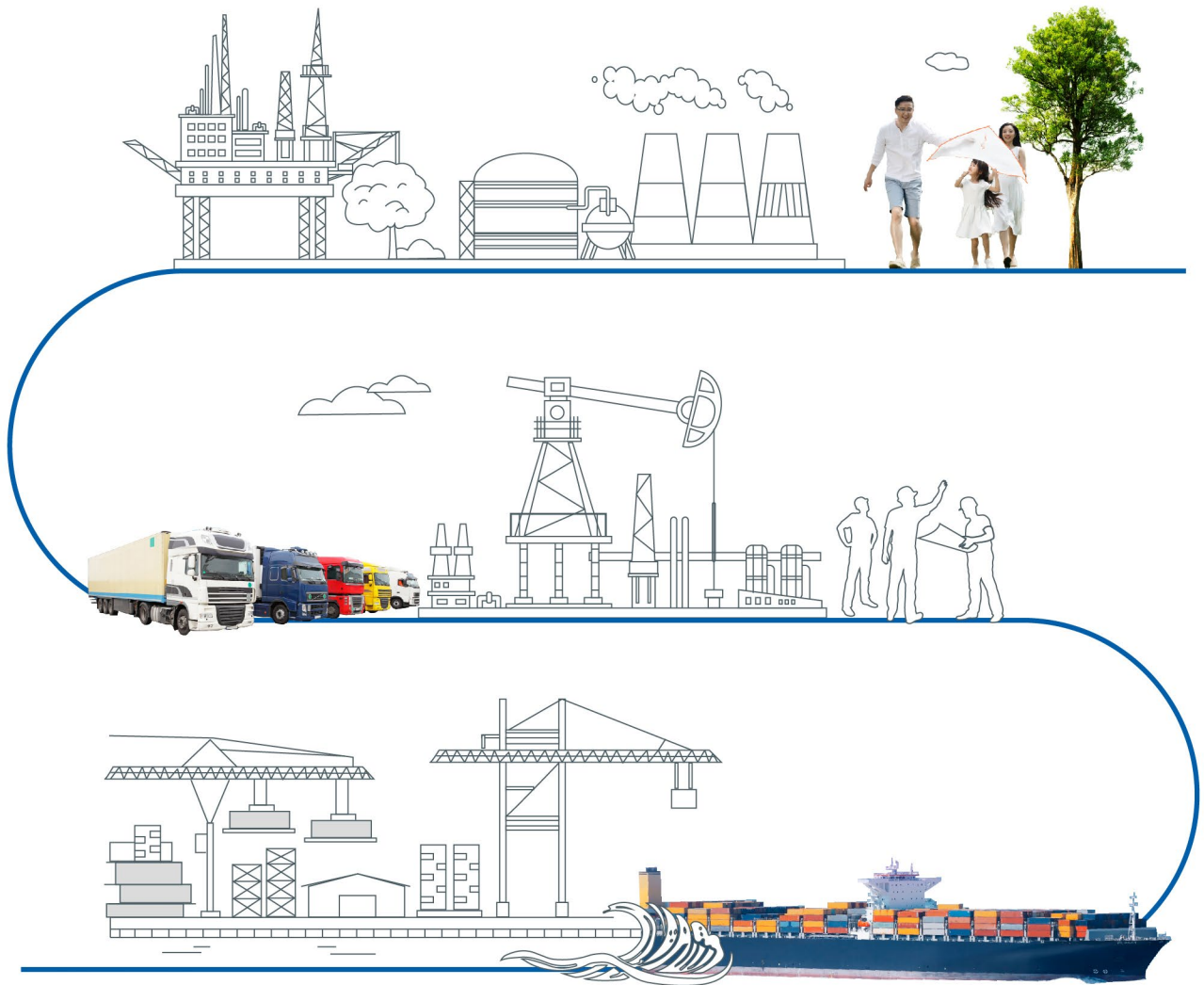




中信資源控股有限公司 CITIC Resources Holdings Limited

(incorporated in Bermuda with limited liability)

Stock Code: 1205



2021

Environmental, Social and Governance (ESG) Report

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About This Report

This Environmental, Social and Governance Report (this "Report") presents CITIC Resources Holdings Limited's (the "Company" or "CITIC Resources") and its subsidiaries' and joint ventures' (the "Group") concepts, management methods, measures, and relevant performance of sustainability work in 2021. This Report should be read in conjunction with the *Corporate Governance Report* within the Company's *2021 Annual Report* to construct a comprehensive understanding of the Company's Environmental, Social and Governance ("ESG") performance.

The Board of CITIC Resources is fully responsible for overseeing the implementation of the Company's ESG related policies and relevant reporting, and the Board has reviewed and approved this Report in May 2022. The information disclosed in this Report is mainly from the internal documents and public materials of the Group.

Reporting Period

Unless otherwise specified, this Report mainly reviews the Group's internal policies, measures and actions on ESG during the period from January 1, 2021 to December 31, 2021 (the "Reporting Period"), so as to demonstrate the Group's environmental and social responsibilities undertaken and related performance during the Reporting Period. In order to ensure the continuity and comparability of relevant statistical data, the time range involved in some of the contents of this Report will be appropriately extended as needed.



Reporting Organizational Scope

The Group determines the scope of this Report based on the operational control over entities. Therefore, projects related to aluminium smelting, coal, bauxite mining, and alumina refining are not included in this Report. The organizational scope of this Report is consistent with the scope set out in the previous ESG Report, which specifically includes:

- CITIC Resources (the head office of the Group in Hong Kong)
- CITIC Canada Energy Limited
- JSC Karazhanbasmunai
- CITIC Haiyue Energy Limited
- Tincy Group Energy Resources Limited
- CITIC Seram Energy Limited
- 中信石油技術開發(北京)有限公司 (CITIC Petroleum Technology Development (Beijing) Limited)
- CITIC Resources Australia Pty Ltd

The scope of disclosure of environmental and social performance indicators in this Report remains the same as 2020.

In addition, the indirect wholly-owned subsidiaries of the Company, CITIC Oil & Gas Holdings Limited, and JSC KazMunaiGas Exploration Production jointly own, manage, and operate KBM through CITIC Canada Energy Limited, which indicates that both the Company and JSC KazMunaiGas Exploration Production require the consent of the other party in making operation decisions. In other words, the Company does not have operational control over KBM. The disclosure scope of environmental and social key performance indicators of this Report does not include KBM.

Reporting Reference

This Report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* (the “ESG Reporting Guide”) set out in Appendix 27 to the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited. This Report has complied with the mandatory disclosure requirements and all “comply or explain” provisions set out in the ESG Reporting Guide of the SEHK, and has been prepared in accordance with the four reporting principles of materiality, quantitative, balance and consistency. Please refer to this Report’s Appendix 3 – *SEHK ESG Reporting Guide Index* for reference.

! Materiality

This Report focuses on the material issues identified and assessed by the Board and the management of the Group during the Reporting Period. Please refer to the sections “Statement from the Board” and “Materiality Assessment” for specific procedures in determining material issues.

Quantitative

Key performance indicators are presented quantitatively whenever feasible in this Report, which lays a solid foundation to set relevant targets in the future. Meanwhile, this Report discloses past and present data of the Reporting Period, so as to effectively evaluate and validate the effectiveness of relevant ESG policies and management systems.

Balance

This Report provides an unbiased picture of the Group’s performance, and avoids selections, omissions, or presentation formats that may inappropriately influence the decision or judgment by the report reader as much as possible.

Consistency

Unless otherwise stated, the methodologies used in this Report for disclosure are consistent with previous years to ensure the comparability of environmental and social performance.

Reporting Specifications

In this Report, unless otherwise specified, the following terms shall have the following meanings:

“Australia”	refers to	The Commonwealth of Australia
“China”	refers to	The People's Republic of China
“CITIC Group”	refers to	中國中信集團有限公司 (CITIC Group Corporation)
“CITIC Petroleum”	refers to	中信石油技術開發 (北京) 有限公司 (CITIC Petroleum Technology Development (Beijing) Limited)
“CITIC Resources” or the “Company”	refers to	CITIC Resources Holdings Limited
“CITIC Seram”	refers to	CITIC Seram Energy Limited
“Coronavirus” or “Pandemic”	refers to	2019 Novel Coronavirus Pandemic
“COVID-19”	refers to	Coronavirus Disease 2019

“CRA”	refers to	CITIC Resources Australia Pty Ltd
“Hong Kong”	refers to	The Hong Kong Special Administrative Region, the People's Republic of China
“HSE”	refers to	Health, Safety and Environment
“Indonesia”	refers to	The Republic of Indonesia
“Kazakhstan”	refers to	The Republic of Kazakhstan
“KBM”	refers to	JSC Karazhanbasmunai
“Russia”	refers to	The Russian Federation
“SEHK”	refers to	The Stock Exchange of Hong Kong Limited
The “Board”	refers to	The Board of Directors of CITIC Resources Holdings Limited
The “Group”	refers to	CITIC Resources Holdings Limited and its subsidiaries and joint ventures within the scope of this Report
The “Hainan-Yuedong Block”	refers to	The Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, the People's Republic of China
The “Karazhanbas Oilfield”	refers to	The Karazhanbas Oil and Gas Field in Mangistau Oblast, the Republic of Kazakhstan
The “Seram Block”	refers to	The Seram Island Non-Bula Block, the Republic of Indonesia
The “Yuedong Oilfield”	refers to	The Yuedong oilfield, the principal field within the Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, the People's Republic of China
“Tincy Group”	refers to	Tincy Group Energy Resources Limited

Access to This Report

This Report is available in both Chinese and English. Should there be any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

Electronic copies are available as follows:

The website of HKExnews website of Hong Kong Exchanges and Clearing Limited: <http://www.hkexnews.hk/>

The website of CITIC Resources: <http://resources.citic>

Response to This Report

Comments and suggestions regarding this Report or the sustainability performance of the Group are welcome and can be emailed at ir@citicresources.com.

