforce

■ 25 and under	1.71%
■ 26~35	22.98%
■ 36~45	33.37%
■ 46~55	35.55%
■ 56 and over	6.39%



Gender composition of the workforce

■ Male	67.64%
■ Female	32.36%



Compensation and Incentives

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 by linking it closely with performance appraisal results. The remuneration system, highlighting on-the-post contribution of employees, 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 in harsh environments in an effort to build motivation and trigger vigor, effectively arouse the enthusiasm, pro-activity and creativeness, and fulfill the value of each employee.

In 2019, we

- Improved the *Measures for Performance Appraisal of Business Leaders* and its detailed implementing rules
- Entered into interim performance contracts for 2019, ensuring full coverage of business leaders in performance appraisal



Democratic Participation

We ensure that our employees play an important role through democratic management, participation and supervision. We have established trade unions, put in place a democratic management system through workers' congress and adopted a transparent approach to factory affairs. Specifically, we have further standardized the content, procedures and model of our open system for factory affairs by clarifying rights and obligations, organizational system, and working processes for the workers' congress. By doing so, the Company has improved our enterprise democratic management.

We have established multiple channels to communicate with employees, continued to implement democratic procedures, and solicited the employees' opinions by holding workers' congress, democratic discussion meetings, and employee representative symposiums. Besides, we guarantee the employees' rights to know, participate, manage, vote and supervise, and encourage them to offer advice and suggestions for the enterprise development.

Career Development Platform

CNPC provides a broad arena for employees to realize their self-value by making innovations in talent growth environment, system and mechanism, addressing the employees' need for professional development at different stages, respecting employees' career planning, and cultivating innovative employees, in accordance with modern enterprise concepts.

Education and Training

Guided by our corporate policy and the principle of high-quality development, we continue to deepen the reform in education/training and tailor the training programs depending on the strategy, problems and needs, for improving all staff's ideological and political quality, professional competence, and duty performance, so as to create a learning culture for the growth of both the Company and individuals.



1.98 billion

Training expenditure: RMB 1.98 billion

100 %

Training rate of frontline employees: 100%

1.023 million

Employees trained: 1.023 million

1.12 million

Remote training: 1.12 million, 2.16 million hours, 110 programs

We enhance the training for: (1) managerial personnel, to improve their political quality and operational leadership; (2) technical personnel, in respect of technological theory and innovation capability; (3) skilled personnel, to improve the comprehensive quality and work skills of front-line personnel; and (4) key personnel at critical positions in core international businesses, to cultivate high-level international personnel.

