

Empower the Future
with Excellent Engineering

卓越工程 赋能未来

COOEC OFFSHORE OIL ENGINEERING CO., LTD.
海 | 油 | 工 | 程

Website: <https://www.cnoocengineering.com/>

COOEC
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OFFSHORE OIL ENGINEERING CO., LTD.

2024

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT



卓越工程
Empower the Future
with Excellent Engineering
賦能未來

ABOUT THIS REPORT

n1

BOARD OF DIRECTORS' STATEMENT

The Board of Directors and all Directors of the Company warrants that this announcement contains no inaccurate records, misleading statements or major omissions, and are legally responsible for the authenticity, accuracy and integrity of the its content.

n2

REPORT INSTRUCTION

This report presents the efforts and achievements of Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "Offshore Oil Engineering", "COOEC", "the Company", or "We") in implementing the ESG (Environmental, Social, and Governance) principles in 2024, with the purpose to enhance communication and connections with stakeholders and to address their concerns and expects.

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REPORTING PERIOD

The period covered by this report starts from January 1, 2024 to December 31, 2024. To enhance the comparability of the report, some expression and data properly extends beyond this scope.

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SCOPE OF REPORTING ORGANIZATION

This report is concerned with Offshore Oil Engineering Co., Ltd. and its subsidiaries.

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REFERENCES

This report is prepared in accordance with relevant guidelines set forth in the *Guidelines 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)*, *Reference Indicator System for ESG Report of Listed Companies Controlled by Centrally-administrated SOEs*, and the GRI Standards by Global Reporting Initiative.

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DATA SOURCE

All information and data referenced in this report is based on the formal documents, statistical reports and ESG Practice Information of the Company.

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CURRENCY UNIT

Unless otherwise indicated, all monetary amounts are listed in RMB for this report.

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ACCESS TO THIS REPORT

This report is available for reading and downloading at SSE website (www.sse.com.cn), the cninfo (www.cninfo.com.cn), and the official website of the Company (www.cnooceengineering.com).

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CONTACT INFORMATION

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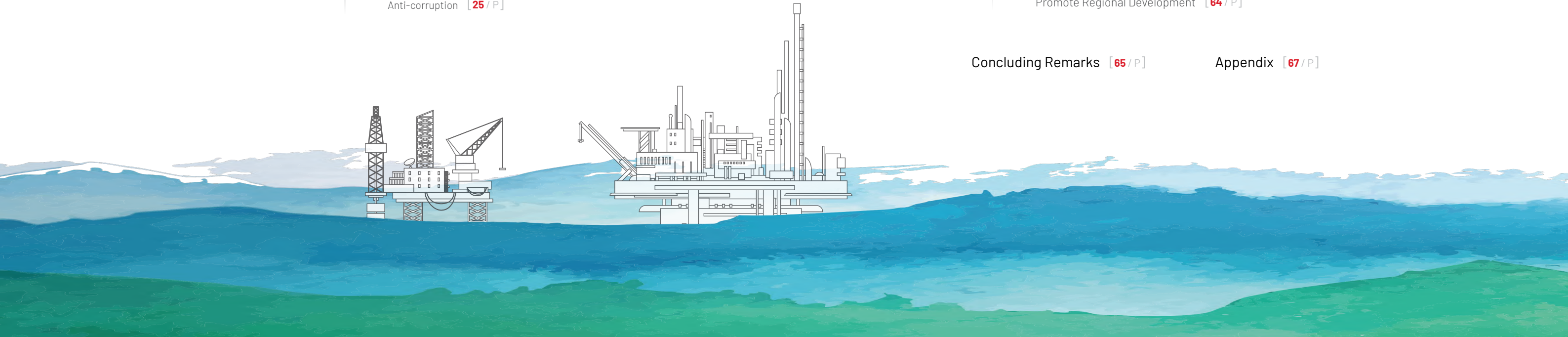
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Message from Chairman



On the occasion of the release of this 2024 Environmental, Social, and Governance (ESG) Report, and on behalf of the Board of Directors of COOEC, I express our heartfelt appreciation to partners, broad investors and friends from all sectors of society who always care about and support the development of the Company.

In 2024, we have overcome the hardest issues of the “14th five-year” plan target tasks. Aiming to construct the world class marine energy engineering company with Chinese characteristics, COOEC firmly grasps the main line of high quality development, actively practice ESG concept, and constantly enhance the value creation capacity, making active progress and significant achievements in respects of reform, development, production and operation, stably promoting the green and low-carbon development, and fully bearing social responsibilities. The governance system and sustainable development capacity of the Company have been constantly optimized and enhanced.

Guard the blue sea and sky with green and low-carbon development

Adhering to the green and low-carbon development concept, COOEC promotes the ecological sustainable development with practical action, deeply cultivating the green grounding of the coordinated development. Starting from the green factory construction, the Company elaborately builds 3 green manufacture bases, provincial and municipal “green factory” “green supply chain management enterprise” titles, and comprehensively constructs green manufacture system through establishing digital system, new energy engineering, carbon management capacity construction, gradually realizing high-end transformation of industrial structure, green transformation of energy utilization, digital transformation of information structure, establishing and completing the long-acting mechanism of green development of the industry, and powerfully supporting the green development of marine oil and gas. It strives to develop clean energy, add green energy to manufacture sites through distributed photovoltaic construction, promote green factory to march towards zero carbon factory, explore the new technologies of ship energy conservation, and stably promotes shore power and new fuel application, to provide diversified low-carbon schemes for offshore oil and gas development. It promotes low-carbon upgrade of the industry, actively cultivates emerging low-carbon businesses, and shows new core competition in such projects as the construction of Liquefied Natural Gas (LNG) processing plant, offshore wind power jacket and waste incineration facilities.

Bearing social responsibilities and practicing win-win concept

COOEC proactively bears social responsibilities, keeps the communication mechanism unblocked, and actively responds to the concerns of stakeholders. By virtue of the deep professional foundation and front innovation achievements, the company constantly enhances the oil and gas development engineering technologies, lays a solid technical and engineering foundation for the efficient exploitation and stable supply of oil and gas resources, and strives to guarantee safe and stable social energy supply. And meanwhile, the company actively overall plans in the field of offshore wind power and other clean energy, deeply explores the potential for comprehensive exploitation of marine resources, and promotes the integration of the offshore oil and gas industry and the new energy industry, which creates a brand new route of clean energy supply, powerfully drives the optimization and upgrade of energy structure, and promotes the realization of the great goal of sustainable development. Adhering to the core concept of “people-oriented”, the Company is committed to the comprehensive enhancement of professional skills and comprehensive quality of employees through internal and external training, research projects and other various means. It attaches great importance to the protection of employees’ rights and interests, stipulates the Overall Implementation Scheme on the Promotion of Implementation of “Talent Growth Map”, and keeps the talent growth channels unblocked, to make the development achievements benefit the staff. The Company promotes rural revitalization, and constantly consolidates the effect of regional targeted assistance, pairing assistance in Tibet and assistance in Hope Primary Schools, making contributions to the social stability and sustainable development.

Build excellent brand through governance system upgrade

Deeming the compliant operation as the basis of corporate governance, COOEC always strictly complies with the laws, regulations and industrial standards, pays high attention to and continuously completes the governance structure and internal control system of the Company, to ensure their completeness and validness. Focusing on compliance, the Company sorts out an “accurately targeted” governance regulation contents; focusing on synergy, the Company establishes a corporate governance structure with definite rights and responsibilities; focusing on system, the Company improves a set of “scientific and complete” corporate governance system; and focusing on comprehensiveness, the Company defines a logically rigorous governance authority list, and constantly promote the governance system and governance capacity modernization. To enhance ESG governance, the Company reorganizes the “Board of Directors Strategy and Sustainable Development Committee of Board of Directors”, establishes three-level ESG governance structure containing “decision-making level - research level - execution level” which is featured by complete structure, clear levels and definite rights and responsibilities with the Board of Directors as the center, and forms an effective sustainable development management system and operational mechanism. In 2024, COOEC honorably won the “Gold Round Table” Award for Special Contribution to Corporate Governance” of the Board of Directors, the “Award for the Best Practice Case of the Board of Directors” appraised by the China Association for Public Companies.

In 2025, the Company will comprehensively finish the 14th five-year plan, overall arrange for the 15th five-year plan, and explore the deep water zone of reform and speed up new development. Grasping the opportunities, striving ahead, and promoting high quality development with new quality productive forces, COOEC will fully integrate sustainable development concept into the strategy, innovation and operation of the Company, constantly create values for shareholder, join hands and embrace beautiful future with the parties!

王章领

Wang Zhangling

Chairman of COOEC

March 2025



About COOEC

COMPANY PROFILE

Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "COOEC") is the only large-scale EPC company in China that integrates the design, land manufacturing and offshore installation, commissioning and maintenance of offshore oil and gas development projects, as well as liquefied natural gas and refining and chemical projects. It is also one of the largest and most powerful EPCI (design, procurement, construction and installation) contractors of offshore oil and gas projects in the Asia-Pacific region. The Company is headquartered in Binhai New Area, Tianjin. It was listed on the Shanghai Stock Exchange in February 2002 (COOEC, stock code: 600583).

The Company currently has 9,800 employees, and has built an all-round, multi-level, and wide-ranging professional team competent for EPCI projects. The Company has the world-class qualifications and design capacity, possesses the large offshore engineering manufacture bases in Binhai New Area, Tianjin, Qingdao, Shandong Province, Zhuhai, Guangdong Province, etc., with a total area of nearly 4 million m². The layout of such bases stretches across the South China and the North China, involves the mutual supplementary functions, covers both the deep and shallow water areas and faces the whole world. The Company has a professional offshore construction fleet consisting of 19 vessels, including Class 3 dynamic positioning deep water pipelay vessels, 7,500 metric tons crane vessels and other vessels, so that the offshore installation and pipe-laying capacity of the Company is in the leading position in Asia. In 2024, the Company was ranked honorably in the list of ENR "Top 250 Global Contractors" and "Top 250 International Contractors".