Furthermore, a feedback form is attached at page 87 of this Report, and you are welcome to complete and send it to the Group at the email address above.

Statement from the Board

The Board would like to express its sincere gratitude to all shareholders, customers, suppliers and business partners for their continuous care and support for CITIC Resources, and to the management and all employees for their dedication and support to the Group's sustainable development strategy over the years. The Board has made the following statements on the Group's ESG performance in response to the increasing concerns of stakeholders on CITIC Resources' efforts in sustainable development.

In the past year, as a responsible corporate citizen and a highly responsible energy company, CITIC Resources has been committed to maintaining the long-term stability of sustainable development, and has established an ESG management structure and clarified the corresponding governance responsibilities. In particular, the Board assumes full responsibility for the Group's ESG strategy and reporting, and ensures that the Group has established an appropriate and effective ESG risk management and internal control system. The Risk Management Committee of the Board is the core of ESG governance, and its responsibilities include but are not limited to the update and improvement of ESG policies, the assessment and supervision of ESG-related risks, etc. The Risk Management Committee of the Board meets at least once in each financial year of the Company. Through the above effective means, the Board can better integrate ESG into the Company's development strategy and production operation process.

In order to ensure the Group's long-term sustainable development, CITIC Resources has comprehensively and deeply promoted the enhancement of the governance system and the improvement of governance capabilities. The Risk Management Committee of the Board has established an ESG working group, which is fully responsible for identifying and assessing ESG risks and formulating ESG management policies, plans and goals to promote relevant ESG work. In order to effectively implement the supervision of ESG issues, the Group has established the *CITIC Resources Holdings Limited ESG Management Measures*, which lists ESG governance (e.g., formulation, implementation and review of ESG plans and objectives, supervision of ESG-related risks, and internal audit of ESG matters) and ESG reporting (e.g., collection and summary of ESG data and information, preparation and disclosure of ESG reports) as the daily work of the ESG working group, and standardizes and manages the relevant procedures.

In 2021, based on the established comprehensive ESG management structure, the Group reviewed the material issues in 2020, and reviewed and integrated the information of stakeholders and the material issues database with reference to international major trends, industry standards and issues of concern to peer companies. The Group identified a total of 5 material issues in environmental aspect and 6 material issues in social aspect. The specific response is as follows:

CITIC Resources always believes that **Oil Spill Prevention¹** is an important part of the safe production and operation of CITIC Resources' oilfields. As a socially responsible petroleum enterprise, the Group has continuously followed up and updated the relevant policies on crude oil exploitation, extraction and transportation in the operating areas of each oilfield in a timely manner to strictly prevent the occurrence of crude oil leakage accidents and ensure the comprehensiveness and effectiveness of the response strategies. In addition, while ensuring the stable operation of its business, the Group also attaches great importance to and is committed to reducing the **Local Environmental Impacts** to ensure 100% environmental compliance. The Group also strives to promote green and low-carbon transformation, strengthen the management and control of pollution mitigation, ecological protection and restoration, and greenhouse gas ("GHG") emissions, and promote the modernization of the ecologically environmental governance system and governance capabilities. In addition to implementing the concept of green development, the Group is continuously committed to improving the **Energy Usage & Efficiency** and **Water Consumption & Efficiency**, promoting the green and clean substitution of its energy consumption, and ensuring the gradual reduction of the water footprint in the production and operation process. The Group has also identified the risks and opportunities of **Climate Change** on the business operations

of the Group's oilfields, and has considered the risk response actions in a targeted manner from the oilfield level.

CITIC Resources regards employees as the most valuable resource and wealth. The Group adheres to the concept of common development of its employees and believes in "developing the enterprise with talents" and continues to discover and cultivate talents. The Group earnestly cares for the physical and mental health of employees, protects their rights and interests from multiple perspectives, and strives to benefit all employees with development fruits. In addition, the Group continues to optimize its policies on **Employment & Employee Benefits**, and actively urges its oilfields and subsidiaries to carry out a number of **employee development and training** activities and community welfare activities to effectively protect the **Employees', Contractors' & Communities' Rights**. At the same time, the Group also implements the employee safety measures in all aspects from the Group level to the oilfield level, strengthens the level of work safety and emergency response, and builds a safety barrier for high-quality development to ensure the **Employees' Health and Safety** in the production and operation process. The Group also attaches great importance to the management of community development in the places where it operates, and works with all stakeholders to continuously contribute to public welfare undertakings such as poverty alleviation, community development and volunteer services, so as to respond to the material issue of **Extent of Localization**.

CITIC Resources is mindful of the market's recognition. The Group attaches great importance to **Corporate Governance**. Through the continuous improvement of the regular governance structure and the establishment of the ESG management structure, the Group ensures the effective supervision and control of potential risks in the operation process. At the same time, the Group will actively respond to the requirements of the new guidelines of the SEHK, continue to make new progress in ESG management, continue to improve the transparency of ESG disclosure, maintain good communication with all stakeholders, and strive to become a leader in the industry.

In the new year, in the face of today's complex and severe development situation and the ever-changing trend in energy transformation and green development, CITIC Resources will further strengthen environmental protection, actively respond to more challenges and opportunities in energy conservation and emission reduction, and shoulder more environmental and social responsibilities. With the theme of high-quality development, the Group will firmly set scientific ESG goals and achieve further success on the path of sustainable development.

The Board of CITIC Resources

25 March, 2022

¹ Bold contents are the material issues identified during the Reporting Period.



About Us

About CITIC Resources

The Company was incorporated in Bermuda in 1997 and has been listed on SEHK in the same year. The Company is committed to the development in the fields of energy, metal and import and export of commodities, etc, and continuously defines CITIC Resources as an integrated provider of key commodities and strategically valued natural resources. The ultimate holding company is CITIC Group (formerly China CITIC Corporation) which was incorporated in China, and the intermediate holding company, CITIC Limited (CITIC Group's direct wholly owned subsidiary which has been incorporated in Hong Kong and listed in the main board of SEHK) holds a 59.50% share of the Group.

The operation projects of the Group in the field of crude oil include the exploration, development, and operation of oil fields located in China and Indonesia engaged by the indirect wholly-owned subsidiary of the Company, and the development, production and sales of oil in Kazakhstan as a joint venture. The investment in non-oil projects include the import and export of commodities in Australia, and the investment in aluminium smelting, coal, bauxite mining and alumina refining projects conducted by the Company's indirect wholly-owned subsidiaries.

The Group is well aware of its social responsibilities. As a part of the natural resources industry, the Group is highly concerned about the possible impact of its business activities on the environment and considers minimizing the impact on the environment in the course of its business operations. The Company has always adhered to the management policy of the entire Group's business, practiced the highest level of environmental protection, and protected the health and safety of employees and the society.

At the same time, the Group also understands the importance of balancing business development needs with managing the earth's resources and social impacts. Therefore, the Group makes every effort to provide high-quality products and services to meet the energy needs of the society and promote the harmonious development of society, economy and environment.



About the Subsidiaries and Joint Ventures Covered in the Report

The subsidiaries and joint ventures covered in this Report are introduced below

Tincy Group

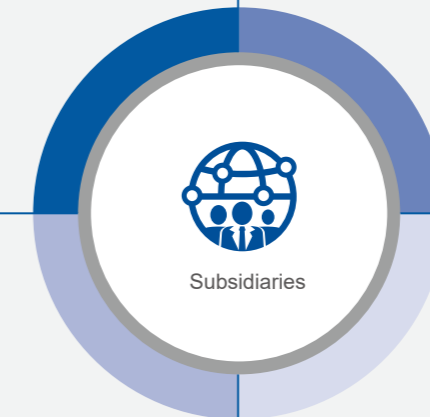
CITIC Haiyue Energy Limited, an indirect wholly-owned subsidiary of the Company, owns a 90% interest in Tincy Group.

Tincy Group holds the right to explore, develop, and produce petroleum from the Yuedong Block in the Bohai Bay Basin in Liaoning Province, China until 2034. Tincy Group is the operator of the Hainan-Yuedong Block in cooperation with China National Petroleum Corporation.

Currently, the principal field within the Yuedong Block is the Yuedong oilfield.

CRA

CRA operates the Group's import and export commodity business and is an indirect wholly-owned subsidiary of the Company, and its subsidiaries are engaged in mining investment business including aluminium smelting, coal and alumina refining, as well as import and export commodities in Australia and China.

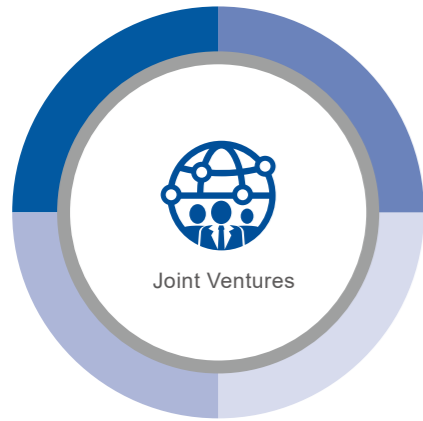


CITIC Seram

CITIC Seram, an indirect wholly-owned subsidiary of the Company, owns a 41% participating interest in the production sharing contract until 31 October 2039. The original production sharing contract expired on 31 October 2019 and has been extended for 20 years from the end of original production sharing contract. CITIC Seram is the operator of the Seram Block.

CITIC Petroleum

CITIC Petroleum is an indirect wholly-owned subsidiary of the Company, engaging in petroleum-related technology development business in Beijing, China.