326,000

Managerial personnel trained: 326,000

169,000

Technical personnel trained: 169,000

528,000

Skilled personnel trained: 528,000

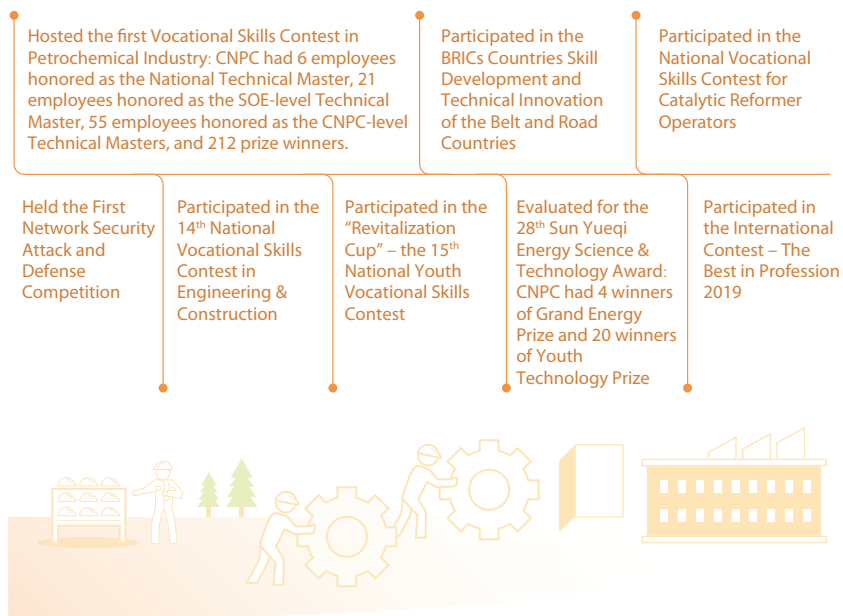
1,000

International personnel trained: more than 1,000

Major Training Programs of "Four Types of Personnel" in 2019

Managerial Personnel	Technical Personnel	International Personnel	Skilled Personnel
Party School training classes of the Company	Petroleum scientists and young technical talents visited domestic and overseas universities and research institutions to attend refresher courses	Training programs for young business backbone in Baker Hughes Oil and Gas University	Held company-wide vocational skills competitions, organized and participated in national and international vocational skills competitions
Training courses for young and middle-aged managers of the Company	Demonstration training courses for principal professional senior technical talents	International taxation management training program in the U.S.	Academic seminars for technical experts of the Company
Training programs for person in charge of Party building, Secretary of disciplinary committee and chief accountant	Technical training program for exploration and development of unconventional oil and gas and drilling in Canada	The Australia-China Natural Gas Technology Partnership Fund training program of National Energy Administration	Carried out the Petroleum Craftsman Development Program
Training sessions for business managers to level up their leadership	Experts training courses in Gazprom and Rosneft	"Thousand People Training Project" for international talents	Various demonstration training programs for advance-skilled talents
Visiting scholar programs for Stanford University			
International training programs for heads of enterprises to communicate with overseas petroleum companies			

We improve employees' vocational skills and professional abilities through the combination of training and competition such as vocational skills competitions. Through these measures, we promote the development of front-line employees and test the results of grassroots training.



Career Development

We attach great importance to the career planning of employees and support their career development to realize their value. In 2019, we continued to promote professional-rank personnel management and improve the mechanisms of dynamic job transfer and incentive mechanism to fully unleash the potential of employees and provide technical professionals with independent, unimpeded and stable career development paths. We implement the Oil Scientists and "Petroleum Craftsman" training programs and Outstanding Young Technician Training Project, so as to open channels for the growth of innovative talented people.

By the end of 2019, CNPC had 22 academicians at the Chinese Academy of Sciences and the Chinese Academy of Engineering, 569 on-the-job experts entitled to the Government Special Allowance, and 113 senior technical experts. We had set up 93 Skilled Expert Studios, including 18 National Skilled Expert Studios with 385 skilled experts.

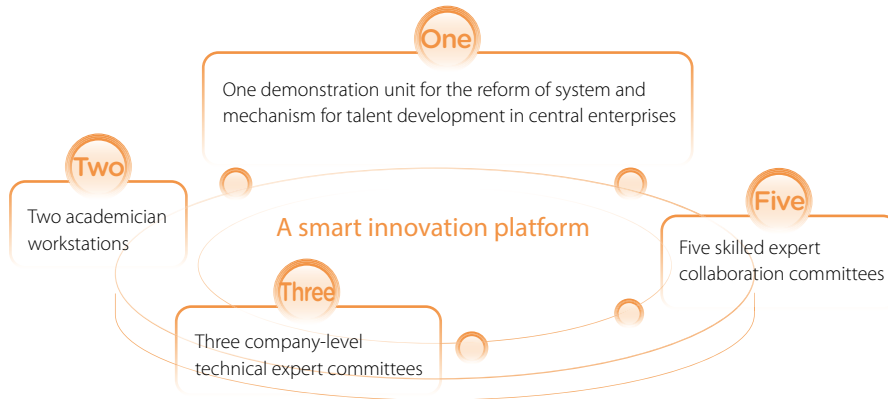
Case Study

"China Skills Carnival 2019 — Approaching CNPC"

CNPC carried out, in conjunction with the Ministry of Human Resources and Social Security and the State-owned Assets Supervision and Administration Commission of the State Council, the "China Skills Carnival 2019 — Approaching CNPC", or the Year for Promoting the Skilled Personnel Training and Development Project.

Since the initiation of the project, over 30 subsidiaries of CNPC have organized 263 symposiums, 26 technical sessions among skilled expert studios, and 46 rounds of on-site technical services; fixed 325 field operation related problems, applied for 23 patents, and promoted 465 front-line innovations; held 56 skill contests/competitions and 453 sessions of skill-enhancing training; trained more than 23,000 senior skilled personnel, and nearly 300,000 operational personnel.

Form a smart innovation platform



In 2019, we had **one** newly-elected academician of Chinese Academy of Engineering and **two** employees qualified for the Hundred, Thousand and Ten Thousand Talents Program

Selected **304** candidates for young technological talents training and **100** candidates for the "Petroleum Craftsman" training program