The Company currently has
9,800 EMPLOYEES

In 2024

TOP 250
GLOBAL
CONTRACTORS

TOP 250
INTERNATIONAL
CONTRACTORS

CORPORATE CULTURE

MISSION

Empower the Future with
Excellent Engineering

CORE VALUE

Commitment to Excellence,
Innovation for Sustainability

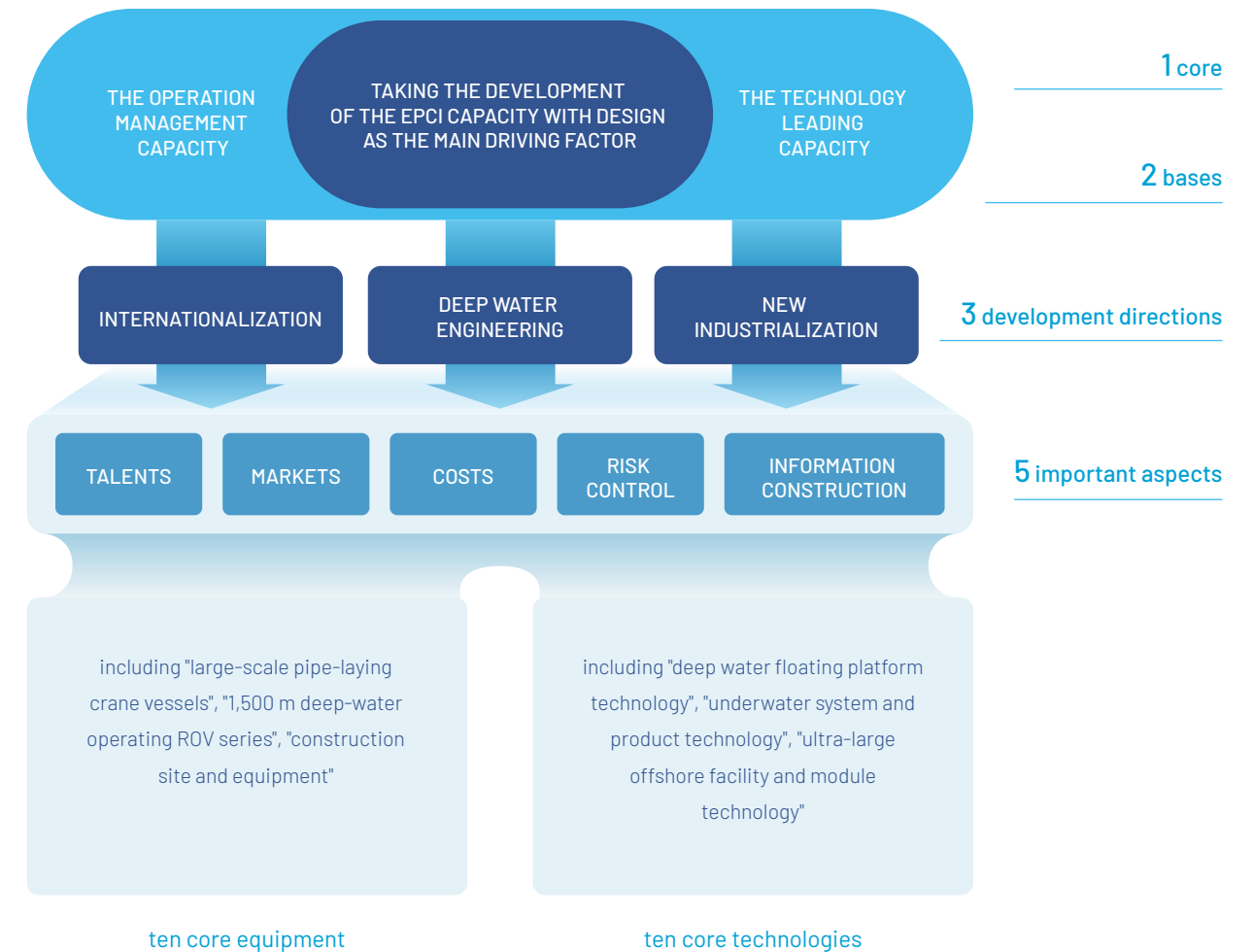
VISION

To Build a World-Leading Offshore Energy
Engineering Company

EMPLOYEE CODE OF CONDUCT

Persist in Truth and Pragmatism, Excel in
Action and Results

BUSINESS LAYOUT



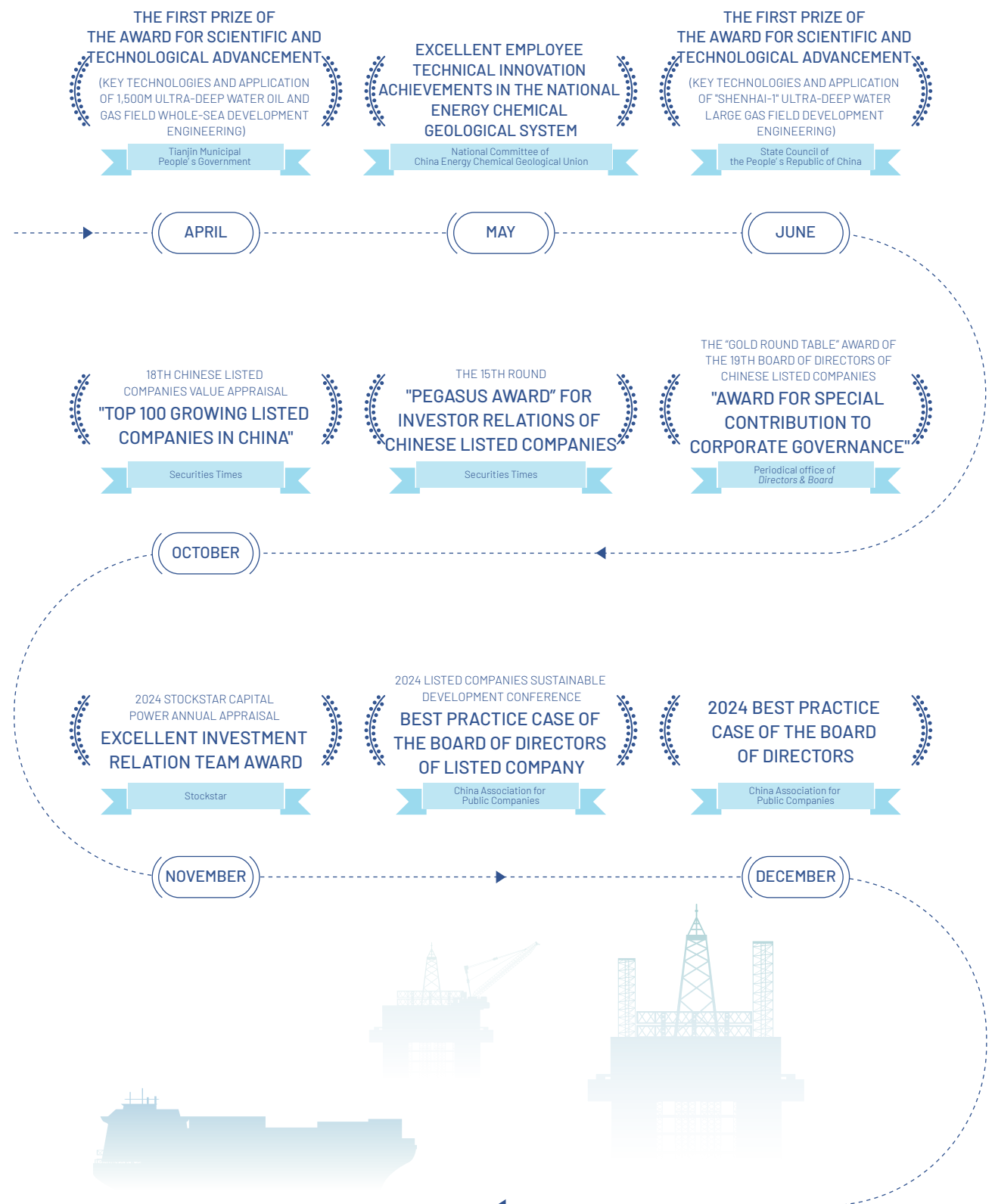
COOEC has clearly defined the development strategy of "taking the development of the EPCI capacity as the only core with design as the main driving factor, the operation management capacity and the technology leading capacity as the two bases, the internationalization, deep water engineering and new industrialization as the three development directions, and the talents, markets, costs, risk control and information construction as the five important aspects". It has systematically formed ten core equipment, including "large-scale pipe-laying crane vessels", "1,500 m deep-water operating ROV series", "construction site and equipment", and ten core technologies, including "deep water floating platform technology", "underwater system and product technology", "ultra-large offshore facility and module technology". The Company has successively provided high-quality products and services to many Chinese and foreign owners, such as CNOOC, ConocoPhillips, Shell, Saudi Aramco, Petrobras, Technip, MODEC, FLUOR, with its business in more than 20 countries and regions.



ACHIEVEMENTS IN 2024



ACHIEVEMENTS & HONORS



DUAL SIGNIFICANT DISCUSSION TOPIC ANALYSIS

1 Recognize key discussion topics

Combining with the discussion topic setting, industrial characteristics, corporate nature, industrial development phase, corporate commercial modes, etc. in the *Guidelines* of Shanghai Stock Exchange, COOEC recognizes 38 discussion topics related to the development of the Company, environment, society and other respects.

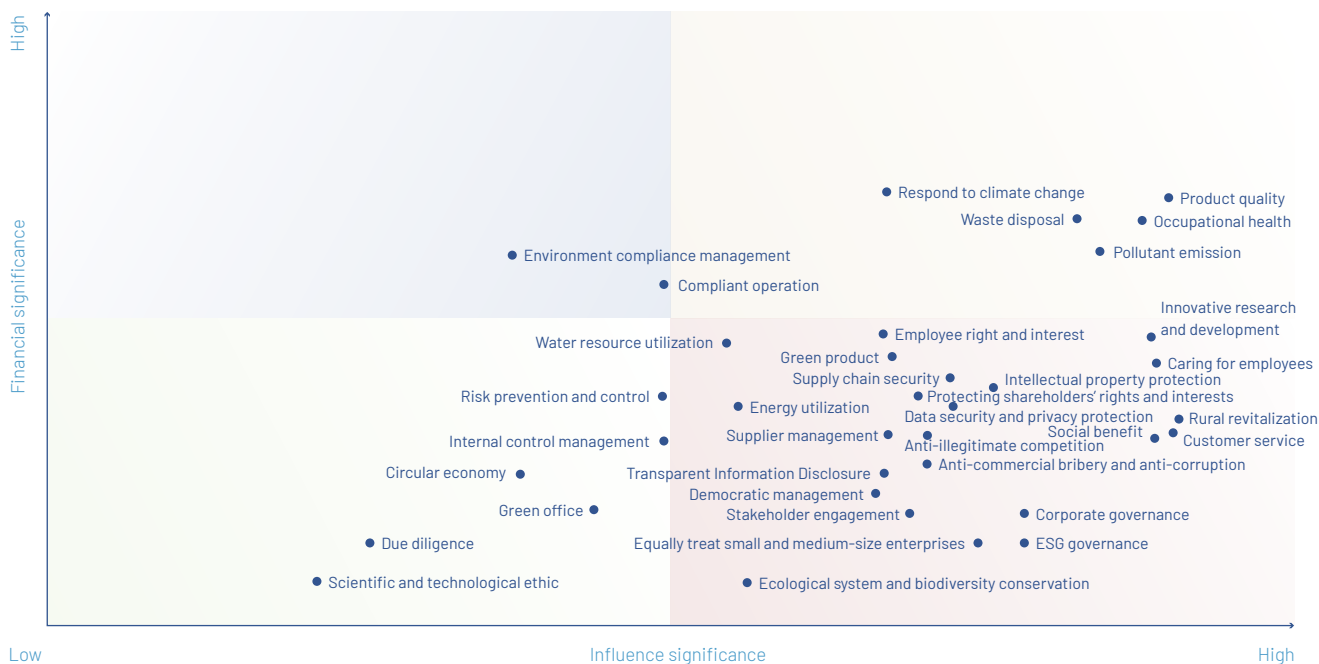
2 Significance analysis

As for the recognized discussion topics, the Company understands, collects the opinions of stakeholders through questionnaire survey, expert assessment, industrial benchmarking, etc., assesses the influence significance and financial significance, and determines the influence significance and financial significance scores of the discussion topics.

Significance category	Interpretation	Survey method
Influence significance	Whether the performance of the Company in terms of corresponding discussion topics significantly impacts the economy, society and environment	Questionnaire survey
Financial significance	Whether the discussion topic is expected to impact significantly on the commercial mode, business operation, development strategy, financial status, operation achievements, cash flow, financing method, cost, etc. in short, medium and long term	Questionnaire survey

3 Comprehensive analysis on significance discussion topic

Combining with the influence significance and financial significance analysis results, and based on the development of the Company, determine the influence significance and financial significance discussion topic threshold values of the Company, carry out significance rank, and draw a significance discussion topic matrix. The significance of the discuss topics provides important reference for the Company to carry out continuously sustainable development and information disclosure related to social responsibility. Wherein, the environment compliance management has financial significance, and combating climate change, waste disposal, pollutant emission, product quality and compliant operation are dual significance discussion topics.