Joint Ventures

Karazhanbas oilfield

CITIC Oil & Gas Holdings Limited, an indirect wholly-owned subsidiary of the Company, and JSC KazMunaiGas Exploration Production, through CITIC Canada Energy Limited, jointly own, manage, and operate KBM. In fact, the Group owns 50% of the issued voting shares of KBM (which represents 47.31% of the total issued shares of KBM).

KBM is engaged in the development, production and sale of oil and holds the right to explore, develop, produce and sell oil from the Karazhanbas oilfield until 2035.



Corporate Honor

Company	Honor	Illustration
CITIC Resources	Awarded the "Best Energy and Resources Company" award in the "5th Golden Hong Kong Stocks Awards Ceremony" jointly organized by Zhitong Finance and Tonghuashun Finance in 2020	<p>On 6 January 2021, CITIC Resources won the "Best Energy and Resources Company" award at the "5th Annual Golden Hong Kong Stocks Awards Ceremony" held in Shenzhen.</p> <p>The "Best Energy and Resources Company" aims to commend Hong Kong listed companies in the energy and resources sector that have a healthy corporate governance structure, a prominent position in the industry and good principal business, and can provide investors with sustainable and stable returns. CITIC Resources won the "Best Energy and Resources Company" award, highlighting the attention of the industry and investors to related industries. It is a great encouragement and a stimulus for CITIC Resources.</p>
CITIC Seram	PROPER Blue Rating	<p>Since 2010, CITIC Seram has been strictly abided by the Indonesian government's requirements on the environmental information disclosures, and thus received "Blue" rating from the Minister of the Environment of the Indonesia for 11 consecutive years.</p>



Our Governance

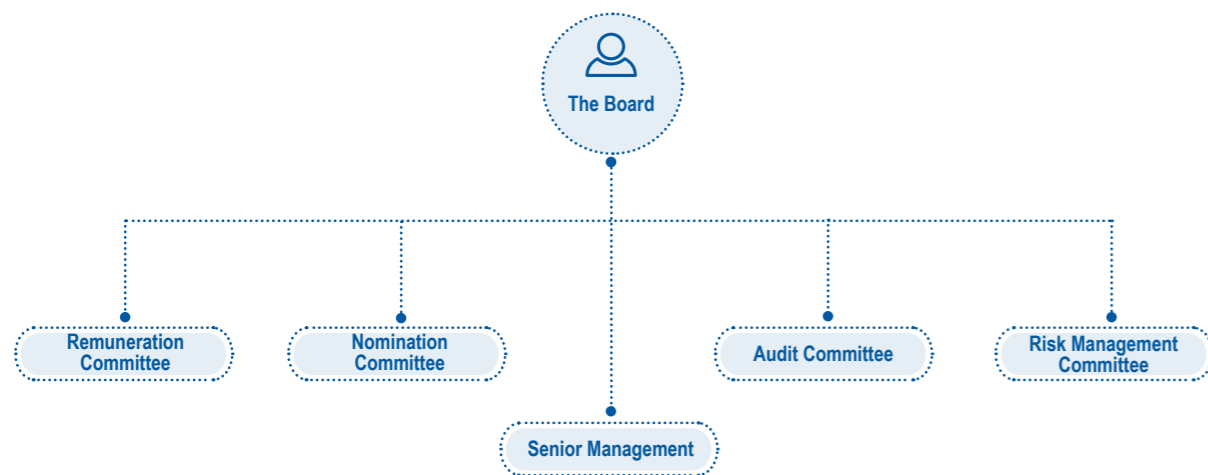
CITIC Resources strictly abides by the laws and regulations of the places where it operates and the regulations of regulatory agencies, and formulates and implements the Company's internal governance policies and business codes to ensure legal and compliant operations. The Company continues to monitor the operations of its subsidiaries and joint ventures through policies and systems, strictly ensuring that laws and regulations are fully complied with from the group level to the subsidiary level, ensuring the perfection of business operations and the management of risks and opportunities. Through diversified and multi-level corporate governance, the Group strengthens its core business and enhances its core competitiveness to gradually achieve the goal of sustainable development.

If you would like to know more detailed information on the Company's corporate governance, please read in conjunction with the Company's *Corporate Governance Report* within the *2021 Annual Report* to comprehensively understand the Company's governance performance.

Corporate Governance

CITIC Resources strictly complies with the listing provisions and requirements of the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited* and executes its governance policies. CITIC Resources continuously improves its governance structure comprised of the Board, the Remuneration Committee, the Nomination Committee, the Audit Committee, the Risk Management Committee, and the senior management, as well as its governance policies. Improving the level of the Group's governance and regulating the Group's operation and management ensures that all decisions are made on the principles of trust and fairness and announced in a public and transparent manner to protect the interests of all shareholders.

CITIC Resources' Governance Structure:



As of 25 March, 2022, the Board is composed of 6 members, including 2 Executive Directors, 1 Non-Executive Director, and 3 Independent Non-Executive Directors. The resumes of all Directors and the specific terms of reference of each committee have been published in the *2021 Annual Report* and on the Company's website. During the Reporting Period, to comprehensively strengthen the latest knowledge and skills, all Directors have participated in appropriate continuous professional development training, including the updates on ESG, relevant laws and regulations, and practices, as well as the duties and responsibilities of Directors.

Risk Management and Internal Control

Since its establishment, CITIC Resources has always attached great importance to risk management and internal control. The Company clearly recognizes that it is the responsibility of the Board to establish and maintain risk management and internal control that are compatible with the Company's strategic objectives and meet the Company's actual needs. The Board has the overall responsibility for maintaining the Group's risk management and internal controls and reviewing their effectiveness when needed.

Risk Management

The Group has established a risk management and internal control system covering all the business units to monitor, assess and manage various risks in the Group's business activities. The Risk Management Committee has reviewed the quality, completeness and effectiveness of the risk management policies and regulations of the Group and approved the relevant revisions on risk management policies under the delegation of the Board. The Group's risk management and internal control system identifies, evaluates and manages the significant risks through regular risk assessments (including both compliance assessment and self-assessment on risk management and internal control).

The risk management and internal control system is designed to facilitate the effectiveness and efficiency of operations, safeguard assets against unauthorized use and disposition, ensure the maintenance of proper accounting records and the integrity and fairness of the financial statements, and ensure the compliance with relevant legislation and regulations. The system provides reasonable (but not absolute) assurance against material misstatement or loss, and the management (rather than elimination) of the risks associated with its business activities.

The Company has taken appropriate measures to identify internal information and preserve its confidentiality until proper dissemination via the electronic publication system managed by the SEHK.

The Group's risk management and internal control system comprises five levels based on the corporate governance structure:



During the Reporting Period, the Risk Management Department identified risk by multiple channels, including questionnaires, group discussion and scenario analysis, evaluated the risk as normal risk, significant risk and critical risk, and managed the risks with reference to the Risk Management Policy. The Risk Management Department also controls the risks of subsidiaries through monthly risk management reporting and risk assessment as well as the monitoring of major projects and businesses. The result of the review (including COVID-19 related risk, strategic and investment risk, health, safety and environment risk, asset impairment risk, market risk, liquidity risk and litigation risk) shall be summarized and reported to the Risk Management Committee and the Board with recommendations and follow-up results. Furthermore, during the Reporting Period, the Company engaged an internal control adviser, who reported to the Audit Committee, and had conducted a review of the Group's internal controls relating to connected transactions and made recommendations to improve the internal control systems of the Group in such respect. Since then, such recommendations have been adopted and implemented by the Group in stages.

The Board has received from management a confirmation on the effectiveness of the risk management and internal control system. Since the last annual review, the outbreak and worldwide spread of COVID-19 pandemic led to global economy disruption, commodity price slump, and sharp increase in health risks. The prevention methods and the results were reported to the Risk Management Committee during the Reporting Period.

Internal Audit

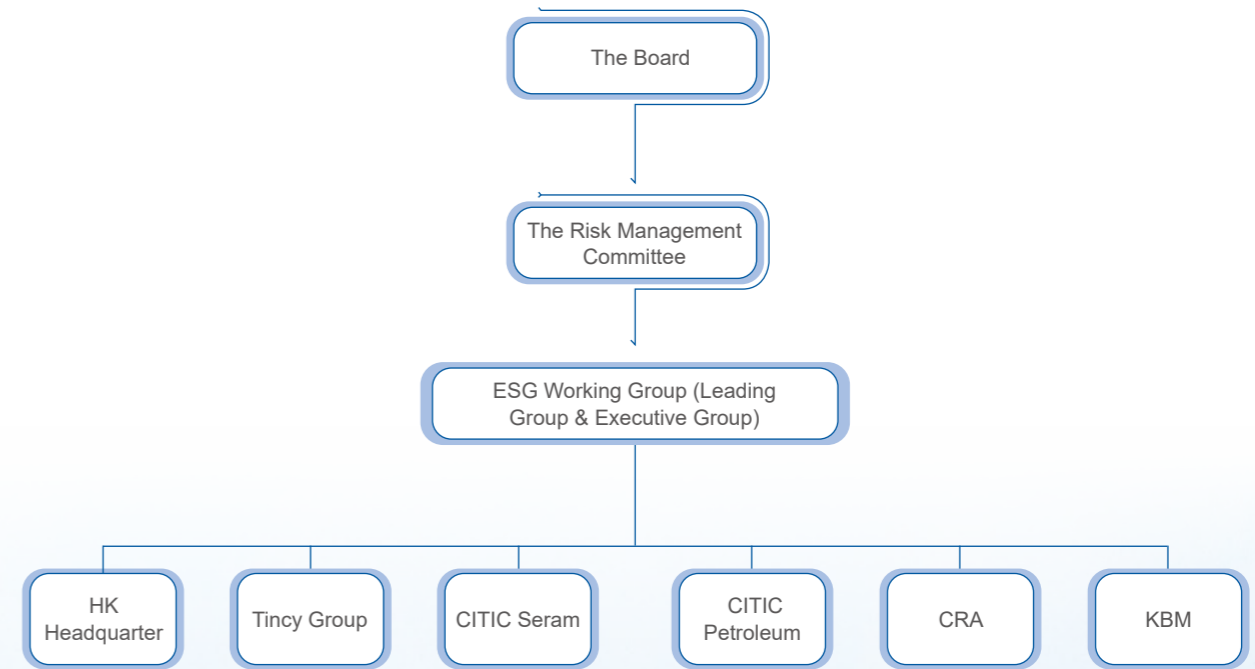
The Internal Audit Department carries out an analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control system, and performs independent internal audit reviews for all business units and functions in the Group on a systematic and ongoing basis. Under the internal audit charter of the Company, the Internal Audit Department has unrestricted access to all parts of the Group's businesses and direct access to any level of management including the chairman of the Company and the chairman of the Audit Committee as it considers necessary.

