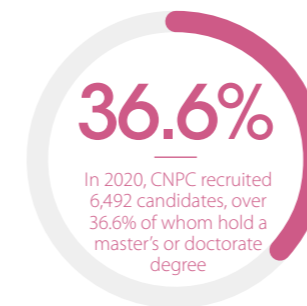


## People-oriented Employee Development

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.



### 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.

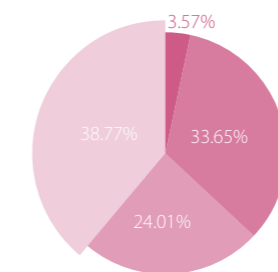
#### Employment Policies

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 equal and non-discriminatory employment policies, 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 2020, the Company had 65 female senior executives and 1,457 female middle-level managers.

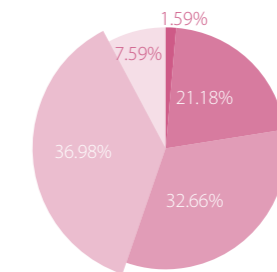
#### Compensation and Incentives

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. In 2020, we made special incentive and restraint measures for quality and efficiency, improved the differentiated salary distribution mechanism, and promoted the dividend-based incentive policy in technology enterprises. We implemented the multi-factor salary distribution mechanism in a well-planned way, giving the top priority of income to the entities with tremendous benefit contributions and high input-output efficiency, to employees working at grass-roots level and in key positions, and to badly needed high-level, high-tech and highly-skilled talents.



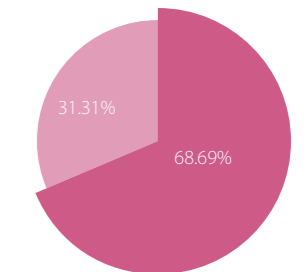
Education background composition of the workforce

- Master's Degree and above
- Bachelor's Degree
- Junior College
- Technical Secondary School and below



Age composition of the workforce

- 25 and under
- 26~35
- 36~45
- 46~55
- 56 and over



Gender composition of the workforce

- Male
- Female



### Democratic Participation

We ensure that our employees play an important role through democratic management, participation and supervision. We have established the 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 the 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 according to law, and encourage them to offer advice and suggestions for the enterprise development.

### Career Development Platform

We provide a broad arena for employees to realize their self-value by addressing their need for professional development at different stages, respecting their career planning, and creating an innovative environment, system and mechanism and building a resource guarantee system for their development.

### Education and Training

We adopt a "two-level planning and three-level training" management mechanism to make the employee training more extensive and effective. We carry out the "Internet Plus training" to tap the value of human resources. We deliver diversified and differentiated ways of job training through continuous innovation. Thus, a learning culture is created for the growth of both the Company and individuals, and the quality and capability of our workforce are improved.

In 2020, we kept performing high-quality training for our staff despite of the epidemic outbreak. Totally, we organized 5,600 in-person training programs (incl. 158 programs at the headquarters level), benefiting more than 20,000 employees.

**Strengthened the building of standard systems for job training**

- Held the first training program design competition from the perspective of standardized job training, which can serve as a collaborated and shared platform for talent cultivation
- Started to establish a qualification standard system for personnel cadres and defined the structure and sequence of relevant training system

In 2020, we

**Promoted the "Internet Plus Training"**

- Launched the "CNPC e-learning", a smart cloud learning platform integrating mobile learning, training management, and knowledge management
- Provided 252 training programs in form of live broadcast teaching, and online workshops/exams

RMB **1.45 billion**  
training fund was provided in 2020

**693,000** persons  
attended in-person training

**16,626,000** persons  
attended Internet-based training

**8,400** training programs  
were provided in 2020

**21** million class-hours  
were delivered in 2020

**100%**  
frontline personnel were trained

**100%**  
high-caliber technical personnel and critical operational personnel were trained

### Major Training Programs of "Four Types of Personnel" in 2020

Managerial Personnel	Technical Personnel	International Personnel	Skilled Personnel
<ul style="list-style-type: none"> <li>CNPC Party School training classes</li> <li>Leadership improvement training courses</li> <li>Strategic leadership training courses</li> <li>Training courses for young and middle-aged managers</li> <li>Training programs for person in charge of Party building, Secretary of discipline committee and chief accountant</li> <li>Training programs for division-level cadres at key positions</li> </ul>	<ul style="list-style-type: none"> <li>Courses for improving the capabilities of candidates for Key Talent Project</li> <li>Expert refresher programs in Tsinghua University, Beijing Institute of Technology and other colleges/universities</li> <li>Demonstration training programs for principal professional senior technical talents</li> </ul>	<ul style="list-style-type: none"> <li>"Thousand People Training Project" for international talents</li> </ul>	<ul style="list-style-type: none"> <li>Special training for innovation of frontline working techniques</li> <li>Academic seminars for technical experts</li> <li>Demonstration training courses for team leaders to improve their competence</li> <li>Demonstration training programs for high-caliber technical personnel</li> <li>Petroleum Craftsman Development Program</li> </ul>