ESG BRAND BUILDING

COOEC actively enhanced its ESG brand image through official website, official WeChat accounts, special reports, and other means to strengthen ESG information disclosure. Meanwhile, the Company took a positive part in ESG-related case declarations and award applications, shared its ESG management experience.



Enhance the Foundation of Corporate Management with Stable Development

15 / Consolidate Governance

18 / Compliant Operation

21 / Risk Management

22 / Reward Shareholders

25 / Anti-corruption

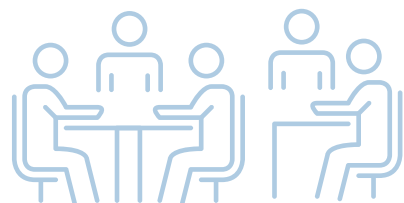


CONSOLIDATE GOVERNANCE

COOEC adheres to the requirements of laws and regulations such as the *Company Law* and the *Securities Law*. COOEC takes "fully implementing consistency in modernized corporate system, ensuring scientific and effective decision-making, and achieving lawful and compliant operations" as its central ideology, takes improving the quality of listed companies as an opportunity, continuously explores ways to strengthen and improve corporate governance and actively constructs a governance model for state-owned listed companies with Chinese characteristics while considering the Company's actual situation. COOEC defines rights by laws and regulations, executes rights scientifically and prudently, and authorizes rights effectively and reasonably. The "Four Meetings and One Layer" governance structure that consists of the General Meeting of Shareholders, Board of Directors, Board of Supervisors, Workers' Congress and Management is constructed, with each decision-making organ performing its own duties and responsibilities, and coordinating with each other in a check-and-balance relationship.



With the strategic goals as foothold, value creation as starting point, lean management as origin of force, reformation and innovation as growth point, risk prevention and control as entry point, the Board of Directors of the Company gives full play to "strategy determination, decision-making and risk prevention and control", effectively improving decision-making efficiency, constantly promoting governance system and governance capacity modernization, and leading the high quality development of the Company.



The Special Committee pre-reviews "mastering majors"

The Board of Directors sets up four special committees. As for the decision matters that involve the responsibility scope of the special committees, hold meetings of special committees to research on relevant motions in advance, issue specific opinions. As an essential condition of submission to the Board of Directors for decision, give full play to the professional knowledge and work experience in such respects as corporate governance, law, and finance of the Board of Directors, which plays a significant role in the maintenance of the benefits of all shareholders.

Independent Directors investigation pre-reviews "controlling risks"

To give full play in the functions of independent directors of decision-making on the meetings of the Board of Directors, supervision, counterbalance, professional consulting, etc., and as required by the latest specification of the CSRC in terms of operation, the Company modified the *System of Independent Directors* in 2024, stipulated the *Management Methods of Special Conference of Independent Directors* and strictly implemented it, providing pertinent suggestions on related transactions, enhancing the scientific and objective decision-making of the Board of Directors, and effectively guaranteeing the legal rights and interests of small and medium-sized shareholders.



The Fifth Session of the Eighth Board of Directors

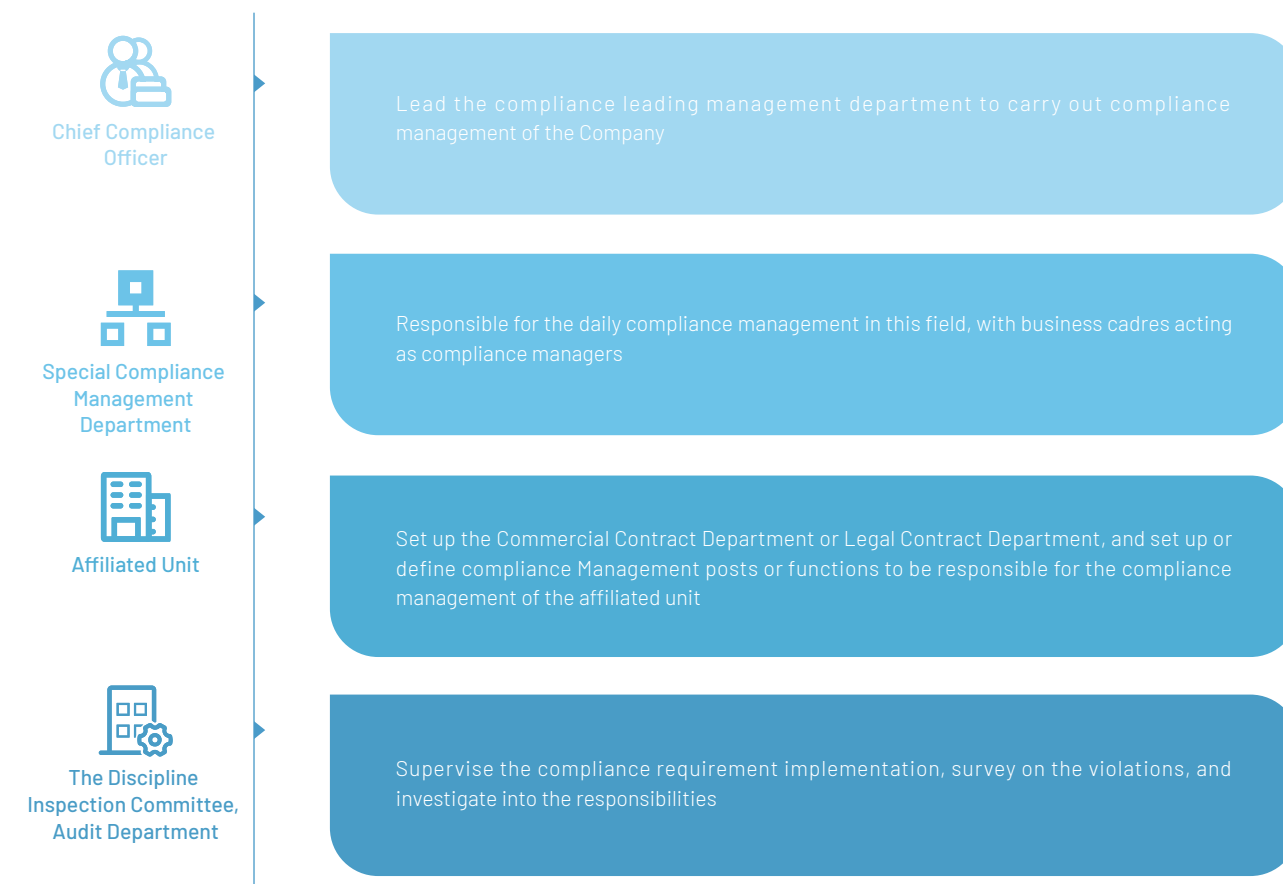


The Third Session of the Eighth Board of Supervisors

Improve management system

Adhering to the "consistency in modernized corporate system", the Company governance system deeply constructs the state-owned holding listed company governance mode with Chinese characteristics by combining with the actuality, and making the decision makers work at their posts, coordinately operate and counterbalance mutually, in order to promote the organic integration of listing supervision regulation and state-owned capital supervision requirements. In 2024, we modified the *List of Decision-making Matters Authorized by the Board of Directors*, and the *Investment Management Measures*, improved the decision-making efficiency through scientific power distribution, and stimulated the vitality of the management.





Strategy

Adhering to the compliance concept of “with the management as example, everybody is responsible for compliance”, “starting from action, and compliance creates values”, the Company stipulated compliance management planning, carried out normalization management, striving to realize “everybody and everything are compliant”.



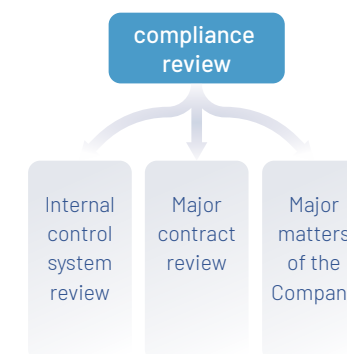
Influence, risk and opportunity management

The Company includes compliance-related influence, risks and opportunities into the daily risk management and control system of the Company, regularly recognizes, monitors and manages the compliance risks (see the chapter of “ESG Management” for details), and stipulates effective solutions. It compiles the *Compliance Management System*, defines compliance review process, and enhances compliance cultural construction, improving the compliance management level.



Standardize the compliance review process

Prepare the *Compliance Management System*, *Compliance Review Guidelines*, *Measures of Major Decision-Making Management*, etc., and integrate the compliance review into the internal control system review, major contract review and major matters of the Company.



Enhance the compliance cultural construction

Enhance the compliance knowledge popularization through training, fully carry out pre-training survey and communication with the affiliated units, define the direction of training, and carry out targeted and efficient compliance training. Integrate the compliance concept into the corporate culture, enhance the propaganda of compliance concept, and constantly enhance the compliance awareness of staff of the Company, in order to deeply cultivate the compliance culture of the Company. Through carrying out law propaganda activities, such as collecting the signature of staff, distributing the law propaganda materials, and carrying out law propaganda, popularize legal compliance concept and legal and compliant knowledge of staff, and enhance the overall compliance awareness of the Company.



Strict internal control management

Guided by the issues and risks, organize and carry out the process management system construction based on value management. As for the unsystematic process management, not so agile process, and other deficiency, the Company adheres to enhance the “lean management year” with basic management at the basic level, overall plans, and starts process management system construction with management system, system process, flow chart, and form information as main line, basically establishing scientific, standard, horizontally collaborative, vertical cut-through process management system with defined power and responsibilities, clear perception and effective control.

CASE

Acquired international and domestic “dual certificates” of compliance management system

In November, COOEC acquired international and domestic “dual certificates” of compliance management system ISO37301-2021 and GB/T35770-2022, which marked that the compliance management level of the Company had reached the domestic and international standards and compliance management system construction had reached a new level.



Indicator and goal

The Company stipulated and achieved a series of compliance management goals, including, comprehensively enhancing compliance management, and establishing compliance Management System suitable for the Company, to ensure effective operation of system, and be reviewed and certified by third-party institutions; constantly deeply promoted the compliance management, constructed compliance management system covering enterprises at all levels, and comprehensively improved the compliance management level of the Company; established dynamic and long-acting compliance obligation and its compliance risk confirmation and recognition mechanism, and guaranteed timely and constant compliance; established annual compliance training system to enhance the compliance awareness of staff. The Company supported the high-quality development of the Company and the world-leading offshore energy engineering company construction with high-level compliance management.

Investor relation management

As required by the *Guidelines of Listed Companies for Investor Relation Management*, COOEC respects, rewards and protects investors, constantly improves investor relation management of the Company, enhances effective communication with investors, to practically protect the rights and interests of investors, and enhance the understanding and identification of investors towards the Company.

Investment relation team building



For the goal of high-quality investment relations, build investment relation teams comprising members with abundant professional background and experience in capital market for years. With clear division of labor, the team members perform their own functions, constructing the communication bridge in and out of the Company together.

Coordination mechanism improvement



The Board of Directors and management of the Company strongly support the investment relation work, and all the senior management attend the annual performance news conferences and other events by themselves. The investment relation team and the departments establish stable cooperation mechanism, the liaison men of the Business Department closely communicate with investment relation personnel, the investment relation department regularly releases the *Work Memorandum* ensuring compliant business process.