The Internal audit department conducts regular and independent reviews of the effectiveness of the Group's risk management and internal control system. The Audit Committee reviews the findings and opinions of the Internal Audit Department on the effectiveness of the system and reports to the Board if significant findings are noted.

During the Reporting Period, the Internal audit department prepared an annual internal audit plan in accordance with risk-based principles. Pursuant to the approved annual internal audit plan endorsed by the Audit Committee, detailed audit planning for each audit was devised, followed by field audits and discussions with the management of the Company and subsidiaries. Special audits are conducted when required by the Board and senior management. Internal audit reports were prepared after completion of the audits, informing the Company and subsidiaries about the identified control deficiencies, together with recommendations for immediate rectification. Concerns which have been reported by the Internal Audit Department were monitored by the management by taking appropriate remedial actions. The internal audit report (included audit findings and follow-up results) has been summarized, communicated and reported to the Audit Committee during the Reporting Period.

Sustainable Development Management

CITIC Resources understands that the pursuit of sustainable development is not only to ensure the long-term stability of its operations, but also to promote the healthy development of the environment and the harmonious coexistence of human and nature. Therefore, the Group is well aware of its mission and is committed to fully integrating with the needs of the long-lasting environment in order to promote economic and social development. Members of the Board of CITIC Resources actively participated in ESG training to ensure that they understand the development background and status of ESG. The Group is well aware that ESG has a crucial impact on an enterprise. The Group has established an ESG management structure as shown in the following chart:



CITIC Resources has formulated the *ESG Management Regulation of CITIC Resources Holdings Ltd.* (the "**ESG Management Regulations**") to continuously improve the Group's ESG supervision mechanism, enhance the ESG reporting management level, and effectively control the Group's sustainable development risks. The *ESG Management Regulations* clearly sets out the governance responsibilities of each level of the management structure and the ESG reporting and information data collection process.

At the highest level of governance, the Board of CITIC Resources bears full responsibility for the ESG strategy and reporting of the Group, responsible for assessing and determining the ESG risks related to the Group, and ensures that the Group has established an appropriate and effective ESG risk management and internal monitoring system. The Risk Management Committee of the Board is the core of ESG governance (the establishment of ESG plans and targets, execution and review, supervision of ESG related risks, internal audit of ESG matters, etc.), and its main responsibilities are as below:

- ▶ Identify matters related to ESG that constitute significant impacts to the operation of the Group and/or the rights and benefits of other key personnel;
- ▶ Update relevant production safety, environmental protection, social responsibility management and corporate governance policies when necessary;
- ▶ Supervise the Group's social responsibility for health, safety, environmental protection, and environmental monitoring (including organizational structure, rewarding system, employee training and corporate governance, etc.);
- ▶ Review the annual ESG report and make recommendations to the Board for approval;
- ▶ Other duties related to health, safety, environment, social responsibility and corporate governance authorized by the Board; and
- ▶ Comply with any requirements, guidelines, or regulations that the Board may not prescribe from time to time, or that the constitutional documents of the Group may not be listed from time to time, or that may be imposed by law from time to time.

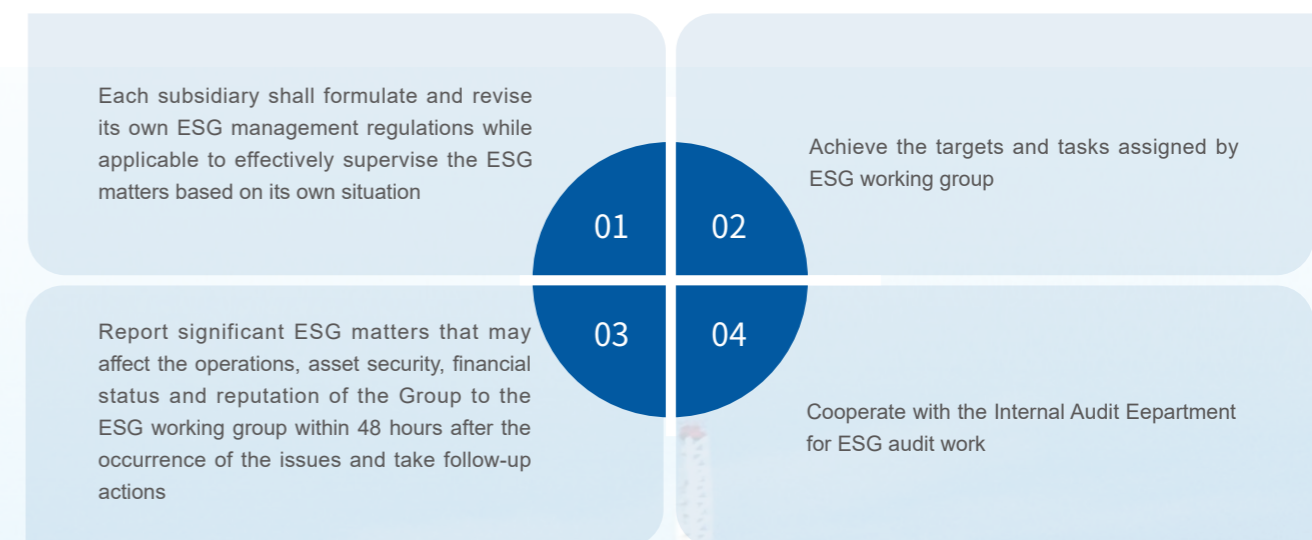
At the management level, ESG working group, as the main execution body of ESG governance, is responsible for identifying and recommending the Group's major ESG risks, formulating ESG management policies, plans and targets, coordinating internal and external work of ESG, and coordinating the reporting and execution of ESG matters of subsidiaries. ESG working group is divided into a leading group and an executive group.

The leading group is headed by the Chief Executive Officer, who is the main responsible person for ESG governance of the Company. The Vice President of the Company is responsible for the overall implementation of ESG governance strategy. The Chief Financial Officer, the Chief Legal Officer, the Company Secretary and the representatives of every subsidiary are the members of the leading group. The leading group is responsible for ensuring that the ESG policies are effectively implemented and that the governance of CITIC Resources meets the compliance requirements of SEHK.

The executive team leader is the Head of Investor Relations Department. The Head of the Risk Management Department, the Head of the Personnel Administration Department, and the Head of ESG work of each subsidiary of the Company are the team members. The main responsibilities are as follows:

- 1 Formulate and improve the *ESG Management Regulations* and update them in time according to the listing regulations of SEHK
- 2 Prepare the ESG work plan and target of the Group and conduct regular review
- 3 Identify, screen, and recommend ESG material issues
- 4 Coordinate and supervise the reporting and execution of ESG matters of subsidiaries
- 5 Other tasks assigned by the Risk Management Committee of the Board or ESG leading group

As for the executive body of ESG governance, the subsidiaries are responsible for their own ESG governance and reporting. The specific responsibilities are as follows:



Our Communication

CITIC Resources attaches great importance to the opinions of internal and external stakeholders, and actively responds to the expectations and concerns of stakeholders. In order to fully thank the stakeholders for their trust and support to the Group, the Group will strive to pursue and realize the interests of all stakeholders to gradually achieve the sustainable development goals.

Communication Channels

The Group maintains communication with different stakeholders through different forms, aiming to better understand their opinions and expectations, so as to help further improve and implement sustainable development policies. The Group will actively communicate and interact with the stakeholders that focus on this Report, or may affect the Group's strategic direction, such as non-governmental organizations, media organizations and industry associations, to understand the concerns and expectations of different groups on ESG issues of CITIC Resources.