## Rewards and Incentives

We provide spiritual and material rewards/incentives to employees through selecting model workers, advanced workers, technical experts and academic leaders, and encouraging our employees to enter for international and domestic award contests.

### Individual/Collective Winners of National Awards in 2020

National Model Worker <b>36</b>	National Outstanding Communist Youth League Cadre <b>1</b>
National Advanced Collective for Fight against COVID-19 <b>1</b>	National Outstanding Communist Youth League Member <b>2</b>
China Youth May Fourth Medal <b>1</b>	National Youth Safety Demonstration Post <b>4</b>
Winner of National "Ankang Cup" Contest <b>2</b>	National May Fourth Red Flag Youth League Committee <b>2</b>
National Young Professional Pacemaker <b>1</b>	National May Fourth Red Flag Youth League Branch <b>1</b>
National Young Post Expert <b>12</b>	National Civilized Unit <b>9</b>
National Ethical and Virtuous Model Youth <b>1</b>	

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.

### Vocational Skills Competitions Held or Attended by CNPC in 2020

Vocational Skills Competitions Held or Attended	Awards
National Vocational Skills Competition for Oil and Gas Field Development	In more than <b>50</b> vocational skills competitions with a total of <b>250,000</b> participants, <b>47</b> gold medals, <b>75</b> silver medals and <b>112</b> bronze medals were granted at the CNPC level or above; <b>8</b> employees were named the "National Technical Expert"; over <b>500</b> employees were exceptionally promoted for their higher skills
The 12th National Vocational Skills Competition for Petroleum and Chemical Industry	
Vocational Skills Competition for Operators of 5 Mt/a Atmospheric & Vacuum Distillation Unit in Refinery	
The 29th Sun Yueqi Energy Science & Technology Award	<b>1</b> winner of Grand Energy Prize and <b>20</b> winners of Youth Technology Prize
The 2nd National Award for Excellence in Innovation	<b>1</b> winner of National Award for Excellence in Innovation

## Case

### Hongtu Road Service Station Awarded the "National Advanced Collective for Fight against COVID-19"

At the meeting to commend role models in China's fight against COVID-19, the Hongtu Road Service Station of PetroChina Hubei Marketing Company was awarded the "National Advanced Collective for Fight against COVID-19", recording the only filling station with this honor in China. This supreme honor represented the enormous contribution of the 20-personnel service team of Hongtu Road Service Station led by the manager Ma Ting, and all staff of PetroChina Hubei Marketing Company and even the entire CNPC in the anti-pandemic fight.

The Wuhan Hongtu Road Service Station is adjacent to Jinyintan Hospital and "Wuhan Livingroom" Makeshift Hospital, a special location putting it at the highest risk during the Wuhan pneumonia epidemic. To fight against COVID-19, the Station stayed open around the clock, with all personnel remaining at their posts, to (1) ensure the oil supply to ambulances in nearby hospitals, and such organizations as the epidemic control headquarters, and (2) provide home delivery services to the residents in nearby communities by delivering vegetables and other necessities of life in urgent need to the isolation points. During the 67-day fight against the epidemic in Wuhan, the Station supplied totally 93.9 tons of fuel oil via 36 trips to 334 vehicles of the Jinyintan Hospital and Wuhan Livingroom Makeshift Hospital.

## Career Development

We attach great importance to the career planning of employees and support their career development to realize their value. In 2020, 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 2020, CNPC had 23 academicians at the Chinese Academy of Sciences and the Chinese Academy of Engineering, 569 on-the-job experts entitled to the Government Special Allowance, 185 chief technical experts, and 468 technical experts. We had set up 112 Skilled Expert Studios, including 28 National Skilled Expert Studios with 380 skilled experts.

