

# Sustainable Development Management

## Concept of Sustainable Development

For a company, fulfilling corporate social responsibility 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 scientific development, but also a strategic requirement for expanding its internationalized operation.

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 influence, and a greater reputation in society. We have never relented in our efforts to implement our social responsibilities, adhere to legal operation, be 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.



CNPC Sustainable Development Model

## 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 covering economic, environmental and social responsibilities. Guided by the *Guideline of CNPC on Fulfilling Social Responsibility*, we improve working rules and regulations on corporate governance, safety and environmental protection, low-carbon development, product quality, employee health, and social welfare, laying a solid foundation for sustainable development management.

### 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.

### Capability Building

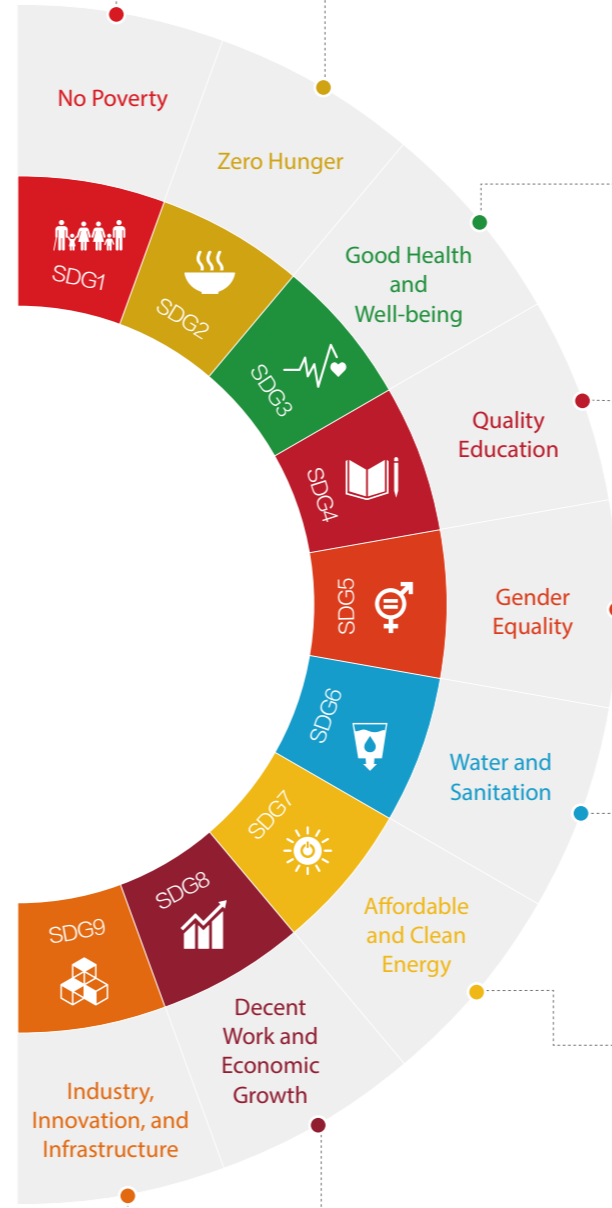
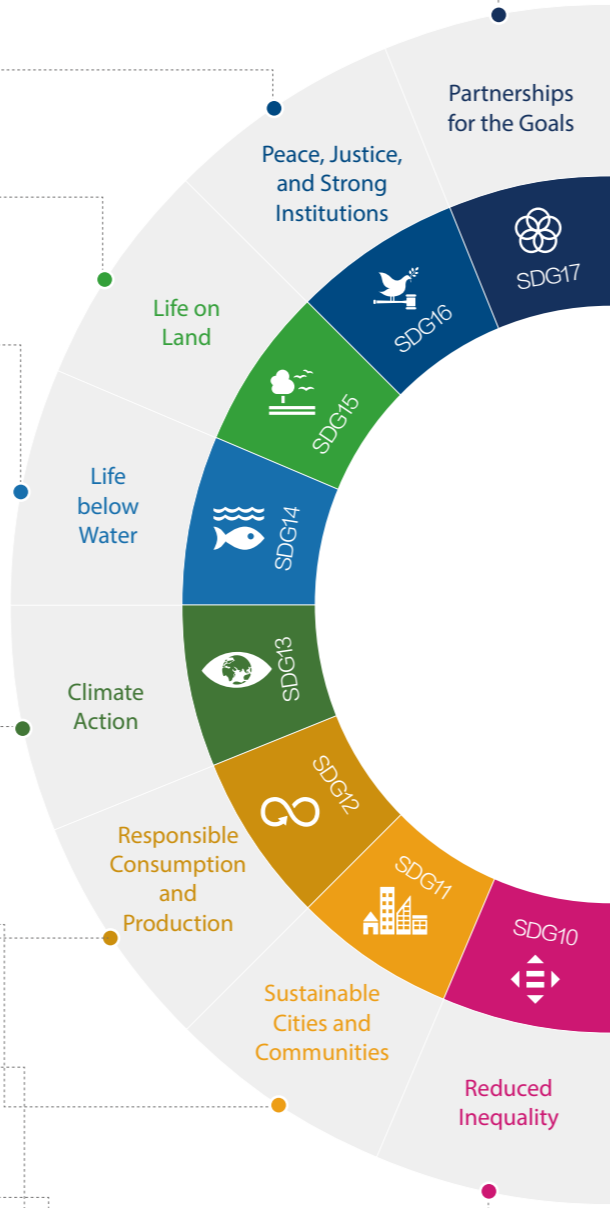
We actively carry out research in the field of social responsibility, promote CSR education and training, and boost communication with relevant organizations at home and abroad, in order to continue enhancing CSR awareness and our capability to fulfill responsibilities among all employees.