The communication channels, engagement purposes, expectations and appeals of key stakeholders of CITIC Resources' subsidiaries and joint ventures have been summarized as below:

Stakeholder Groups	Shareholders/ Investors	Government and Regulators	Employees	Customers	Peer Companies	Business Partners	Potential Investors and Financial Institutions	Suppliers and Contractors	Communities and the Public
Major Stakeholders	Major Shareholders Public Investors	Government Agencies Industry Regulators	All Employees	Oil Buyers Customers of the Import and Export Business	Oil and Gas Companies	Companies with Business Partnership	Investment Institutions	Raw Materials Suppliers Equipment Suppliers Fleet Managers Professional Service Providers Catering Service Providers Security Service Providers	Communities around the oil fields
Engagement Purposes	The Group demonstrates its determination to pursue long-term financial return and reports on the sustainable development to the major shareholders. Addressing the investors' concerns on sustainability to demonstrates the Group's determination to pursue long-term financial returns.	Laws, policies and regulations directly impact the Group's business. The Group needs to maintain close communication with the relevant governments and regulators to ensure that policies and regulations are well understood.	The Group considers it as important to understand employees' sustainability issues-related concerns, particularly on the issues in relation to labor and occupational safety practices.	To retain the lasting partnership with customers, the Group needs to understand the shared sustainability values, so that the products and services the Group delivers could meet their expectations.	By maintaining contact with peer companies, the Group can better grasp the trends of sustainable development and respond quickly.	The Group is committed to maintaining a good working relationship with its partners and actively communicates with them to continuously understand the shared sustainability values and facilitate project implementation and execution.	As the Group may need to seek external funding in the course of its operations, the Group needs to ensure alignment with the requirements of different asset management companies and investment institutions.	The sustainability performance of the suppliers and contractors directly affects the Group's performance. Suppliers are only involved in supplying services, materials and equipment, and do not directly engage in the work at the oil fields of the Group. However, the environmental and social performance of the suppliers would affect the Group's operations and reputation. Therefore, the Group needs to maintain communication with suppliers to ensure that the suppliers operate in compliance. Given that the contractors bear the same health and safety risks as the Group's employees in the operating locations, the Group' HSE policies and systems cover all the contractors, which means they are managed, restricted and protected by the HSE policies and systems, to ensure the safety of the contractors' employees and to prevent harm to themselves and the Group's employees due to their improper operation of facilities.	The Group must proactively engage with local communities to ensure that its business is creating societal benefits to the communities. The Group respects local elements such as culture and beliefs in the places where it operates, and makes continuous efforts to enhance local values.
Communication Channels	Annual general meeting Disclosure of listed company information On-site Investigation	Regular reporting and submission of information Regular communication with regulatory authorities Meetings/ seminars Annual environmental performance audit	Worker representatives congresses Employee appraisal meeting Employee satisfaction survey Employee suggestion box Team building activities	Business communication Customer feedbacks	Communicating with local labor departments Participation in industry forums Visits and inspects with industry peers	Annual meeting Management visits Special inspections Regular reporting systems	Information disclosures Briefings for investors Roadshows Briefings for analysts	Business communication Tendering Seminars Forums Entry requirements and evaluation On-site investigation	Charitable activities Stakeholder engagement
Expectations and Appeals	Protecting the rights and interests of shareholders Improving corporate governance Improving business performance	Operating in compliance with laws and regulations Promoting local economic development Creating local job opportunities Producing and operating in a safe manner	Ensuring occupational health and safety of employees Improving remuneration and benefits Promoting professional skill development Caring employees	Improving quality assurance system Providing quality products and services	Promoting industry development	Win-win cooperation	Disclosing information timely and accurately	Entry management Continuous evaluation	Improving community environment Supporting community public welfare

Materiality Assessment

During the Reporting Period, CITIC Resources invited an independent third-party consultant team to assist in conducting a materiality assessment in a manner that is different from previous years, in order to better understand and respond to stakeholders' concerns. The ESG responsible person of CITIC Resources was invited to participate in this materiality assessment to confirm the material issues for 2021 based on the material issues for 2020 and the actual business changes of the Group, so as to determine whether the material issues for 2020 are still applicable when ensuring that the material issues could still respond to the expectations and demands of key stakeholders. The specific process of the materiality assessment during the Reporting Period is as follows:



Step 1

Conducting a stakeholder review

The Group reviewed the key stakeholders identified in 2020 to determine whether they remained as key stakeholders in 2021, and whether there were significant changes in stakeholders' expectations and demands to the Group, so as to identify the relevant situation of stakeholders in 2021. As reviewed by the Group, the situation of stakeholders in 2021 remained the same as that in 2020.

Step 2

Conducting check and review of material issues

In addition, the Group reviewed and consolidated the information of stakeholders and the database of material issues by reviewing the 2020 CITIC Resources ESG materiality survey plan and results, and referring to the *Oil and Gas Industry Guidance on Voluntary Sustainability Reporting* by the International Petroleum Industry Environmental Protection Association, the *ESG Reporting Guide* by the SEHK, the *Sustainability Topics for Sectors: what do stakeholders want to know* by the Global Reporting Initiative (GRI), industry standards and issues of concern to peer companies. The Group determined whether there were significant changes in the materiality of ESG issues to the Group based on the actual business changes, and made corresponding adjustments.

Step 3

Validation of assessment results

After checking and reviewing the material issues of the materiality assessment in 2020, the Group finally confirmed that 5 material issues in environmental aspect and 6 material issues in social aspect were identified in 2021, which was consistent with that in 2020. The specific material issues are as follows:

Subject Area	Prioritization	Material Issues	Subject Area	Prioritization	Material Issues
Environmental	1	Oil Spill Prevention	Social	1	Employees' Health & Safety
	2	Local Environmental Impact of Our Business		2	Employment & Employee Benefits
	3	Energy Usage & Efficiency		3	Employees' Development & Training
	4	Climate Change		4	Employees, Contractors & Communities' Rights
	5	Water Consumption & Efficiency		5	Corporate Governance
		6		Extent of Localization	

Step 4

Establishing an ESG reporting framework for 2021 and conducting data collection and information disclosure based on the assessment results

The Group disclosed the 2021 material issues discussed and confirmed by the Board and the management as the key content of this Report, and at the same time, the Group also regarded these issues as the most important aspects in the future sustainable development work. The following table sets forth the Group's material issues in 2021 and the corresponding sections in this Report:

Subject Area	Material Issues	Sections for Responses
Environmental	Oil Spill Prevention	Oil Spill Prevention
	Local Environmental Impact of Our Business	Environmental Management
	Energy Usage & Efficiency	Resources Usage
	Climate Change	Coping with Climate Change
	Water Consumption & Efficiency	Resources Usage
Social	Employees' Health & Safety	Health and Safety
	Employment & Employee Benefits	Policies and Benefits
	Employees' Development & Training	Training and Development
	Employees, Contractors & Communities' Rights	Respecting Rights
	Corporate Governance	Our Governance
	Extent of Localization	Our Community



Our Employees

Quality talents are one of the core competitiveness of the Group and the driving force for the sustainable development of enterprises. Therefore, the Group regards employees as our core assets and the greatest wealth, and is committed to developing and improving the Group's human resources related policies to create a high-quality career development platform for employees. In addition, the Group also pays attention to the physical and mental health of employees. Through a number of safety policies and team building activities, the Group enhances the cohesion of employees and creates a safe and harmonious working environment.

The Group strictly complies with the laws and regulations relating to recruitment, remuneration, promotion, dismissal, working hours, holidays, benefits, etc., and continues to formulate and improve human resources policies to ensure that the Group can maximize the protection of employees' growth and the development of the Group on the basis of compliance. In addition, the Group has formulated and implemented the *Employee Handbook*, the *Employee Turnover Management System of CITIC Resources Headquarter*, the *Employee Care Plan* and the *Employee Rental Tax Reduction and Exemption Plan*, which cover compensation, benefits, working hours arrangements under bad weather, employee codes, business codes, equal opportunity policies, other employment policies, and occupational safety and health policies, while subsidiaries and joint ventures have formulated and implemented relevant employment policies in line with the locations where they operate to clarify the relevant rights and interests of employees and business codes.

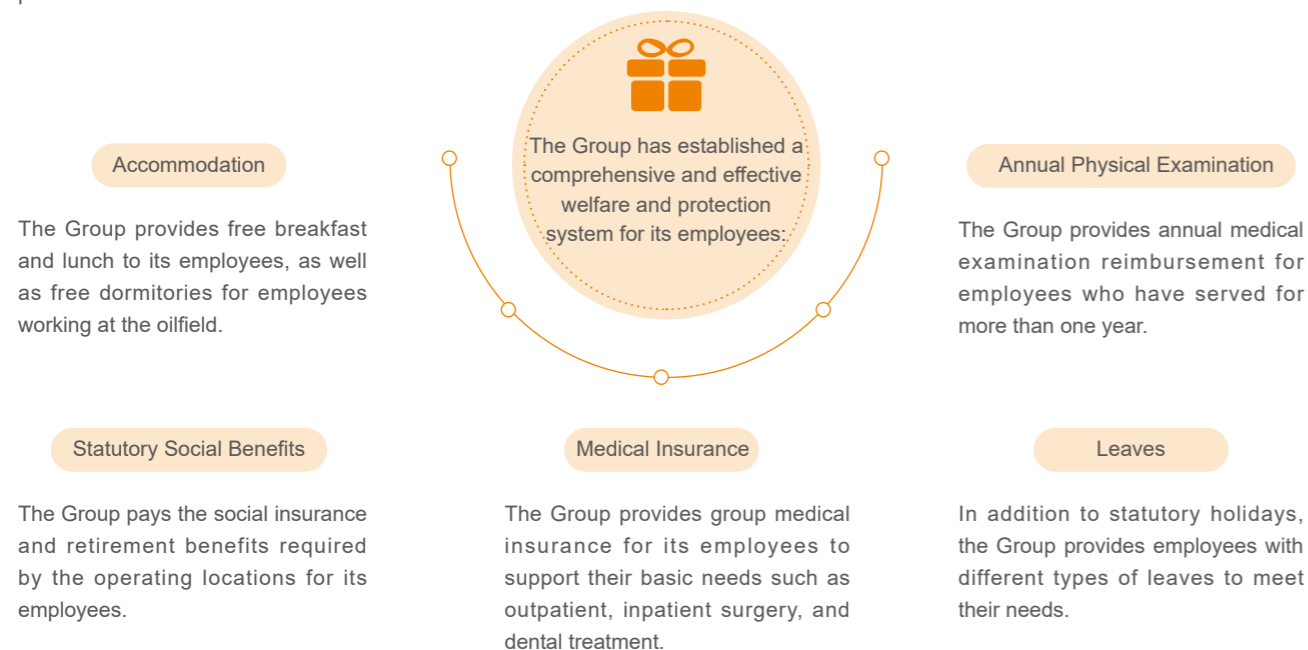
The material issues – “Employment & Employee Benefits”, “Employees’ Development & Training”, and “Employees, Contractors & Communities’ Rights” are particularly addressed in this section of this Report.