Complete interaction mechanism



The Company holds performance illustration meeting by various forms, such as “text + picture” live streaming, telephone, online video, etc., to meet the demands of various investors accurately. The Company prepares fully before the conference, including collecting issues, uploading materials, studying and judging on Q&A; discloses to all the investors on the conference, enhancing communication effect by digital means; and carefully listens to suggests and gives feedback to the management after the conference, The Company holds performance news conferences to answer the concerns of investors.

Carry out investment relation activities in multiple dimensions



Classify and manage investors, keep close connection with core investors, and promote their transformation through communication with medium-term investors on the event. Focus on the relations with analysts, proactively visit the institutions, and increase the holding percents of institutions. Actively carry out various investment relation activities, such as organizing onsite survey of investors, participating in strategy conference of securities traders, etc., to enhance engagement with investors.

Attaching great importance to the small and medium-size investor engagement



Establish hot line that is received by special personnel, timely reply the questions on the interactive platforms, regularly hold performance news conferences and press conference, and attend activities on the collective communication day, guaranteeing smooth communication channel with small and medium-sized investors, with relevant reply rate reaching **100%**.



2023 Annual General Meeting of Shareholders

Number of investment
relation events

21 events

Number of investor
exchange meeting

55 times

Cumulative number of
investors received

598 person-times



CASE

The 15th round of “Pegasus Award” for Investor Relations of Chinese Listed Companies



On June 21, the 15th honorable grand ceremony of “Pegasus Award” with the topic of “Enhancing foundation and forging forward stably for a long journey” was hosted by the Securities Times in Changsha, Hunan Province successfully. On the conference, the list of winners of this Pegasus Award was announced, COOEC once again won the “Pegasus Award” for Investor Relations of Chinese Listed Companies by virtue of its outstanding performance in the respects of investor relation maintenance, financial quality, investor reward, ESG level, etc.

CASE

Organizing the investor reverse roadshow activity of “2024 Getting to Know Qingdao Company”

On November 29, COOEC held the investor reverse roadshow activity of “2024 Getting to Know Qingdao Company”. The investors successively visited the areas such as construction site, wharf display board, corporate culture exhibition hall of Brazil FPSO P79 project and Caofeidian 6-4CEPB project under construction of Qingdao Company, learned about the development history, main businesses, key project construction and situation in other respects of Qingdao Company in detail. This reverse roadshow activity further deepens the understanding and awareness of capital market of EPC performance and capacity of large platform of COOEC, enhances the development confidence and value identification of investors in COOEC, and constantly strengthens the good image of COOEC in capital market.



Transparent information disclosure

As required by the *Company Law*, *Securities Law*, *Management Measures of Information Disclosure of Listed Companies*, *Listing Rules of the Shanghai Stock Exchange* and the Articles of Incorporation of the Company, COOEC prepared the *Management System of Information Disclosure Matters*, *Management Measures of Voluntary Information Disclosure*, etc., which standardized the information disclosure work procedures, and improved the information disclosure management level and information disclosure quality of the Company, promoting the standard operation of the Company by law.

In true, accurate, complete, timely and equity principle, the Company regularly compiles and releases annual report, quarterly report, special report, etc., which objectively, truly, accurately and completely introduces and reflects the financial information and non-financial information of the Company, helping the investors make reasonable investment judgment and decision-making.

Guided by the system, the Company constantly improves the transparency of information disclosure, realizing transparent management throughout the process of daily affiliate transaction. And meanwhile, the Company newly modifies the management measures for information disclosure error responsibility investigation in the third quarter in 2024, enhancing internal control and supervision constantly.



ANTI-CORRUPTION

Adhering to the upright conduct and disciplines strictly, COOEC constantly carries out anti-corruption and integrity activities, constantly improves supervision and management system, establishes and improves the integrity risk prevention mechanism of major projects, and enhances the supervision of key engineering construction projects, striving to create honest and upright corporate environment.

Construct integrity system

The Company timely releases and adjusts corresponding system, actively implements important work deployment, and stipulates supporting measures. The Chairman of the Board of Directors is the first principal of integrity construction of the Company, who leads the departments of headquarters, relevant units to focus on main responsibilities and businesses, give full play to their functional roles, and enhance business supervision and integrity risk prevention and control. Centering on the *Responsibilities for Integrity Building and Anti-Corruption Work*, the Company stipulates *Integrity Building and Anti-Corruption Work*, *Measures for Strengthening Supervision of "Top Leaders" and Leadership Teams*, and other system standards, provides guidelines and responsibilities for directors and senior management.

Systematically carry out integrity education

In principle of "four integrities and four integrations" integrity culture construction, the Company carries out integrity building month activities, theme activities of joint building of family and enterprise, shoots and plays cautionary educational video *Warning*, and constantly reminds staff of strict self-discipline. It holds warning educational conferences, plays warning educational films for the participants, and organizes the leaders and cadres at and above the middle level of the Company to visit the integrity education base in Binhai New Area, so that they can educate participants around them with things happening around them. It promotes integrity culture to expand to Party B, organizes and carries out activity of "Joining hands with integrity", and guides subcontractors to operate and work according to laws and regulations through "two books, one case and one code". It carries out integrity reminding before Spring Festival, Mid-autumn Festival, Dragon Boat Festival, etc., organizes and holds integrity reminding conference before festivals, and implements the integrity warning at key spots on key posts.

Complete complaint and report mechanism

The discipline inspection institutions at the levels of the Company keeps the letter, visit, telephone, online channels and other reporting channels unblocked; implements the *Implementation Rules of Supervision and Discipline Execution*, and practically protects the legal rights and interests of real-name informers. No one shall disclose the names, working units and other relevant situations of informers or accusers unless the informers or accusers agree. As for the cadres, employees affected by the false accusing and complaints, clarify issues, protect legal rights and eliminate negative effect by proper ways in multiple occasions, to be responsible for them practically, objectively and justly.

Informer protection mechanism

Implement the *Implementation Rules of Supervision and Discipline Execution*, and practically protect the legal rights and interests of real-name informers. No one shall disclose the names, working units and other relevant situations of informers or accusers unless the informers or accusers agree. Where the petition letters and reports are false, they will be treated seriously according to laws, regulations and disciplines. As for the cadres, employees affected by the false accusing and complaints, clarify issues, protect legal rights and eliminate negative effect by proper ways, to be responsible for them practically, objectively and justly.

CASE

Carrying out lectures on integrity delivered by the discipline inspection committee at the basic level



To further deepen and implement the integrity building of the Company, COOEC carried out the integrity building month activity of "keeping disciplines in mind and practicing integrity" - lectures on integrity delivered by the discipline inspection committee at the basic level. Through organizing and carrying out special study, family and enterprise integrity building, cautionary education, special improvement and a series of other activities, lead and drive cadres and employees to enhance the foundation of loyalty towards the integrity and self-discipline nature, achievements made by undertaking responsibilities and taking actions, build and consolidate "four integrities and four integrations" corporate integrity culture new highland, to write a new chapter of high-quality development of the Company with high-spirited fighting will and fine style of work.

CASE

Carrying out the third Integrity Building month activity

In August, COOEC organized the third Integrity Building month activity of "keeping disciplines in mind and practicing integrity", and Tianjin, Qingdao, Shenzhen, Zhuhai and other companies had carried out three activities such as passing the integrity corridor, gathering integrity mind and distributing integrity brochures.



Start the Environment Responsible Journey with Blue Sea and Sky

29 / Environment Compliance Management

34 / Respond to Climate Change

42 / Improving the Prevention and Control of Pollution

44 / Optimizing Resource Utilization

Indicator and goal

The Company establishes and improves the *Quality, Health, Security, Environmental Protection Goals and Work Plan Management Measures*, defining the requirements for realizing the “zero environmental pollution”, annual key work planning and assessment of completion of goals.

Environmental Protection Goals and Completion

Environmental pollution
liability accident

Occurrence rate

0

Realized

Pollutant discharge

Rate of reaching
the standard

100%

Realized

CASE

Uganda Kingfisher project implements green management

COOEC Uganda Kingfisher project actively implements green environmental concept when constructing temporary campsite. Taking mains supply as main power supply, the project team reduces **90 myrialiter** diesel consumption and about **2,400 tons** of carbon dioxide emission reduction; upgrades indoor illumination to LED lamps, installs solar energy plates for street lamp, and reduces **30%** of illumination energy consumption. In addition, at the campsite, the Company carries out greening activities, plants a large number of grass and trees, and uses treated domestic wastewater to irrigate. These measures have effectively protected local ecological environment, realized circular using of resources, which have been highly recognized by local government, the public and partners, having built good image of Chinese enterprises.

CASE

The first offshore all-round green design oil field in China is put into operation

The first offshore all-round green design oil field in China built by COOEC - Wushi 23-5 oil field cluster development project is put into operation successfully. The submarine pipelines and channels connecting the submarine cables and land of the project adopt tunnel casing towing back submarine cable technology. The project innovatively proposes the operation strategy of “drilling hole-fixing tunnel-towing cables”, accurately drills holes with “shore-to-ship” directional drilling construction technology, and successfully overcomes technical difficulty of long-distance towing cables, to protect the marine ecological environment and fishery resources to the greatest extent and reduce the impact on the residents and onshore facilities.

Adhering to green low-carbon thinking throughout the cycle of oil field, the project integrates green processing technology in narrow terminal space, realizes the construction “integrating six stations in one”, and minimizes the impact on marine environment, starting a new mode of efficient design, green construction of oil field.



CASE

Carrying out voluntary service activities on Arbor Day



On March 11, the 46th national voluntary Arbor Day, the CCYL committee of COOEC organized and carried out “seeding hope in beautiful village” volunteer service activities. LNG branch volunteers planted trees for Libozhuang Village and cut hair for the aged there; Tianjin Intelligent Manufacture Branch held events to build intelligent manufacture green integrity park; Qingdao Company planted saplings and accumulated green energy by combining online and offline events; Zhuhai Company organized voluntary tree planting activity; COOEC Subsea Technology Co.,Ltd. carried out tree planting activities, to enhance the environmental and low-carbon awareness of young League member. This series of activities did not only add green to multiple places, but also passes on public benefit and integrity culture, promoting ecological cultural construction.

RESPOND TO CLIMATE CHANGE

COOEC actively carries out offshore wind power, CCUS (Carbon Capture, Utilization, and Storage), hydrogen energy engineering, industrial integration and other researches and development through technical difficulty overcoming, production mode transformation and other measures, constantly builds green core competition led by technology, contributing to the realization of the goals of “carbon peaking and carbon neutrality”.

Governance

COOEC prepares and releases the *2023-2025 Low-carbon Work Scheme in Work Scenarios of COOEC*, *2023-2025 Energy Efficiency Action Plan*, completes organization system, and provides guidance direction for the Company to combat climate change, improving the capacity of the Company to combat climate changes such as extreme weather. Through establishing ISO 50001 energy management system, COOEC defines the indicator decomposition, responsibility performance, supervision investigation, statistic analysis, knowledge training, assessment reward and punishment of energy conservation low-carbon management and other requirements, guides the implementation of stipulations on energy conservation and emission reduction, improves energy conservation level and reduces carbon emission, to promote the green sustainable development of the Company.

The Carbon Peaking and Carbon Neutrality Organization System

Responsibilities

Carbon peaking and carbon neutrality work leading group

- It is responsible for approving important documents related to “carbon peaking and carbon neutrality”, researching and making decision on major matters of “carbon peaking and carbon neutrality”, and guiding the implementation of “carbon peaking and carbon neutrality” of the Company.