Skilled Personnel		Innovation Talented People
Career development system for skilled personnel	"Petroleum Craftsman" training program	Innovation and efficiency improvement
Create an institutional environment in which skilled personnel develop rapidly and give full play to their role	Foster top-level talents to play the leading role as skilled experts	Innovation and efficiency improvement
<ul style="list-style-type: none"> Organized the "China Skills Carnival 2019 – Approaching CNPC" Promoted the skills ranking in enterprises Established a nine-level promotion system for key skilled personnel at key positions Developed bonus criteria for selecting senior skilled personnel Revised administrative measures for vocational skills competitions Conducted selection, evaluation, use and assessment of senior skilled personnel Set up platforms to exchange skills development, enhance the capabilities of operators, and support front-line production technology 	<ul style="list-style-type: none"> Organized high-end skills seminar and vocational training Hosted skill exchange activities for skill experts and organized cross-enterprise, cross-region and cross-profession skill exchanges for key training subjects Assigned key "Petroleum Craftsmen" to famous universities at home and abroad for advanced academic study 	<ul style="list-style-type: none"> Organized the activity of "Patriotism and Contribution in the New Era" Performed the Oil Scientists Training Program Implemented the Outstanding Young Technicians Training Project Organized strategic consultation among academicians Organized technical consultation among senior technical professionals Organized petroleum forums

Case Study Wang Qimin, the "People's Model" and "Superb Striver"

Wang Qimin started his work in Daqing Oilfield in 1961 and has been engaged in geological development and research, contributing greatly to the high and stable production in the oilfield. He has led and participated in 8 major development pilot projects, over 40 scientific research projects and preparation of the Seventh, Eighth and Ninth Five-Year Development Plans for Daqing Oilfield. He won 19 awards including the National Science and Technology Progress Award – Special Award and the National Science and Technology Achievement Award – Special Award.

On September 17, 2019, Wang Qimin was honored as the "People's Model" by the Standing Committee of National People's Congress. On September 25, 2019, Wang Qimin was awarded the "Superb Striver" by the Publicity Department of the CPC Central Committee.

"I've done but one thing all my life, that is how to best develop the Daqing Oilfield", says Wang Qimin.

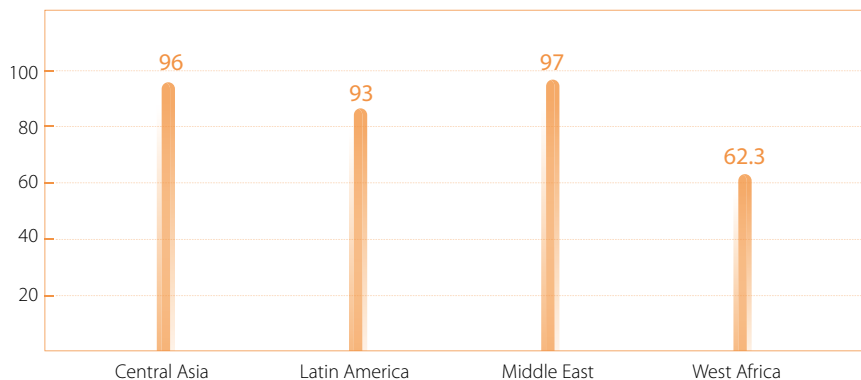
Local Hiring and Diversity

We embrace a respectful, open and inclusive culture, and are committed to the localization, professionalization and marketization of overseas employees. We abide by all laws and regulations of the host countries. We establish an optimal system for hiring, deployment, performance appraisal, incentives and penalties. We strive to attract and train top local talents and to provide them with a working environment conducive to their employee development.

Local Employment

We actively recruit and train local employees and do not discriminate against local candidates for managerial positions, providing local people with job opportunities. Professionals employed in our overseas projects involve multiple disciplines, such as exploration and development, engineering construction, international trade, finance, accounting and human resources management, covering over 70 countries/regions. In 2019, international and local employees accounted for 84.92% of our overseas workforce.

Proportion of local employees in CNPC's overseas business in 2019 (%)



Case Study

I'd like to Keep Working in PetroChina

Michel Amod, a Chadian aged 35, was an undergraduate of electrical engineering. He joined the Chad Project of PetroChina Daqing Oilfield in 2012.

Under the guidance and training of Chinese technical experts, Michel has progressed to become an expert in the electrical engineering. He also trained six apprentices. Michel was distinguished twice as Excellent Staff in the Chad Project. In 2018, he was invited for an on-site visit to Daqing Oilfield as Outstanding International Employee.

"The Company provides me with access to advanced electric engineering technology in addition to good welfare. My Chinese colleagues are very kind to me, as good friends. I'm very satisfied with PetroChina and would like to keep working here".

Respect for Cultural Diversity

We respect our employees' individuality, ability and varied experiences, and cherish their diversified talent. We make all efforts to eliminate the employment and occupational discrimination, create a relaxing and tolerant working environment, and promote the mutual respect and understanding among employees of different nations, areas and cultural backgrounds.

Case Study

Cultural Exchanges of PetroChina International (America) Inc.