Policies and Benefits

The Group insists on safeguarding and protecting the legitimate rights and interests of employees in accordance with the law, and attaches great importance to the opinions and feedback of employees to timely follow up the existing employee benefit policies. The Group's remuneration policy is to attract, retain and motivate employees by providing a fair market remuneration in the form and value of each employee. The remuneration of each employee is determined based on the individual's knowledge, skills, time commitment, responsibilities and performance as well as the Group's profits and results.

Employees are the core of value creation. The Group is committed to promoting the long-term career development of employees and protecting the rights and interests of employees. In addition to encouraging employees to participate in various internal and external training courses, the Group also organizes various forms of activities, such as the commendation conference of "selecting the best", vocational skills competition, team building, sports competition, etc., to further improve employees' working ability, skills, knowledge, professional level and cohesion.



Yuedong Oilfield

Tincy Group has now fully ensured that the recruitment, dismissal, promotion, etc. in human resources management comply with the relevant requirements of relevant laws and regulations. Tincy Group also provides employees with corresponding labor protection in accordance with relevant national regulations, such as paying "five social insurances and one housing fund" for each employee, and protecting employees' rights to have statutory holidays and paid annual leave. At the same time, Tincy Group also arranges corresponding festival celebrations to celebrate festivals with employees. In addition, Tincy Group also provides free breakfast and lunch for all employees, as well as general benefits such as health check-ups.

In addition, Tincy Group has established a joint management committee. At the beginning of each year, the committee will conduct statistics on the personnel of the previous year, and also analyze the personnel of the year. Tincy Group may decide whether to recruit and select suitable candidates for the vacancies based on the statistics from the documents of the joint management committee.



Tincy Group employees enjoyed the Spring Festival

Seram Block

CITIC Seram has established the *CSEL Corporate Policy 2020-2022*, which sets out the rights and obligations of CITIC Seram and its employees. The policy contains provisions relating to working relationship, recruitment, working hours of employees, overtime policies, statutory holidays, paid annual leave, special leave, occupational health and safety, benefits and welfare, medical subsidies, etc. to ensure a healthy and friendly cooperative relationship between both parties.

In addition, CITIC Seram arranges dedicated time for all employees to conduct sports activities before each Saturday safety meeting. Each employee can choose his/her favorite sports, such as badminton, jogging, tennis, etc. Employees can also go fishing and relax in designated places.

Karazhanbas Oilfield

KBM strictly adheres to Kazakhstan's policies regarding employment and respects the rights and benefits of each employee and provides the following benefits:



CITIC Petroleum

CITIC Petroleum follows and complies with the relevant employee policies formulated by CITIC Resources, attaches great importance to team building, and strives to enhance the cohesion among employees. On April 16, 2021, CITIC Petroleum organized more than 20 employees to go to the education base to carry out the "Qingming Festival" activity. During the activity, the participating employees carefully listened to the explanation, carefully read the introduction, and were guided to understand the tradition and inherit the tradition in the spirit of pursuing long-distance and remembering the situation of the foreman. The deeds of heroes were deeply attracted by each employee.



CITIC Petroleum organized employees to carry out the "Qingming Festival" activity

Training and Development

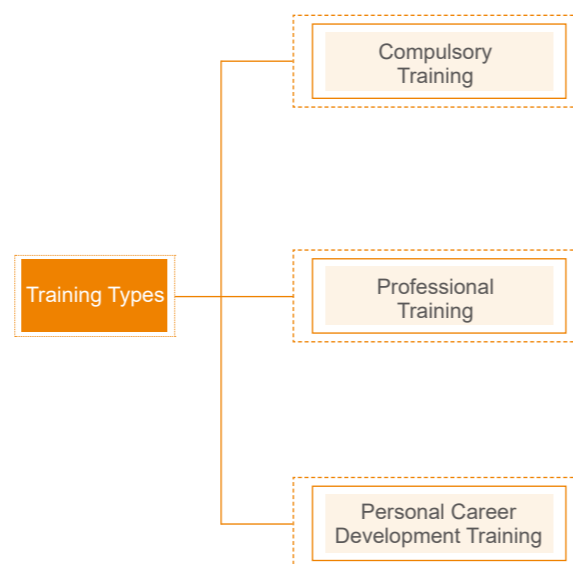
CITIC Resources firmly believes that the long-term and stable development of the Group is inseparable from the continuous contribution of employees. The Group continues to improve the talent training system to help employees improve their personal capabilities, so as to better realize their own values and contribute to the sustainable development of the Group. The Group has established a sound performance appraisal mechanism. The mechanism will take the performance of individual employees as the basis for salary and rank adjustment, hoping to motivate employees to work. In addition, the Group also has an internal rotation system to continuously expand the career development space for employees of CITIC Resources and its subsidiaries and joint ventures to help employees better practice.



CITIC Resources

The Company has formulated a comprehensive employee training and development plan, and encourages employees to participate in targeted training courses and relevant industry seminars to improve their relevant skills, enhance their working ability and promote their career development. The Company has also formulated the *Employee Training and Development Policy* which regulates the continuous education of employees. In addition to the training arranged by the Company, each employee can apply for a training allowance of HKD5,000 per year to participate in the training courses held by authorized institutions to improve professional quality and ability.

In addition to providing training subsidies, if an employee wishes to take external courses (such as relevant certificate or diploma courses) which are suitable for the position of the employee and can make outstanding contributions to the Company, the employee can apply to the department head and the Human Resources and Administration Department before the commencement of the courses and submit the same to the Chief executive officer for approval. The Company will provide course subsidies. If the course amount exceeds the training allowance, employees are required to sign a training agreement with the Company.



Yuedong Oilfield

Tincy Group conducts relevant training in a targeted manner in accordance with the actual needs of various departments and the requirements of different personnel at different levels. During the Reporting Period, Tincy Group only organized training to meet the mandatory requirements of laws and regulations and production needs due to the requirements of pandemic prevention and control.



Seram Block

CITIC Seram focuses on cultivating employees' professional skills and safety awareness, cooperates with different organizations to establish training in different areas to actively cultivate employees' skills beyond their own job duties and broaden their horizons.

Karazhanbas Oilfield

KBM has always attached great importance to the cultivation and development of talents. In 2021, KBM became the first company in the region to successfully implement the employee rotation policy. This helps the Company to cultivate comprehensive and general talents with practical experience. The purpose is to enable employees to demonstrate their potential in other positions, maximize the training of employees' skills, and realize personnel replacement and rotation when necessary. During the Reporting Period, more than 20 people experienced the harvest of this policy on their own business and career development due to cross-departmental and cross-position transfer.



In addition, in order to explore and cultivate professional talents, KBM signed a memorandum of cooperation with the local Lihai University of Engineering and Technology, and on 1 February 2021, KBM organized 40 senior students of this university with strong professionalism, such as hydrochemical treatment, power equipment maintenance, vehicle workers, instrument fitters, equipment flaw detection workers, etc., to practice for 8 to 10 months at the oilfield production facilities. During the internship period, KBM formulated a special internship plan for these students, and equipped them with special instructors to introduce and teach them the production process and practical operations. After the training, KBM also organized exam tests, and outstanding candidates were given priority in the recruitment of the company. The evaluation model of combination of theory and practice has provided a more accurate assessment method for subsequent talent recruitment, as well as internship positions and employment opportunities for local education institutions and students. The expenses of the students during the internship are entirely borne by KBM.



KBM recruited interns

KBM also attaches great importance to the training and presentation of employees' skills. In October 2021, KBM sent a team of five young experts for the first time to participate in the International Oil and Gas Youth Science and Technology Conference and related competitions held in Moscow.



KBM team participated in the competition

From 28 to 29 October, KBM organized members of the mediation committee, trade unions and employee representatives to participate in the training on "Labor Dispute Resolution Methods and Negotiation Skills of the Labor Dispute and Mediation Committee". The training content includes the changes of labor law and related laws in Kazakhstan, mediation methods, negotiation skills, etc. Trainees also communicated with each other on the cases and experience in real mediation.