### In 2020, we

**2**

had 2 personnel selected as the members of the 8th Academic Degree Appraisal Group under the Academic Degree Committee of the State Council.

Progress in Improving the Professionals Development Mechanism in 2020

System reform

- The professional-rank personnel management was promoted.
- A special plan for personnel development in the "14th Five-Year Plan" period was established.
- Job setting and staff selection were completed in 15 enterprises/institutions.

Platform expansion

- Academicians, as strategic advisors, were gathered in academic and technical exchanges.
- The expert consultation program was conducted, with 44 suggestions proposed.
- RIPED was designated as a demonstration base for training innovative talents.
- BGP INC. was approved to build a demonstration base for attracting talents.
- PetroChina Petrochemical Research Institute was approved to establish a post-doctoral research workstation.

Environment optimization

- A total of 35 candidates for the Outstanding Young Technician Training Project were assigned to China University of Petroleum (Beijing) for selected courses.
- A total of 21 scientific and technological innovation talents were introduced.
- One personnel won the 2nd National Award for Excellence in Innovation.

Case

Liang Nanyu, a CNPC Cadre Devoted to the Poverty Alleviation in Shuanghu County, Tibet



Liang Nanyu is CNPC's 14th cadre dispatched in 2016 for paired assistance to Shuanghu County, Tibet, a place with sparse population (only 1 person/8 km<sup>2</sup>). During his term, Liang traveled more than 100,000 kilometers to all villages

in Shuanghu for purpose of poverty alleviation activities. While shifting the focus of support from infrastructures to people's livelihood and businesses, Liang paid attention to local capacity for independent development. In 2019, Liang saw the expiration of his term, but he decided to stay for another three years to continue the artemia cysts project and the efforts with local people.

Over the past four years, Liang worked hard with the people of Shuanghu to improve medical services and education and carry out businesses conducive to poverty alleviation. Finally, a CNPC model for poverty alleviation

integrating "basic research + ecological protection + industrial upgrading" was emerged. By virtue of this model, the Shuanghu County was eventually lifted out of poverty in 2019.

For good work performance, Liang was honored the "Most Beautiful Person to Support Frontier Regions", "Role Model of Central Enterprises", and "Advanced Individual in the Fight against Poverty".

"As CNPC members, we will follow the spirits of Daqing and 'iron man' in the petroleum industry all the time. We do not fear hardship, as long as we can let the people at an altitude of 5,000 meters live better!"

—— said Liang Nanyu

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 80 countries/regions. As of late 2020, we had a total of 120,000 Chinese and foreign employees overseas, including 105,000 local and international employees, and representing an average local employment rate of 88% (95% for the investment business).

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.

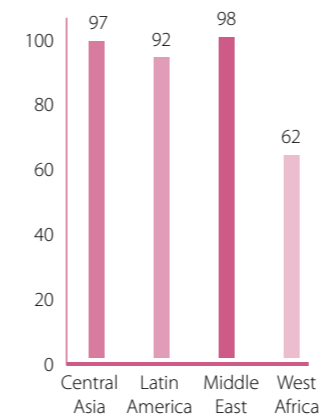
Case

"Training of Multicultural Management in a Multinational Company" in the Abu Dhabi Project

The Abu Dhabi Project is a big family with members mainly from Asia, Europe, America and Africa, who are different in skin color and cultural/religious backgrounds. The project company organized cross-cultural exchanges and training programs to help these diverse employees understand each other and thus mitigate any possible culture conflict.

A typical training program is the "Multicultural Management and Learning Organization Building in a Multinational Company", which was designed by the world's leading experts in partnership with well-known teams in cross-cultural communication and training. It comprises "pre-class preparation of questionnaires for access to information about trainees", "short-course lecturing", "one-to-one competence assessment", and "assessment report analysis and improvement". Through this program, the project company's managers were trained and assessed in respect of competence of work in a multicultural environment. Furthermore, each trainee was given suggestions on improvement. This program was highly recognized by trainees.

Proportion of local employees in CNPC's overseas business in 2020 (%)



## 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.

professional characteristics and experience in COVID-19 prevention and control.

### 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 2020, as the COVID-19 pandemic was raging overseas, we set up a team of psychological counseling experts and continued to promote the psychological hotlines for overseas employees. Our counseling service under the Employee Assistance Program (EAP) overseas has become an effective means for psychological assistance that most overseas employees and their families accept and trust. These efforts have ensured the mental health of overseas employees and the safe, stable operation of our projects.