Special research group, system construction and special management group

- Special research group: is responsible for “carbon peaking and carbon neutrality” policy and industrial research, strategic planning preparation, scientific and technological innovation, and other relevant work, and promoting the implementation upon the approval of leading group; coordinating major matters of “carbon peaking and carbon neutrality”; cooperating with system construction and special management group to carry out relevant work. Report relevant work in the scope of responsibilities to the leading group.
- System construction and special management group: is responsible for the system construction of “carbon peaking and carbon neutrality” of the Company; is responsible for the decomposition, issuance, supervision, assessment and other relevant work of “carbon peaking and carbon neutrality” indicators of the Company; organizing and carrying out our energy conservation and low-carbon management; promoting low-carbon supply chain construction, engineering project carbon emission reduction and other pilot demonstration work; and cooperating with special research group to carry out relevant work. Reporting relevant work in the scope of responsibilities to the leading group.

Strategy

To actively respond to the goals of “carbon peaking and carbon neutrality”, COOEC prepares the *2023-2025 Energy Efficiency Improvement Action Plan*, and defines that until 2025, the energy consumption of the Company reduces 13.5% compared with the period of the 13th five-year plan, the main indicators of energy conservation and low carbon of the Company reach domestic advanced level year on year, completing the construction of green factory of existing base. The energy efficiency of key energy consumption equipment of the Company is improved comprehensively, green low-carbon energy utilization percentage increases significantly, energy conservation and efficiency enhancement technology equipment are applied extensively. Making the best use of energy with efficiency coming first has been common concept and general requirements of staff of the Company. Energy conservation and efficiency enhancement further become the green low-carbon “first energy” and the first measure of consumption reduction and carbon emission reduction, primarily forming technical foundation promoting traditional offshore oil and gas field development modes to transform and upgrade to green low-carbon new development modes, and technically preparing for hydrogen energy, terrestrial heat and other new energy industries.

The Company actively carries out risk recognition and solutions combating climate change, regularly adjusts climate risk recognition results and solutions based on situation dynamics, constantly enhances energy management and explores low-carbon technology, promoting green sustainable development of the Company.

Enabling low-carbon development

While delving into traditional oil and gas engineering construction field, COOEC actively explores low-carbon production models, enriches LNG engineering services, and explores low-carbon product design. Through top-level design, it leads and promotes green factory, low-carbon fleet, green supply chain construction, and creates green production mode, providing green and low-carbon services, and supporting powerfully the green energy construction and the realization of “carbon peaking and carbon neutrality” goals in China together with customer.

Explore green electricity trade

COOEC actively participates in green electricity market trade, green electricity of **30,427,100 kWh** is externally purchased and consumed in total in 2024.

CASE

The completion and operation of the largest LNG receiving station Phase II engineering in the Circum-Bohai Sea Region



On September 21, Tangshan LNG receiving station Phase II engineering generally contracted by COOEC is completed and put into operation 21 days in advance. The project is the largest LNG receiving station in the Circum-Bohai Sea Region. Planning and construction of **20** storage tanks of **200 thousand m³** are significant for the optimization of Beijing-Tianjin-Hebei Region energy structure. Giving play to EPC full industrial chain advantage, the Company established linkage cycle mechanism combining with R&D center, to promote the acceleration of project. The project team innovates technical process, guarantees safe construction by virtue of “Checklist” and enhances construction level with multiple automatics.

CASE

Largest “all seated” LNG storage tank litter roof in the world

On July 30, the largest “all seated” liquefied natural gas (LNG) storage tank in the world, CNOOC Ningbo Green Energy Port Phase III Project, 3 Liquefied Natural Gas (LNG) storage tanks of **270 thousand m³** completed litter roof. In CNOOC Green Energy Port Phase III Project, Liquefied Natural Gas (LNG) storage tank is **62.6m** tall, with a diameter of about 100 meters, a tank volume of **270 thousand m³**, and a design life of 50 years, which can store **169 million m³** of natural gas. After operation of Phase III Project, it will connect with Phase I and II, constituting national ten million ton liquefied natural gas storage and transportation base. The project will further optimize energy structure in Eastern China, and meanwhile significantly improve the capacity of natural gas regular supply, peak regulation storage and emergent supply guarantee in Yangtze Rive Economic Zone.



CASE

The global first set of 5 megawatt offshore high temperature flue gas cogeneration device deliver

On August 13, the global first set of 5 megawatt offshore high temperature flue gas cogeneration device was completed and delivered in Tianjin. The power station of offshore oil and gas fields will discharge a lot of high temperature flue gas when producing their own oil and gas combustion power supply, which is the main carbon emission source. The device takes advantage of high temperature flue gas of power station, promotes organic medium to drive expansion machine to generate power, and realizes the comprehensive utilization of flue gas afterheat, increasing comprehensive energy efficiency of main power station by **7%**. This full chain proprietary technology fills in the blank space in the field of offshore high temperature flue gas cogeneration application, driving the green low-carbon development in the industry of offshore oil.



CASE

Special award for carbon peaking and carbon neutrality innovative achievements for two successive years



From November 27 to 28, 2024 Carbon Peaking and Carbon Neutrality Development Conference and Expert Forum themed “Implementing the Dual Carbon and Dual Control Policies to Drive Green and Low-Carbon Transformation,” was held in Qingdao. COOEC Special Equipment Branch won the special award for carbon peaking and carbon neutrality innovative achievements for two successive years, and the first award for the first time this year. 3 employees were selected as the experts in the expert database. The rewarded achievements “Complicated underwater pipeline manufacturing, test technical researches with control system” and the “first set of **2,400 tons** deepwater FPSO mooring system device”, are respectively applied in the “Shenhai-1” energy station and Liuhua 11-1/4-1 oil field, reducing carbon emission and energy consumption while increasing exploitation efficiency.

Enhancing Waste Management

COOEC follows the principles of "reduction, recycling, harmlessness", classified management, and full-process management, and has established the *Waste Management Regulations* to clarify the responsibilities and obligations of each department and employee, ensuring effective management of the generation, collection, classification, storage, transportation, and disposal of solid waste.



Comprehensive utilization of
General Industrial Solid Waste

38,358.12 tons



Disposal of General Industrial Solid Waste

The Company constructs solid waste storage sites and temporary storage points in accordance with the requirements of *Standard for Pollution Control on the Storage and Disposal Site for General Industrial Solid Waste*, equipped with conditions for rain prevention, dust prevention, and leakage prevention. Based on the characteristics and treatment methods of solid waste, the Company strengthens the classification, collection and storage of solid waste. A ledger for solid waste is established to record information such as the type, quantity, source, destination, and treatment method of solid waste, achieving traceability and searchability of industrial solid waste.



Hazard waste disposal

According to the *Standard Management Indicator System of Hazardous Waste*, the Company standardizes the management of hazardous waste, and carries out classification collection, storage, transportation, entrusted disposal according to relevant national regulations. It strictly implements the stipulation of hazardous waste management plan, hazardous waste application registration, transfer double drafts and other environmental stipulations, and realizes comprehensive tracing and monitoring of hazardous waste. All hazardous wastes are transported, disposed and used by entrusted units with relevant qualifications.

CASE

The completion and delivery of the first integrated construction waste treatment power generation facility in the world

On January 19, 17 prefabricated electromechanical modules of Phase I of the first module design, integrated Hong Kong Comprehensive waste management facility project in the world was completed and delivered at the Zhuhai construction site of COOEC. With "active hearth technology", the project treats **3,000 tons** of mixed solid waste per day after putting into operation, with an annual power generation capacity of **480 million kWh**, and carbon dioxide emission reduction of **440 thousand tons**, relieving the landfilling pressure in Hong Kong and promoting the clean energy transformation in the Guangdong-Hong Kong-Macao Greater Bay Area.



OPTIMIZING RESOURCE UTILIZATION

Through scientific planning and reasonable scheduling, COOEC improves the configuration efficiency of environmental resources, Carry out deep treatment for the waste generated during the production, implement the reduction usage, and spare no effort to form positive circle featured by efficient resource exploitation, constantly promotes the green utilization and efficient management of environmental resources, and contributes power to more beautiful future.



Protecting water resource

Carry out key enterprise water balance tests, water-saving enterprise construction, save water resource with digital and intelligent system, promote water resource reutilization, such as water reuse for pressure testing, sea water desalination, and maintenance and transformation of old water supply system, and a series of water conservation management measures and technical measures, constantly reduce the total water consumption and improve the waste utilization efficiency. The annual water consumption per RMB 10,000 production value throughout the year decreases from **0.8231** in 2022 to **0.5856 m³ /RMB 10,000** in 2024, the water resources utilization efficiency was improved significantly.



Improving material management

The main materials of the Company include common steel materials, pipe fitting, valves, electrician materials, nonferrous metals, etc. To control the material storage, usage and other work and requirements comprehensively, compile the *Management Measures of Supply Chain Warehouse Logistics of COOEC* and other systems. As required by the SASAC and superior regulators in terms of management, carry out inventory material control, carry out special action of inventory material reduction, special investigation into material management, etc.



Reduction of General Industrial Solid Waste

Through adopting advanced product technology, actively promote the construction of intelligent factory, enhance the technical process control, and improve product quality and production efficiency, and meanwhile reduce the generated waste. It enhances the material management, and prevents waste generated during the production due to the issues of raw materials. It enhances the environmental and conservation training of staff and the environmental awareness and skill of employees, making them an important power in reduction of generated waste.



Hazard waste reduction

Through optimizing technology, enhancing process control, carrying out clean production, motivating the staff to enhance environmental awareness, etc., reduce the generated hazardous waste.

Based on Quality, Uphold the Excellent Engineering Flag

COOEC 海洋石油工程股份有限公司
OFFSHORE OIL ENGINEERING CO., LTD.

47 / Innovation Empowers Quality
51 / High Quality Enables Quality
53 / Safety Safeguards Quality
56 / Services Guarantees Quality