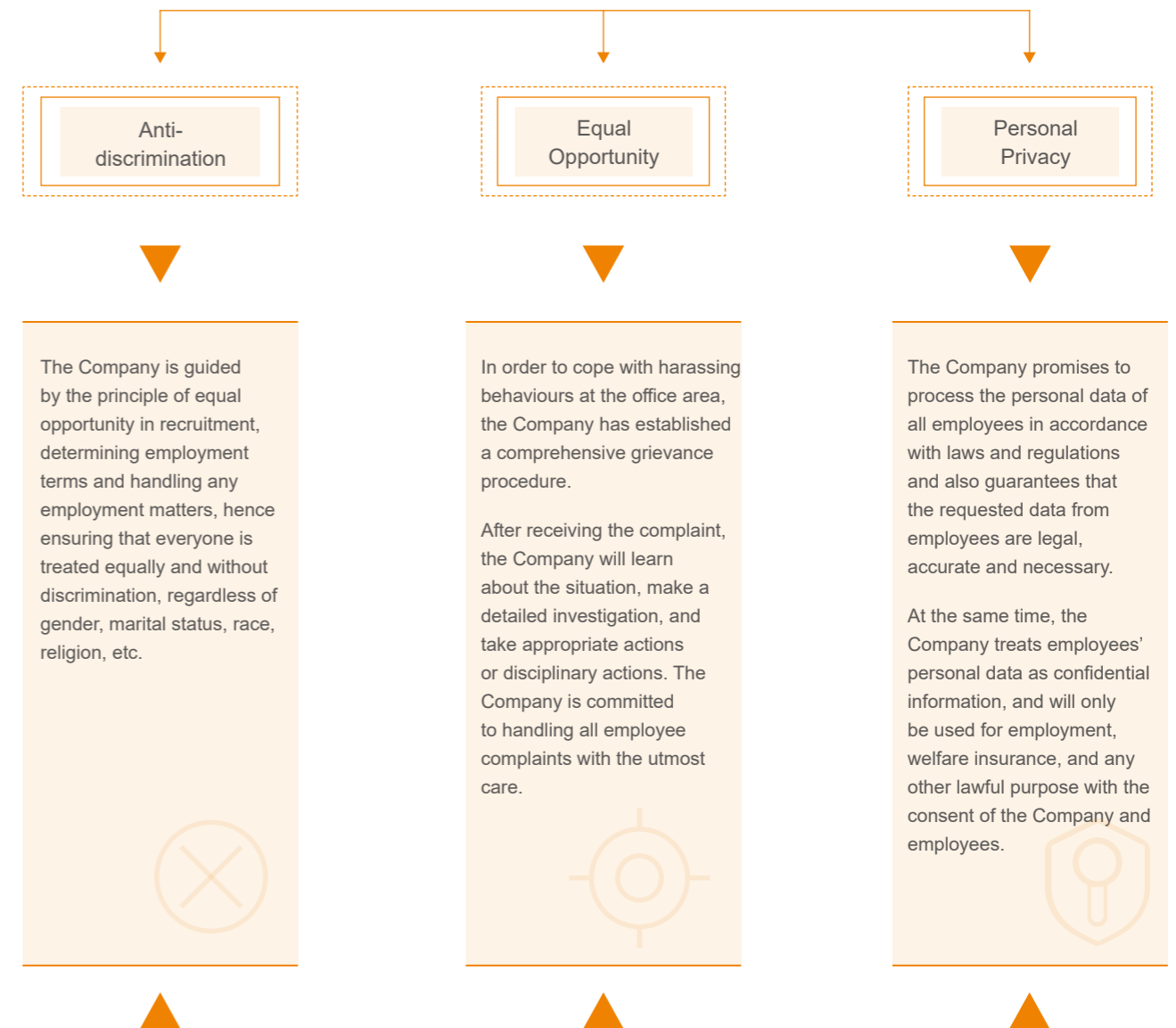
KBM organized training for employees

Respecting Rights

CITIC Resources strictly abides by the employment laws and regulations of the places where it operates, ensures that all employees enjoy all rights and interests and fair and equitable treatment in accordance with the law, respects the rights and interests of female employees and minority groups, and protects employees of different nationalities, races, genders, and cultural backgrounds from violations of their values, religious beliefs and privacy. The Group strives to build a team with different races, educational background, work experience, nationality and expertise to enrich the composition of employees and build a diverse and equal working team.

CITIC Resources

CITIC Resources respects the rights of every employee. The Group strictly prohibits any acts of disregard and abuse of human rights, and strictly ensures the privacy and security of employees and is committed to maintaining the rights of employees. By formulating policies and continuously focusing on their effectiveness, the Group also integrates the principles of anti-discrimination, equal opportunity and personal privacy into its daily operations.



In order to protect the rights and interests of our employees, Yuedong oilfield, Seram Block, and Karazhanbas oilfield focus on the following areas:



Preventing Child Labor

During recruitment and hiring processes, the Group proactively checks the identity documents of applicants to ensure that the applicants reach the legal working age, preventing the employment of child labor.



Prohibiting Forced Labor

The Group also respects its employees' rights of personal freedom and rights to leave and absolutely opposes forced labor by clearly stipulating employee working hours per day.

If any violation of relevant laws and regulations is found, the relevant departments would report to the management according to the internal policies of the Group. After investigation, the relevant departments would rectify the issues or situations in response to the investigation results.



Collective Bargaining

The Group respects its employees' rights of collective bargaining and is committed to complying with relevant laws, regulations and systems at the operating locations. The Group strengthens its communication and cooperation with employees through collective bargaining to promote the stability of labor relations and to drive the achievement of the Group's targets and the enhancement of the Group's operational efficiency.

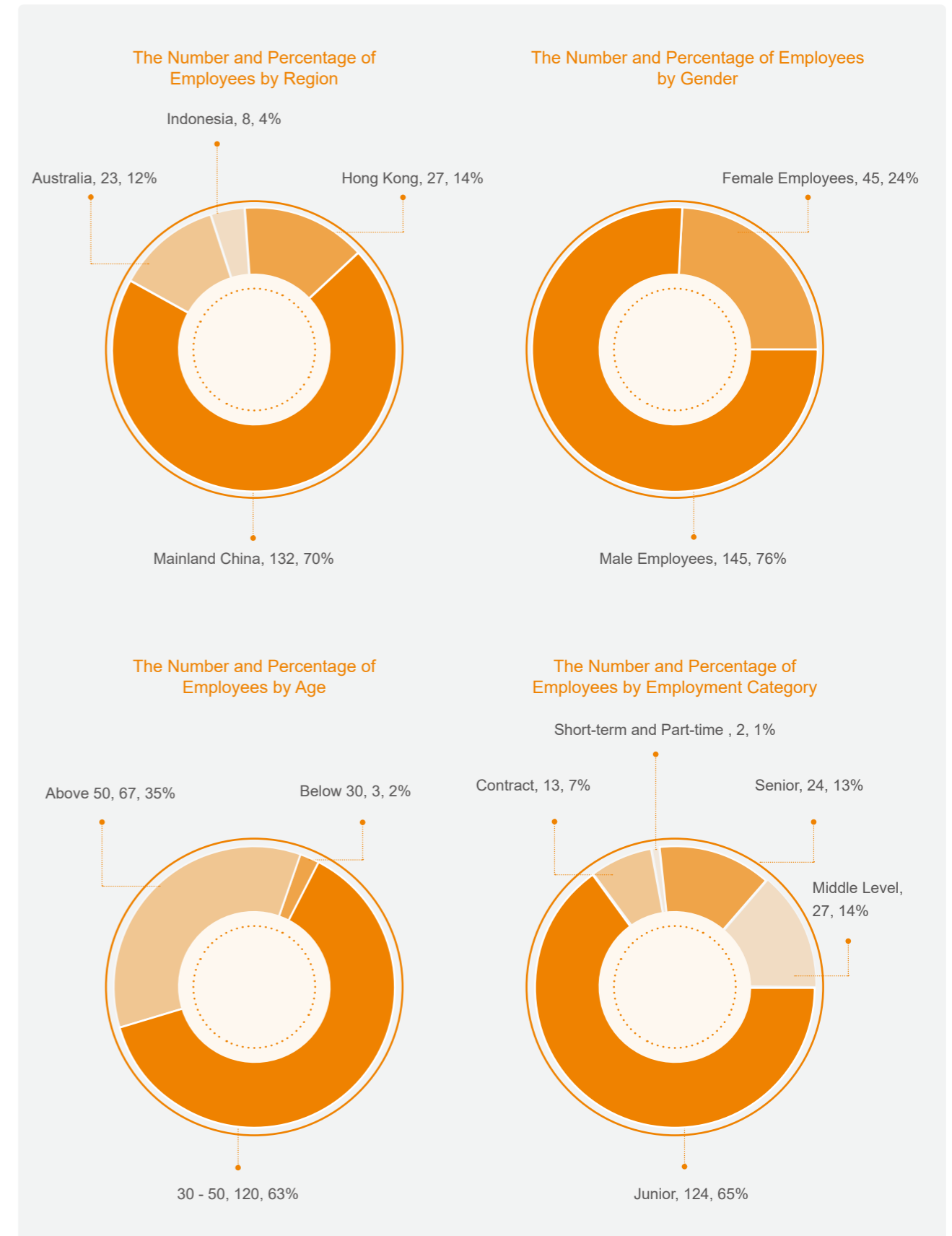
Karazhanbas Oilfield

In order to expand the scope of adjustment, reduce the conflicts among all parties, safeguard the legitimate rights and interests of all parties, improve the social atmosphere and respond to national policies, KBM opened a dispute mediation office with the support of the Mangistos State Court and the local International Mediation Center Association on 25 June 2021. This is an active attempt of KBM to solve the labor-related conflicts in its daily operations through a modern dispute mediation mechanism. The Aktau Municipal Court, International Mediation Center Association, union representatives and occupational mediators participated in the opening meeting of mediation office and signed a multi-party cooperation memorandum.