At the activity organized by PetroChina International (America) Inc. to celebrate China's Mid-Autumn Festival, some Chinese employees explained the origin of the festival and introduced how to make mooncakes. Local employees were very interested in the activity and vigorously interacted with the Chinese employees.

In addition, PetroChina International (America) Inc. organized various cultural exchanges, team building, mutual assistance and community service activities to promote cross-culture communication and integration among employees.

Physical and Psychological Health

We cherish employees' life and attach great importance to their health. We strive to provide a favorable working environment for the physical and psychological health of our employees and have established a mental health platform and introduced a series of policies and measures to guarantee their physical and psychological health.

Occupational Health

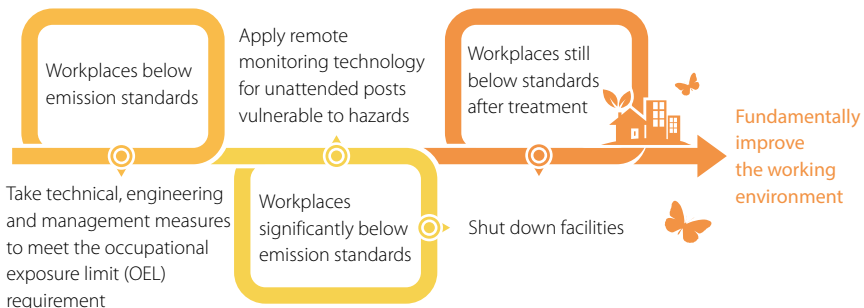
We attach great importance to staff occupational health protection. In 2019, we drafted the detailed rules on Quantitative Audit on Occupational Health, which are based upon the characteristics of functions. We carried out special occupational health inspections and organized the event of the 2019 Publicity Week of the *Law on Prevention and Control of Occupational Diseases* to improve the occupational health status of employees. We prepared a *Plan for Implementing the "Healthy China 2030" Outline* to thoroughly fulfill the requirements of the Healthy China Initiative and further strengthen employee health management.



Key Actions for Occupational Health in 2019

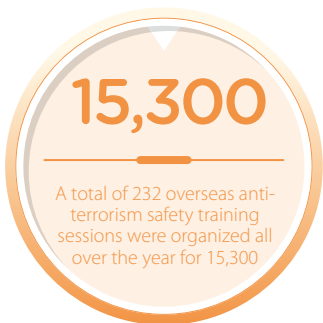
Occupational health management	<ul style="list-style-type: none"> Drafted the detailed rules on Quantitative Audit on Occupational Health and the on-site checklists, which are based upon the characteristics of functions
Response to "Healthy China 2030"	<ul style="list-style-type: none"> Prepared the <i>Plan for Implementing the "Healthy China 2030" Outline</i>. Acted as per the <i>Healthy China 2030</i> to enhance employee health management
Occupational health awareness	<ul style="list-style-type: none"> Organized the event of the 2019 Publicity Week of the "<i>Law on Prevention and Control of Occupational Diseases</i>", involving more than 270,000 employees of 109 subsidiaries
Occupational health inspection	<ul style="list-style-type: none"> Conducted special inspections on occupational health archives and jobs/workplaces susceptible to occupational hazards, and urged to rectify the excessive hazards at workplaces

Dust Hazard Treatment



Mental Health

We took measures to continuously improve the employee vacation system. We implemented the Employee Assistance Program (EAP), set up hotlines and website for psychological counseling, and carried out various forms of training on mental health improvement, in order to build a positive and healthy mindset for employees. In 2019, we continued to implement the Employee Assistance Program (EAP) overseas by providing training sessions on mental health management, and assigned psychologists to Niger, Chad, Myanmar and other countries to provide mental health consultation services.



Caring for Employees

We advocate a good work-life balance and make great efforts to create a healthy and comfortable living environment for our employees. We continuously push forward the market-oriented reforms on service of staff communities and improve the poverty alleviation and aid mechanism, in order to improve the employees' quality of life.

Employee Community Service

Our staff communities are located in more than a dozen provinces (municipalities and autonomous regions), with 4 million residents in 1.3 million households. We actively transferred the water/power/heating supply and property management, municipal facilities, medical services and other public service functions to local governments or professional private companies and activated the financial subsidy funds granted by the state for renovating infrastructures to improve the environment of communities where our employees live.

Employees Assistance

We continuously carried out employee help and support activities, focusing on the settlement of life difficulties of the employees, including retirees, employees' family members and family dependents of the deceased. In 2019, we got to fully understand the difficulties confronting employees in daily life, health status, children education, etc., and took targeted measures to help the employees in need, especially those in extreme poverty, through a variety of effective campaigns such as charity voluntary service and student subsidies.