### CNPC and the UN SDGs

The UN SDGs represent the greatest consensus of mankind on sustainable development. As a global corporate citizen, CNPC strives to give full play to its own advantages, and seeks opportunities and common development through meeting social development and addressing common challenges, so as to create shared value with stakeholders.

- We cooperated with host governments and partners to address challenges in energy sustainable development.**
  - We conducted international trading, with a reported trading volume of 490 million tons
- We promoted economic development, and pursued peace and growth.**
  - We strengthened overseas security management. There were no security-related fatalities in our overseas projects
- We complied with local environmental protection policies, and animal and plant trading laws and regulations, and protected local rare species.**
  - We protected the white storks in Dagang Oilfield
  - We protected the Przewalski's Horse in Xinjiang
- We activated the environmental feature acquisition program, and carried out environmental control and monitoring projects, to protect local marine ecological environment and biodiversity.**
  - We protected marine ecological environment in Brazil
- We embrace and support the goal of the Paris Agreement. We included "green and low-carbon" in our corporate strategy, and actively responded to climate change.**
  - We set the methane emissions reduction targets
  - We completed GHG emission data collection and reporting
  - We made planning for the hydrogen energy industry
  - We promoted clean and low-carbon technologies
- We intensified our efforts in clean energy supply, sustainable management of natural resources, hazardous chemicals management, and pollutant discharge reduction.**
  - The emissions of major pollutants continued to decline
  - We contributed to the "Battle for Clean Land", which was praised by the Ministry of Ecology and Environment
- We built roads and other infrastructure in economically underdeveloped countries/regions, to help improve the living conditions of local people. We paid attention to air quality.**
  - We built a tourist highway in Hengfeng County of Jiangxi Province
  - We built village roads in Xishui County of Guizhou Province
  - We built a tap water plant in Fanxian County of Henan Province
- We had no child employment and forced labor, and no form of discrimination in gender, region, religion, nationality, etc.**
  - The proportion of female employees is 31.31%
- We attached great importance to technological innovation capability building, and supported infrastructure construction in economically underdeveloped areas.**
  - The "4Mt/a coal indirect liquefaction technology innovation, development and industrialization" project won the first prize of the National Science and Technology Progress Award



- We carried out poverty alleviation to help end all forms of poverty.**
  - We invested RMB 720 million in public welfare undertakings globally
  - We helped all areas under our assistance get lifted out of poverty
  - We won the "National Poverty Alleviation Award – Organization Innovation Award"
- We took action to restore farmland, boost agricultural production and supply water to rural areas.**
  - We provided assistance in spring plowing, summer planting, summer harvesting, summer field management, and autumn harvesting
  - We assisted in the construction of an agricultural park in Taiqian County, Henan Province
- We communicated to the public a healthy lifestyle, and provided free medical services. We paid great attention to employee health, and implemented the Employee Assistance Program (EAP).**
  - We issued the Plan for Implementing the "Healthy China 2030" Outline
  - Our occupational health examination rate reached 99.23%. The psychological hotline provided services for about 2,017 hours
  - We set up teams to maintain mental health for overseas teams and provided psychological assessments for 3,000 employees
  - We carried out COVID-19 pandemic prevention and control abroad, established overseas epidemic prevention and control mechanism/system, and implemented targeted prevention and control measures
  - We transshipped and remotely treated 8 sick overseas employees
  - We assigned 63 medical workers to Wuhan for fighting against COVID-19
- We invested RMB 105.44 million in supporting education.**
  - We granted CNPC Scholarships of RMB 3.99 million to 635 excellent students
  - We implemented training programs such as the "Teacher Training Program" and "Xuhang Program", training more than 7,700 educators and helping 11,400 students in poverty
  - We helped children in Tibet get access to education
- 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. The proportion of female employees within our company is 31.31%
- 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 carried out programs for drinking water safety in Lenghu County in Qinghai Province, Fanxian County in Henan Province and other places
- We developed new energy, improved energy efficiency, and enhanced our ability to supply natural gas.**
  - We developed and utilized geothermal resources in North China and other areas
  - We established Shanghai PetroChina-Shenergy Hydrogen Energy Technology Company Limited
  - We imported PNG and LNG through multiple channels
- We created job opportunities for local people according to applicable labor standards and gave priority to local contractors in economically underdeveloped areas.**
  - We have a total of 1.3045 million employees
  - We recruited 6,492 college and university graduates