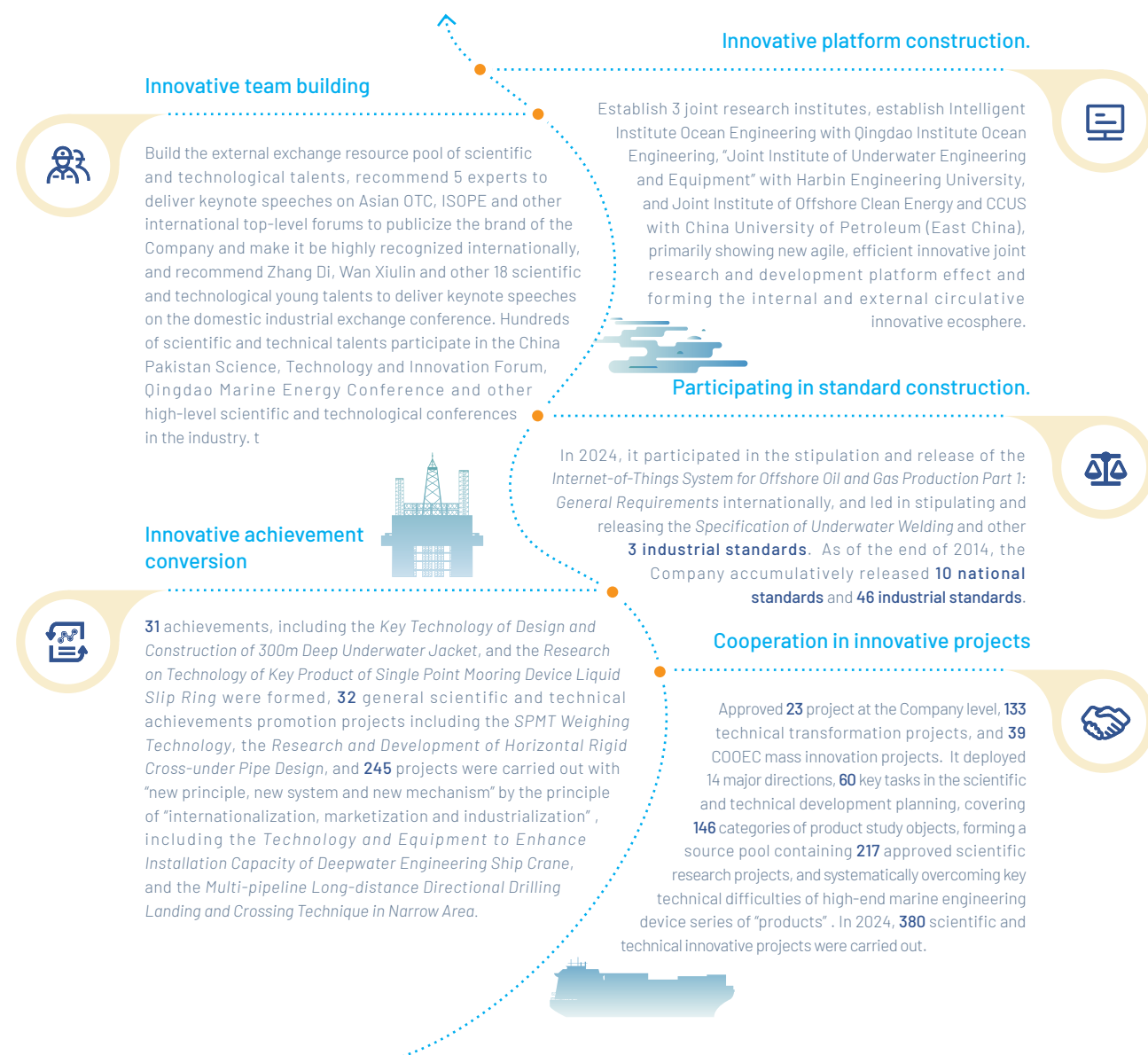


INNOVATION EMPOWERS QUALITY

COOEC centers on the "1235" overall development strategy of the Company, comprehensively implements the decision-making and deployment of the Company with the implementation of "three engineering and one action" as main line, the construction of "four centers" as important means and "three directions" as main scientific and technological innovation direction, striving to enhance the innovative foundation, promote "1333N1" scientific and technological research and development blueprint, and provide powerful scientific and technological support for speeding up the construction of global first-class marine energy engineering with Chinese characteristics.

Enhancing scientific and technological innovation

COOEC reshapes technical system facing a series of products, constructs systematic scientific and technological research and development system facing products, and promotes the overcoming of key core technology. And meanwhile, it creates innovative research ecology facing the market, and constructs high-level innovative platform system, forming efficient and flexible research and development mechanism system support. It deepens the long-term responsibility system, receiving challenge, scientific research race, implementation and application of incentive mechanism of the project, completes the entry of two projects as challenges received for the first time, and implements differentiated scientific and technical accurate motivation of **RMB 5.45 million** for the first time, supporting the basic forming of comprehensive innovative mechanism. Multiple scientific and technical management system have finished update.



The National Prize for Progress in Science and Technology. Subsea pipeline geotechnical engineering catastrophe mechanism, prevention and control technology and engineering application and other eight innovative achievements won social powerful scientific and technical awards at the provincial level

Entered the national finals of the Yixing Competition of SASAC for the first time

Held the "New Wave" Cup Innovative and Creative Competition for the first time

Was praised as the outstandingly contributed unit among the COOEC mass innovation brands

CASE

The completion and delivery of the first set of SUBSEA AUTOMATIC PIG LAUNCHER MANIFOLD in the world

On May 2, the first set of SUBSEA AUTOMATIC PIG LAUNCHER MANIFOLD in the world independently designed and manufactured by China was completed and delivered, and used for Phase II project of "Deep Sea No.1". As for the operation difficulty of the project, COOEC researched and developed the device, reduced the pipe cleaning operation cost, and realized remote automatic pipe cleaning. The manifold are applied under water **1,000m** deep, which may be exempted from maintenance for **25 years**. When constructing, it independently developed **28 kinds** of new welding technologies, overcoming multiple technical difficulties. After "Deep Sea No.1" Phase II project is put into operation, it makes the overall peak annual yield of gas field increase from **3 billion m³** to **4.5 billion m³**, providing more powerful guarantee for clean energy supply.



CASE

Newly adding one national skillful master workshop



COOEC Qingdao Company "Yang Jian Skillful Master Workshop" is selected as 2023 national skillful master workshop, making it the second workshop which won this honor in COOEC. Since the establishment, the team has participated in more than 100 major projects, researched, developed and applied more than **60 technologies**, and acquired **more than 50** technical innovation awards and **more than 60 patents**. It has published **more than 50** theses, solved **more than 100** production difficulties, and created **more than RMB 8,000** economic benefits. It has also undertaken several technical competitions, completed **25,000-person** welder training certificate, trained many excellent technical talents, promoting the strategy of enhancing the enterprise with talents of COOEC and the upgrade transformation of the industry.

CASE

Training on full-time quality safety personnel capacity enhancement in 2024

On November 7, the training on third full-time quality safety personnel capacity enhancement of COOEC was finished, with **more than 70 persons** attending the activities. This training contains abundant content, covering more than **60 courses**, adopting various teaching forms, including education on the history of revolution, enterprise exchange and many other forms. So far, the training courses have been held for three times, and there are totally **179 participants** who have finished the training. The training reserves talents for the quality safety management of the Company, promotes the improvement of management level, providing guarantee for the construction of global first-class marine energy resource company.



Case

Organizing the safety emergency competition



On June 26, the third "vacuum cup coating" safety emergency competition was held at the Qingdao International High-end Device Manufacture Base of COOEC. Centering on the topic of national safe production month in 2024, and combining with actual simulation operation risks of the project, this competition set up two parts of theoretical knowledge and emergency skill competition. **More than 100 members** of ten teams participated in the competition. The theoretical competition investigates into the safe knowledge and emergency treatment capacity, and the skill competition includes five simulative items such as bandaging for injured personnel, firefighting and flood prevention. Through this competition, the practice was promoted by competition, and emergency responsiveness and teamwork level of the participating teams were enhanced.

SERVICES GUARANTEES QUALITY

Adhering to taking customer as the center, and the guidance of customer demand, COOEC carries out operation to constantly improve the customer satisfaction, enhance the customer loyalty, and maximize the customers' values and the revenues of the Company. The Company stipulates the *Customer Management Measures*, to realize high-quality Customer Management.

The Company establishes complete and effective customer satisfaction survey system, the affiliated units stipulate the *Customer Satisfaction Survey Questionnaires* combining with their own business characteristics, to acquire the customer satisfaction measurement values through face-to-face customer interview and questionnaire, and collect information such as various opinions, suggestions, complaints, praise and quality feedback in real time. COOEC and its affiliated units carry out the overall customer satisfaction measurement and analysis once a year, to compile the *Customer Management Work Report*, find out management points to be improved, to give suggestions on the improvement countermeasures, and monitor special situations to lay foundation for the long-term sustainable development of the Company.

During the reporting period

the Company carried out customer visits to, customer opinion information collection and customer satisfaction survey analysis for **28 units** from **125** engineering projects

Repeated visiting rate

100%

Response rate

96%

Customer satisfaction

89.41 scores

wherein

Customer satisfaction
in the system

89.71 scores

Customer Satisfaction
out of the system

87.95 scores

exceeding the target
values set at the
beginning of the year

The Company establishes complete customer complaint treatment mechanism. After receiving customer complaints, record the complaints of customers in the *Customer Opinion Treatment Record*, organize the survey analysis on the customer complaints, carry out primary cause analysis, explore the primary cause of opinion and complaints, stipulate detailed correction and prevention measures, and follow up the effect of the improvement measures; report the treatment measures and implementation results to customers timely to be recognized by them. Where the customer is still dissatisfied, the Company shall continue to implement follow-up measures and supervise their implementation, until the customer is satisfied. Follow up and verify the implementation of "measures preventing from repeated occurrence", and fill the results in the *Customer Opinion Treatment Record*.



**In People-oriented Principle,
Forge Forward Together,
Playing the Harmonious Music
of the Society**

59 / Practicing People-oriented Philosophy
63 / Collaborating with Partners for Mutual Success
64 / Bearing Social Responsibilities
64 / Promote Regional Development

PRACTICING PEOPLE-ORIENTED PHILOSOPHY

Equal employment

Adhering to the “people-oriented philosophy”, COOEC strictly complies with the requirements of *Labor Law*, *Labor Contract Law* and relevant policies and regulations, as well the elimination of discrimination in respect of employment and occupation and other international conventions approved by Chinese government. The Company has formulated and implemented the *Employment and Recruitment Management Measures*, *Management Measures for Overseas Employees* and other regulations and rules to enhance the prevention and control of employment risks, ensuring that recruitment and employment management are conducted in compliance with laws and regulations.

The Company strictly adheres to the national *Provisions on the Prohibition of Using Child Labor* and legal requirements for prohibition of using child labor in the countries and regions of the business, firmly prohibiting the recruitment and use of child labor. During the reporting period, no cases of child labor were found to exist. In strict accordance with the labor regulations, the Company also abides by local regulations regarding labor remuneration, working hours, rest and vacation, and mandated benefits, prohibiting forced labor. During the reporting period, no cases of forced labor were found to exist.

In the respect of recruitment management



The Company always takes employees as the driving force of high-quality development of enterprise, committing to introducing and cultivating high-quality talents, and improving the core competition of the Company. It actively expands the talent introduction channels, has constructed diverse talent introduction routes including campus publicity recruitment, network platform recruitment, headhunter recruitment, and information released on new media platforms, and meanwhile has constructed open, just, standard and efficient recruitment procedures, realizing standard management throughout the whole process from the recruitment announcement release to talent contract signing and employment, to effectively promote the improvement of quality and efficiency of recruitment.

In the respect of employment management



In the “legal, fair, equal, voluntary, consensus, honest and trustworthy” principles, the Company signs labor contracts with employees, covering the duration of labor contract, work content and places, times and holidays, labor remuneration, labor protection and occupational hazard prevention and other terms, protecting the rights and interests of staff from the source.



The labor contract
signing rate of
the Company

100%

In the respect of equal opportunity



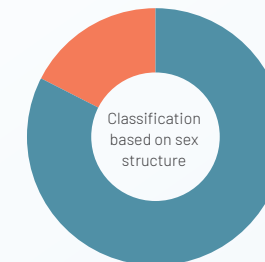
Adhering to principle of diversification and anti-discrimination, the Company treats employees with different nationalities, countries, religions, sexes, marriage status and special legal protection equally, provides equal opportunities for employees in links such as recruitment, employment, remuneration benefits, occupational development, and actively creates equal, anti-discrimination and diversified employment environment. Adhering to the feministic aim, the Company implements the national *Special Rules on the Labor Protection of Female Employees*, and defines the issues related to the special protection over female employees in the *Collective Contracts*, and guarantees the legal rights and interests of female employee.