### Occupational Health

We attach great importance to staff occupational health protection. In 2020, we carried out pilot health risk assessments and occupational health surveys, and organized the event of the Publicity Week of the *Law on Prevention and Control of Occupational Diseases* to improve the occupational health status of employees. We issued the *Plan for Implementing the "Healthy China 2030" Outline*, specifying 12 main tasks and 38 specific activities, as well as the requirements for employee mental health, dietary health, and prevention and control of infectious diseases depending on our



### Key Actions for Occupational Health in 2020

Popularization of occupational health knowledge	Organized the event of the Publicity Week of the <i>Law on Prevention and Control of Occupational Diseases</i>
Pilot health risk assessments	Conducted health risk assessments for employees at key positions and provided health interventions for employees with chronic diseases (e.g. hypertension, cardiovascular and cerebrovascular diseases, and diabetes) in PetroChina Tarim Oilfield Company and PetroChina Lanzhou Petrochemical Company
Occupational health surveys	Further gained access to basic information such as existing workplaces with occupational exposures, employees exposed to occupational hazards, hazard detection, and occupational health examinations through requiring enterprises to carry out self-inspections supervised by a professional company and verified by the headquarters, laying a foundation for scientific decision-making and effective occupational health work
Response to <i>Healthy China 2030</i>	Issued the <i>Plan for Implementing the "Healthy China 2030" Outline</i>
Overseas employee health management	Updated the <i>Administrative Regulations on the Health Examination and Evaluation of Employees to Work Abroad</i> , and provided health examination and evaluation for all employees to work abroad, with a total of 17,400 employees physically examined and evaluated and 648 employees in better health through health assessment
Overseas pandemic prevention and control	<ul style="list-style-type: none"> <li>Established a four-tier joint prevention and control mechanism against COVID-19 involving the headquarters, professional companies, foreign-related enterprises and overseas projects, strengthened overall regional coordination, and ensured sweeping pandemic prevention and control for all areas and operations</li> <li>Set up 7 regional technical support groups to provide pandemic prevention guidance for overseas projects in different regions and countries, and organized 6 headquarters-level video seminars on pandemic prevention and control for overseas operations</li> <li>Established a pandemic prevention and control system for international operations, and took effective and well-targeted prevention and control measures</li> <li>Carried out a total of 5,333 video inspections as part of overseas pandemic prevention and control and a total of 52,490 training sessions;</li> <li>Performed overseas all-staff pandemic prevention and control training, established a training resource database, and provided training materials in 12 languages</li> <li>Sent 5 medical teams to Iraq, Kazakhstan, Uzbekistan, Chad, and Niger to help enhance on-site pandemic prevention and control capabilities</li> </ul>

### Case

#### CNPC's Battle against the Coronavirus Pandemic to Protect the Health and Safety of Overseas Employees

In response to the raging COVID-19 pandemic, we established a comprehensive physical and mental health protection mechanism for overseas employees through a series of measures. Specifically, we identified overseas projects' needs for materials, built remote medical support platforms, organized online pandemic prevention lectures, maintained contacts between overseas medical teams and domestic professional health institutions, and provided employees with physical health diagnosis. Moreover, we provided "one-on-one" online psychological consultation for more than 400 employees in key regions and projects overseas.

As of late 2020, we had no cluster cases and death due to COVID-19 reported in our overseas projects.

2,017 hours

Our psychological hotline provided services for over 2,017 hours

CNPC EAP Overseas

7,251 employees

Totally, 31 sessions of online psychological training and lectures were provided for 7,251 employees and their family members in 65 countries

## 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 improve the poverty alleviation and aid mechanism, in order to improve the employees' quality of life.

### 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 2020, 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.

### Cultural and Sports Activities

We set up cultural and sports associations, which are responsible for organizing a variety of cultural activities, sport competitions and knowledge games to enrich employees' spare time and enhance their overall quality and team cohesion.

### Case

#### Diverse Cultural and Sports Activities under the Concept of "Home Culture"

Guided by the concept of "Home Culture", PetroChina Tarim Oilfield Company organized diverse cultural and sports activities to enable the employees to enjoy a comfortable and happy spare time.

The Company has established four associations (e.g. the Table Tennis Association and the Badminton Association) and rolled out special campaigns such as garden parties and outings in spring. By participating these cultural and sports activities, the employees have gotten a deep awareness of "Home Culture".