Total of employees
9,824 persons

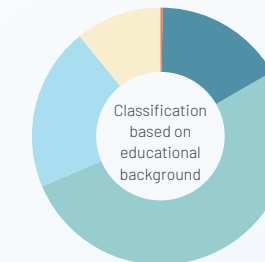
within

Employees from national minority
341 persons

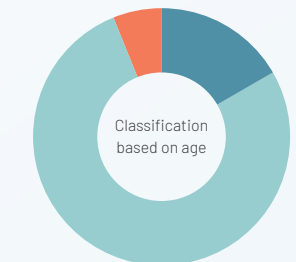
Disabled employees
30 persons



Male 8,123 persons
Female 1,701 persons



Doctor 52 persons
Master 1,606 persons
Bachelor 5,095 persons
Junior college 2,020 persons
Under junior college 1,051 persons



Under 30 years old (inclusive)
1,655 persons
30 years old - 50 years old (inclusive)
7,548 persons
Above 50 years old
597 persons

Remuneration and benefits

The Company provides employees with basic social insurance, accumulation fund, paid holidays and other benefit policy stipulated by law, and meanwhile, provides other benefits uncovered by law, including commercial insurance, enterprise annuity and other benefit guarantee treatment. In addition, to encourage employees to immigrate to overseas, front line and other directions required by the development of the Company, the Company stipulates and implements the subsidy system such as subsidy for going abroad, subsidy for the years at abroad, oversea subsidy, remote immigration subsidy and other subsidy systems, to enhance the remuneration guarantee foundation of key posts and frontline employees. The Company defines the responding stipulations and management requirements of labor criterion in the employee attendance and holiday management system, employee manual and other documents, and combining with the employee performance assessment and other ways, encourages and restricts the labor behaviors of employees. In addition, the Company explicitly stipulates on the female employee maternity leave, extension of maternity leave, breastfeeding leave and other leave rights and interests in the system, highlighting guaranteeing and caring for female employees.

The Company stipulates the *Management Measures for the Performance Assessment of Employees*, defines that the Company needs to determine on the main content of performance assessment in the respects of personal work performance, work ability and attitude based on the nature of posts, and sets up the performance result review mechanism. The Company timely updates the annual assessment results with the assessed employees. In case of objections against the assessment results, the employee may submit appeal within 3 working days, and the department of human resource of the unit of the employee shall be responsible for coordination and treatment.

Democratic management

Taking the Workers' Congress as the main carrier and basis form of democratic management, COOEC carries out special reports on the production operation situation, financial situation, quality safety management, etc. of the Company, deliberates on employee proposal, Collective Contracts, employee manual and other major decisions involving the enterprise, and major issues involving in the vital interests of employees, and receives the supervision of the Workers' Congress. It collects staff opinions through various channels such as symposiums, open day of functional departments of headquarters, distribution of questionnaire, creates APP of “Reasonable Suggest”, and opens staff service hotline.



Occupational promotion

The Company deepens the implementation of the talent-strengthening strategy, continuously consolidating and enriching various employee training platforms, broadening employee development paths, innovating employee training methods, and strengthening the construction of talent echelons to inject new vitality into the Company's development. The Company releases the *Talent Growth Map of COOEC*, further clears the employee occupational development channel, modifies the *Employee Team Management Measures*, with diverse three-dimensional clear and definite occupational development channel established, and talent development system taking "three teams, four sequences, N posts and four sets of rules" as framework constructed, aiming to create conditions for employees to realize self-worth. The Company provides equal opportunity for each employee, employee at the posts of management, technology, business and skill have complete and mature occupational development promotion channels.

Broad development platform

COOEC deepens the implementation of the talent-strengthening strategy, continuously consolidating and enriching various employee training platforms, broadening employee development paths, innovating employee training methods, and strengthening the construction of talent echelons to inject new vitality into the Company's development.

Employee training

The Company carried out "9+N" series of training courses for employees at different sequences and levels, organized 11 key trainings facing the groups such as leaders, cadres, technical and skill experts, backbone talents, new employee, training **529 persons**; carried out **9,021** various trainings around the country in terms of professional capacity promotion., training **390,200 person-times** for a total class hours of **2,459,500 hours**. The class hours per participant throughout the year are **256.25 hours** (on line and off line).

Total training participants

9,824 sessions

Employee training coverage

100%

Annual training sessions

12,135 sessions

Annual training expenditures

33,938,300 RMB

Annual total training duration

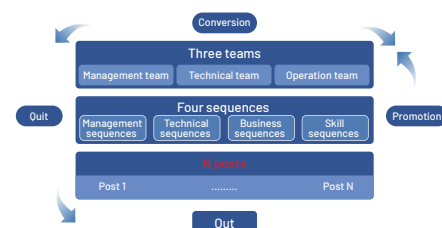
2,141,931 hours



CASE

The Employee Team Management Measures is released officially

COOEC constructed talent occupational development system since three institutional reforms, and released the talent growth map and implementation scheme. And meanwhile, it correspondingly modified the *Employee Team Management Measures*, improving the system in the respects of lean management of team, technical team expansion, etc., for example, defining the promotion conditions of various sequences, optimizing the assessment grades, etc., aiming to promote personal growth comprehensively, deepen the talent team construction, and lay solid foundation for the talent development in future.



CASE

Holding the occupational skill competition of ship sailors and motormen

From November 12 to 15, COOEC held the occupational skill competition of ship sailors and motormen in 2024 on the "Binhai 108" ship, **52 employees** on the front line from **14 engineering ships** participated in the competition. This competition comprises two parts of theoretical test and practical operation, sets up **11 assessment items**, and assess referring to the standards for senior workers and above. The competition comprehensively tests the capacities of staff, and the operation practice covers the craft of sailors, ship electromechanical and other items. Finally, **4 first prizes, 8 second prizes, and 12 third prizes** are generated, and the winners may have the preference to attend the competitions at higher levels. This competition stimulates the study passion of employees, providing talent support for high-quality development of the Company.



CASE

Excellent Performance in the 2024 national industrial vocational skills competition



On November 13, the 2024 national industrial vocational skills competition (lossless test) ended in Xi'an. COOEC assigned 8 participants. In individual competition, they won **3 gold metals, 2 silver metals, and 3 copper metals**; and in the team competition, they won the gold metal and first prize of team competition, as well as excellent organization award and excellent coach team award, winning awards in all award items. This competition comprehensively tested the technical strength, and improved the influence of the Company. In future, the Company will take this reward as an opportunity, enhance technical innovation and talent cultivation, and promote the development of non-destructive testing technology.

Caring for employees

COOEC diligently and warmly serves employees, assists and consoles practically and carefully, constantly carries out "warm winter, cool summer and caring throughout the year" activities, daily consoling in case of deliver and illness of employees, and maintains various rights and interests of employees. It carries out special consoling for the education of children of workers in need, assistance for serious diseases and illnesses, assistance for the disabled, special assistance for the Spring Festival, emergency assistance, etc., has invested special assistance fund of **more than RMB 2 million** in assistance of employees in need, benefiting **about 400 employees** and family members, cohering staff and winning their support with warmer labor union services, in order to cohere development force for the Company. It has enhanced the caring for employees, organized **2 family** open day to invite families of staff to learn about the COOEC big family. It has held ping pong and badminton games, promotes the units to carry out **87** interesting recreation and sports events attracting many participants, including walk, basketball games, interesting sports meeting, to constantly enhance the cohesion and centripetal force of staff.



COLLABORATING WITH PARTNERS FOR MUTUAL SUCCESS

COOEC firmly believes that cooperation and win-win are the unavoidable routes of corporate development. The Company closely cooperates with suppliers, customers and other partners constantly, to create more commercial values and social benefits together.

Supplier management

The Company has established a supply chain management system with “clear responsibilities, efficient decision-making, controlled risks, and closed-loop management”. This system focuses on key control matters, clarifies responsibilities, standardizes procurement processes, effectively prevents human intervention, and enhances the Company's ability to prevent and resolve major risks. Specifically, the Company has established a closed-loop management mode for suppliers.

The Company has formulated the *Supplier Management Measures* and *Supplier Compliance Management Guidelines*, specifying nine management requirements for suppliers in terms of development, selection, and use. Additionally, the system explicitly allows for moderate preferential incentives to be provided to suppliers of environmentally friendly and energy-saving products.

According to the requirements of the system

The Company completes
the registration and approval of

458 suppliers

Treats suppliers in breach
of regulations for

72 times

Lifts bans and
temporary bans for

50 suppliers

Freezees

41 suppliers

Completes the assessment of

9,689 contracts/orders

Assessment rate

100%

To promote the development of the
industrial chain, the Company organizes to
carry out green supply certification and
training.

Equally treat small and medium-size enterprises

To assist the small and medium-sized enterprises in solving problems and overcoming difficulties, as well as driving the collaborative development of small and medium-sized enterprises, as required by the *Notice on Matters concerning Central Enterprises Assisting Small and Medium-sized Enterprises in Solving Problems, Overcoming Difficulties and Promoting Collaborative Development* of SASAC, the Company effectively gives play to the driving effect of state-owned capital, implements modern industrial chain leader action plan, constantly arranges in the key links playing high-end leading and basic support role in the high-end device industrial chain of marine engineering, striving to stabilize, complement and fix the chain, to provide more application scenarios and market opportunity for the development of small and medium-sized enterprises, support their health development, and focus on constructing good ecology of mutual existence, promotion and common development of small, medium and large-sized enterprises.

Payment of taxes and expenses

The Company pays high attention to the tax management, actively implements the concept of “tax payment by law and compliant operation”, compiles and implements 1 tax management measure, transfer pricing tax management of related transactions and other 4 rules. To prevent tax risks effectively, the Company establishes compliance risk management mechanism based on internal control system of tax, pays attention to improving the quality of basic information of tax declaration by information-based means, and realizes “mutual governance of taxes and enterprises” of tax compliance risks through enhancing the coordination among taxes and enterprises.

While enhancing tax risk control, improving tax compliance, the Company also pays high attention to the research and application of preferential policies, making the tax payers enjoy the reasonable tax preference.

BEARING SOCIAL RESPONSIBILITIES

COOEC studied and applied the experience of “thousand and ten thousand” projects, firmly bore the mission responsibilities, striving to create a new scene of the Company to comprehensively promote the rural revitalization. Based on the key points of annual rural revitalization of CNOOC, the Company constantly consolidates the effect of regional targeted assistance, pairing assistance in Tibet and assistance in Hope Primary Schools, trying constantly to improve the standards and methods.

Rural revitalization

From 2021 to 2024, it invested **RMB 4.5 million** in assisting two villages in Baodi District, Tianjin City, and **RMB 1.5 million** in 2024. The cadres in villages promoted the development of the two villages, such as hardening roads, paving bricks to form a square. In 2024, the collective operational revenues of the two villages reached **RMB 200 thousand**, the growth of per capita disposable income exceeded the average level of Tianjin, and the villages were rated at star levels.

Pairing assistance in Tibet

The Company donated **RMB 150,000** to improve the children education resources in Nima County, organized to donate computers, and carried out consumption assistance of **RMB 285,000** and employment assistance recruitment for **9 persons**, receiving appreciation from the local educational department.

Public benefit charity

The Company donated **RMB 150,000** for upgrade, transformation and rewarding teachers and students. The Youth League Committee organized pairing assistance, carried out League Day events. The lessons delivered by the volunteers enriched the experience of students. The per capita consumption assistance amount of the members of the labor union is increased to **RMB 600/person**, the Company spent **RMB 300 thousand** in the purchase of conference water from Tibet, connected the material donation channel in Tibetan areas, assisted in Hope Primary Schools for a long term, and carried out mountain and sea area coordination, volunteer service, volunteer blood donation and other activities.

Volunteer service

The Company insists on paying back the society, implements village environmental engineering, and builds “green corridor”. It focuses on education poverty alleviation, continuously assists in and condole children in demand, to promote their health growth. It extensively carries out Volunteer Services learning from Lei Feng, public benefit activities such as volunteer tree planting, National Oceans Day, and organizes vehicle transport safe knowledge popularization public benefit activity, to build social civilization new trend.



PROMOTE REGIONAL DEVELOPMENT

Adhering to the core concept of actively integrating national regional development strategy, the Company pursues the mission to promote the regional development with practical action, and drive the regional economic prosperity, industrial upgrade, scientific and technological innovation and talent cultivation.

Synergetic development in Beijing-Tianjin-Hebei Region

The Company integrates the synergetic development strategy in Beijing-Tianjin-Hebei Region, resulting in outstanding operation performance. It spares no effort to guarantee the launching of Bohai Oilfield, and promotes the business transformation of clean energy, for example, Tianjin LNG, Tangshan LNG projects were put into operation. It increases the investment in key industries, upgrades Tianjin Lingang Intelligent Manufacture Base, and improves the capacity. It actively drives the industrial alliance construction, sticks to scientific and technological innovation, and deepens the integration of industries and universities, driving the regional development.

Construction in Guangdong-Hong Kong-Macao Greater Bay Area

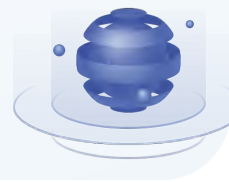
Realize operational revenue increase in the Greater Bay Area, guarantee the regional energy supply, and promote many projects delivery and construction. Strive to explore the overseas market, enhance the permeation of new energy industry, and create good international reputation. Promote the progress of enterprise “scientific reform”, establish supporting policy, approve and initiate the project, and realize domestication of some devices. Increase investment in key equipment, complete upgrade and transformation of devices, and support the increase of industrial chain.

Integrated development in the Yangtze River Delta

Lead the work in Yangtze River Delta with EPC, undertake many design projects and promote the cost decrease and benefit increase of subsea pipelines. Actively follow up LNG projects under construction, which service was highly praised by owners, and constantly follow up many potential LNG projects.

The eastern regions develop first

Enrich the category of engineering projects undertaken, complete several major projects delivery at home and abroad, and realize key technical breakthrough. Constantly increase upgrade and transformation investment, improve production and manufacture capacity, and guarantee development in eastern regions.



CONCLUDING REMARKS

In 2024, COOEC made significant contributions in the fields of environment, society, and corporate governance. Looking forward to 2025, we will promote the careers to a new level with wider vision and more steadfast determination at a new starting point.

In the field of environment, COOEC will constantly deepen the green development strategy. To respond to the calling of "carbon peaking and carbon neutrality", it will further improve the green and low-carbon development system. From the production source to the entire operation process, it will deeply promote energy conservation and emission reduction, optimize energy structure, and enhance energy utilization rate, to reduce the impact on the environment. It will increase the investment in green technical research and development and application, actively explore and innovate, to speed up the green transformation of the industry. It will actively participate in the stipulation of green standards in the industry, lead the green development trend of the marine energy resource industry, to make our contribution to the protection of ecological environment on the earth, striving to construct beautiful picture of harmony between humanity and nature.

On the social level, the Company will perform social responsibility at higher position. In the respect of the rural revitalization, it constantly increases the assistance, innovates assistance modes, to promote the industrial prosperity and rich lives in the assisted regions, promote urban and rural integrated development, and make contribution to the realization of common prosperity goals. Focusing on the education equality, it will support the education career in the poverty-stricken area, improve the conditions at schools, and promote the cultivation of more excellent talents, bringing hope with knowledge. It will actively join social activities for public good, organize employees to carry out various volunteer services, to pass on love and warmth, cohere the positive social energy, and strengthen the close connection among enterprises and society, in order to build warmer enterprise image.

In the respect of corporate governance, COOEC will constantly improve modern enterprise system and improve governance efficiency. It will optimize the internal management structure, enhance the team cooperation, and increase the scientific decision-making and execution efficiency, ensuring more standard, efficient and stable operation of the Company. It will strengthen the construction of risk management system, effectively address various market challenges and uncertainties, and guarantee the stable development of the Company. It will actively welcome the digital transformation, improve management level with advanced technologies, and promote modernization of corporate governance. It will enhance the communication and cooperation of stakeholders, realize mutual benefit and win-win situation, and promote the reputation and influence of the Company in the capital market and industry.

In 2025, COOEC will continue to adhere to the sustainable development concept, collaboratively forge forward in the fields of environment, society and corporate governance, constantly make breakthrough, and set benchmark for the development of the industry, to create more values for the society, and forge forward beautiful future with the parties.

INDICATOR REFERENCE

SSC Guidelines Benchmarking

Disclosure requirements	Corresponding chapter in this Report
Respond to climate change	Respond to climate change
Pollutant emission	Improving the Prevention and Control of Pollution
Waste disposal	Improving the Prevention and Control of Pollution
Ecological system and biodiversity conservation	Optimizing Resource Utilization
Environment compliance management	Environment compliance management
Energy utilization	Respond to climate change
Water resource utilization	Optimizing Resource Utilization
Circular economy	Optimizing Resource Utilization
Rural revitalization	Promote Regional Development
Social contribution	Promote Regional Development
Innovation-driven	Innovation empowers quality
Scientific and technological ethic	Upon assessment, the discussion topic does not have influence significance and financial significance, and is not disclosed in the report
Supply chain security	Collaborating with Partners for Mutual Success
Equally treat small and medium-size enterprises	Collaborating with Partners for Mutual Success
Product and service safety and quality	High Quality Enables Quality Safety Safeguards Quality
Data security and customer privacy protection	Services Guarantees Quality Innovation empowers quality
Employee	Practicing People-oriented Philosophy
Due diligence	Upon assessment, the discussion topic does not have influence significance and financial significance, and is not disclosed in the report
Stakeholder engagement	Stakeholder engagement
Anti-commercial bribery and anti-corruption	Anti-corruption
Anti-illegitimate competition	Upon assessment, the discussion topic does not have influence significance and financial significance, and is not disclosed in the report

Guideline Benchmarking of Report Preparation of Listed Companies Controlled by Central Enterprises

Contents	Indicator
About this Report	
Message from Chairman	
About COOEC	
ESG Management	
ESG Governance	G1.3
ESG Strategy	/
Stakeholder Engagement	/
Dual Significant Discussion Topic Analysis	/
Influence, risk and opportunity management	/
Indicator and goal	/
ESG Brand Building	/
Enhance the Foundation of Corporate Management with Stable Development	
Consolidate Governance	G1.1, G1.2, G1.3
Compliant operation	G2.1, G5.1
Risk management	G5.2
Reward shareholders	G3.1, G3.2, G4.1, G4.2
Anti-corruption	G2.2
Start the environment responsible journey with blue sea and sky	
Environment compliance management	E4.1, E5.4, E5.5, E5.6
Respond to climate change	E1.3, E3.1, E3.2, E3.3, E5.1, E5.3
Improving the Prevention and Control of Pollution	E2.1, E2.2, E2.3
Optimizing Resource Utilization	E1.1, E5.2
Based on Quality, Uphold the Excellent Engineering Flag	
Innovation empowers quality	S2.3
High Quality Enables Quality	S2.1
Safety Safeguards Quality	S1.3
Services Guarantees Quality	S2.2
In People-oriented Principle, Forge Forward Together, Playing the Harmonious Music of the Society	
Practicing People-oriented Philosophy	S1.1, S.1.2, S1.4
Collaborating with Partners for Mutual Success	S3.1, S4.1
Bearing Social Responsibilities	S4.2, S4.3
Promote Regional Development	S4.4
Concluding Remarks	
Appendix	

SGS

ASSURANCE STATEMENT CN25/00001477

SGS-CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE OFFSHORE OIL ENGINEERING CO., LTD.'S ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT FOR 2024

NATURE OF THE ASSURANCE/VERIFICATION

SGS-CSTC Standards Technical Services Co., Ltd. (hereinafter referred to as SGS) was commissioned by Offshore Oil Engineering Co., Ltd. (hereinafter referred to as COOEC) to conduct an independent assurance of the Chinese version of Offshore Oil Engineering Co., Ltd.'s Environmental, Social, and Governance Report For 2024 (hereinafter referred to as the Report).

INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all COOEC's Stakeholders.

RESPONSIBILITIES

The information in the Report and its presentation are the responsibility of the directors or governing body and the management of COOEC. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the extent to which the Report conforms to the four principles of the AA1000 Assurance Standard within the scope of assurance with the intention to inform all COOEC's stakeholders.

SGS hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance (SRA) protocols used to conduct assurance are based upon the AA1000 series of standards.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance
AA1000AS v3 Type 1	Moderate

SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance was confined to assessing the extent to which the Report's content conforms to the four principles of the AA1000AS v3. It is important to note that this engagement did not encompass an assurance of the sustainability performance information included in the Report.

ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees at No. 199, Binhai Road, Fifteenth Road, Tianjin Port Free Trade Zone, Binhai New Area, Tianjin, China; documentation and record review and validation where relevant.

LIMITATIONS AND MITIGATION

This assurance engagement was restricted to the head office of COOEC and did not involve its branches. This assurance is only limited to verifying the compliance of the text information in the Report with the principles of the AA1000AS v3, and did not include the traceability and verification of the performance data in the Report. This assurance engagement was limited to conducting interviews with departmental managers and selected employees of COOEC, in addition to reviewing relevant documents and records. External stakeholders were not included in the interview process.

SGS

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. SGS affirm our independence from COOEC, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE/VERIFICATION OPINION

On the basis of the methodology described and the assurance engagement performed, the assurance team concludes that the Report basically conforms to the four principles of the AA1000AS v3 to the following extent:

INCLUSIVITY

The Report has identified the organization's stakeholders, collected their expectations and concerns, established methods for stakeholder communication and engagement, and undertaken various forms of dialogue and interaction with them.

MATERIALITY

The Report has reasonably disclosed significant issues and indicators that materially affect stakeholder evaluations and decisions, reflecting the organization's most significant impacts on economic, environmental, and social matters based on the concerns raised by relevant stakeholders.

RESPONSIVENESS

The Report has demonstrated the established channels for stakeholder interaction and has fully addressed stakeholder concerns and expectations. Additionally, it has provided transparent responses on material issues to an appropriate extent.

IMPACT

The Report has provided an account of the monitoring and measurement of the principal activities' impacts concerning environmental, social, and governance (ESG) issues.

FINDINGS AND RECOMMENDATIONS

All observations pertaining to commendable practices, sustainable development activities, and managerial recommendations identified throughout the assurance process have been thoroughly documented in the *Internal Management Report on Sustainability Reporting Assurance*. This report has been officially presented to the relevant management divisions of COOEC to serve as a reference for their ongoing efforts towards continuous improvement.

Signed:

For and on behalf of SGS-CSTC

David Xin
Sr. Director – Business Assurance
16/F Century Yuhui Mansion, No. 73, Fucheng Road, Beijing, P.R. China

Mar. 12th, 2025
WWW.SGS.COM



DISCLAIMER

The information contained in this report does not constitute any investment advice. Investors should not replace their independent judgment or make decisions solely based on such information. The Company does not assume any responsibility for losses that arise or may arise from the use of information in this report. The information published by the Company is true and accurate. In the event of any inconsistency with statutory disclosure documents, the statutory disclosure documents shall prevail.

If this report contains forward-looking statements, it does not constitute a constraint on the Company's future actions, and the Company is not obligated and does not undertake to revise forward-looking statements (if any) contained in this document.

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