KBM established a mediation office

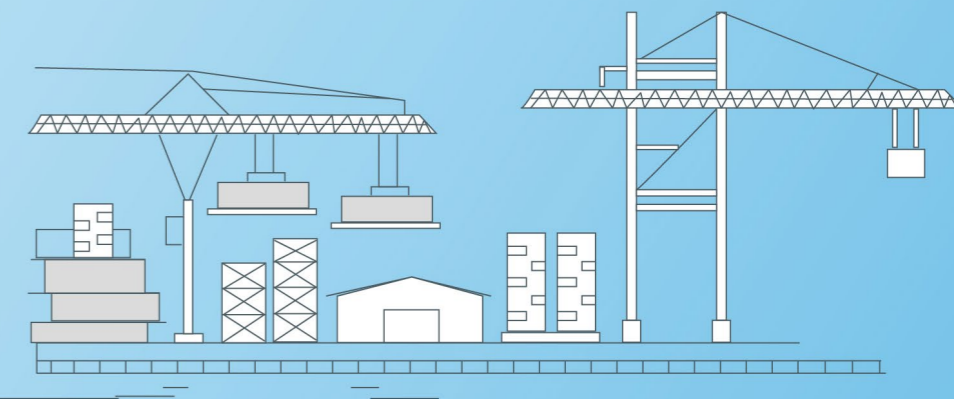
As of the end of the Reporting Period, the Group had 190 employees. Below are the details of the employees of the Group:



Our Environment

CITIC Resources continues to implement the concept of green and low-carbon in all stages of oilfield exploration, development and production, and promotes clean production to improve resource efficiency, while striving to reduce the negative impact of operations on the atmosphere, soil and water. As a member of the natural resources industry, the Group strictly abides by the laws and regulations on environmental protection in the places where it operates, formulates relevant environmental management policies, and regularly monitors the Group's environmental performance. In addition, the Group adopts several green and low-carbon technologies and implements carbon reduction measures to reduce the consumption of resources such as electricity, fuel and water, and reduce the emission of air pollutants and GHG, promoting the harmonious development of society, economy and environment.

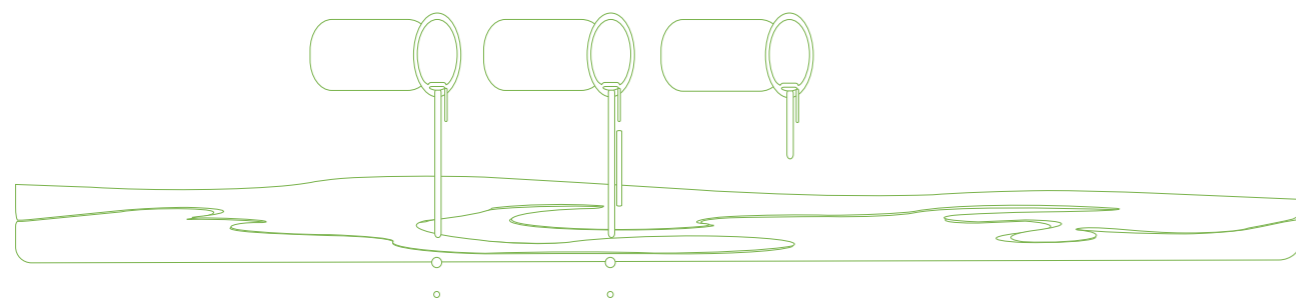
The material issues – “Oil Spill Prevention”, “Local Environmental Impact”, “Energy Usage & Efficiency”, “Water Consumption & Efficiency” and “Climate Change” are particularly responded to in this section of this Report.



The material issues	Oil Spill Prevention	<ul style="list-style-type: none"> CITIC Resources recognizes that crude oil spills can have serious ecological and socio-economic consequences and can be dangerous for employees and the wider community. The Group has made significant efforts in operational planning and policy implementation to prevent oil spills and to increase the effectiveness and efficiency of clean-up activities in the event of an accident.
	Local Environmental Impact	<ul style="list-style-type: none"> CITIC Resources continuously pays attention to the impacts of its business on the environment, incorporates its environmental protection responsibilities into its daily operations and continuously improves the environmental management work through a series of measures to minimize the impacts on the surrounding natural environment.
	Energy Usage & Efficiency Water Consumption & Efficiency	<ul style="list-style-type: none"> CITIC Resources understands the importance of energy and water resources to the Group. As the oil fields are located in remote areas or far away from land, the supply of energy and water resources in each oil field is an operational challenge for the Group. In addition to ensuring supply, the Group is committed to improving the utilization efficiency of energy and water resources through the reformation of technology, equipment upgrading, and strengthening the delicacy management of production and operations.
	Climate Change	<ul style="list-style-type: none"> CITIC Resources attaches great importance to the impacts and opportunities brought by climate change on the Group's business operations, and pays close attention to low-carbon technologies and energy-saving equipment in the industry, aiming to continuously strengthen its response capacity and strive to reduce the GHG emission.

Oil Spill Prevention

CITIC Resources recognizes the importance of preventing crude oil spills. Crude oil spills will cause irreparable consequences to the nature, and will bring long-term and severe impacts to the local community and ecological environment. Therefore, the Group strives to prevent the occurrence of crude oil spills. The Group strictly requires and assists its subsidiaries and joint ventures to formulate thorough and effective measures, reducing the possibility of crude oil spills. In the event of an accident of crude oil leakage, the Group will immediately take corresponding measures to reduce the impact of crude oil leakage on people, the environment and the community, so as to effectively assume its responsibilities.



Yuedong Oilfield

Tincy Group has ensured the stability of crude oil output by establishing preventive measures and real-time monitoring, and has also formulated a number of on-site emergency treatment plans to actively respond to emergencies such as sea pipelines crude oil leakage and seal, and sea pipelines oil spill rescue.

Precautionary Measures

Sea Pipelines Surface Inspection	<ul style="list-style-type: none"> Every 2 years as a cycle The purpose of the investigation is to identify the deformation of the sea pipeline (mainly caused by the anchor scraping of the vessels) and the presence of the sea pipeline (mainly caused by the changes in the surface of the seabed caused by the scouring), etc. Investigate the location, depth, height and condition of the surrounding 20 meters of sea-bed
Sea Pipelines Hanger Inspection	<ul style="list-style-type: none"> One year cycle Testing and monitoring of corrosion trailers at both ends of the sea pipe Inviting professional institutions to estimate the residual life of the sea pipeline according to the corrosion of the sea pipeline
Preventive Measures for Workover Operations	<ul style="list-style-type: none"> Equipped with well control equipment that meets the requirements of well control specifications for offshore workover operations, the qualified testing unit conducting semi-annual testing on the anti-fountain group, and the supporting well control equipment conducting annual testing. Based on the actual situation of Yuedong oilfield, formulating well control rules and special emergency plans for blowout emergencies, and regularly carrying out on-site well control risk hazard investigation and drills.
Preventive Measures for Oil Production and Gathering	<ul style="list-style-type: none"> Carrying out inspection, monitoring and maintenance of offshore oil and gas production facilities in a timely manner: conducting annual certification inspection on artificial islands and upper production facilities, and professional inspection and inspection on oil and gas storage devices such as oil storage tanks, separators and various boilers and pressure vessels. Ensuring each production facility has a four-level emergency shutdown system of ESD-0, ESD-1, PSD and USD. Formulating and strictly implementing the safety and environmental protection management system throughout the production process. Formulating emergency plans and conducting emergency drills to effectively respond to various emergencies. Organizing and carrying out balloon operations of the sea pipeline between islands, and the sea pipeline between the main island and the landing point at least twice a year, formulating detailed balloon plans before the balloon operations, and summarizing and evaluating the balloon operations to ensure the safe and orderly operation of the submarine pipeline.
Engineering Department Preventive Measures	<ul style="list-style-type: none"> Entrusting qualified units to carry out inspections on the road condition and buried depth of the whole road of sea pipeline and submarine cables every 2 years, so as to solve the problem of bare vacancy of sea pipeline and submarine cables.

Real-time Monitoring

Daily Monitoring of Indicators Relating to Sea Pipelines

- Real-time monitoring of pressure, temperature and flow at both ends of the sea pipeline will be carried out. In case of a sudden drop in pressure, extreme temperature reduction, and a large flow difference than the daily difference range, the patrol will be carried out immediately to find leakage points. The on-site personnel will conduct the patrol inspection every 4 hours strictly in accordance with the inspection system, and conduct the patrol inspection every 2 hours on key hazardous areas to ensure production safety.
- The offshore production platform and terminal arrange personnel to inspect, look out and keep records of the sea pipeline on a daily basis. The Production department also regularly sends vessels to carry out inspections according to the sea pipeline to ensure the safety of the sea pipeline. The main patrol tools are ships, speedboats, pick-up trucks, and helicopters can also be used to carry out patrol work in special circumstances.

Oil Spill Management

Tincy Group is focusing on the crude oil export sea pipeline from the artificial islands to the onshore terminal processing station for crude oil spill prevention. Therefore, through the above preventive measures and real-time monitoring, the crude oil output process can be as stable as possible.

During the Reporting Period, Tincy Group formulated the "Tincy Group Energy Resources Limited Emergency Plan" and the "Yuedong Oilfield Offshore Oil Spill Emergency Plan" to support emergency management from the policy and procedure response perspectives, ensuring that emergency management is scientific and effective. At the same time, Tincy Group signs an oil spill emergency rescue agreement with entities that have offshore oil emergency rescue capabilities every year, so as to ensure the rescue could be conducted rapidly and effectively in the Yuedong oilfield in the event of an emergency. Tincy Group has also entered a long-term sea pipeline emergency closure and repair agreement with CNOOC Engineering & Maintenance Corporation to ensure timely and rapid maintenance when the sea pipeline is damaged in extreme circumstances.

In addition, Tincy Group also entered the "Emergency Rescue Procedures between PetroChina Liaohe Oilfield Company and Tincy Group Energy Resources Limited" with Liaohe Oilfield Company.

Seram Block

CITIC Seram effectively prevents the leakage of crude oil in the storage area through the special design of the outer wall of the crude oil storage tank, and also ensures the effective management of leakage accidents through the establishment of an emergency response team and the construction of leakage emergency equipment.

Precautionary Measures

The crude oil storage tanks in the Seram Block are constructed in accordance with the plan to prevent crude oil spills. When crude oil spills occur, the outer walls of each crude oil storage tank can block all stored crude oil spills to prevent crude oil spills from flowing out of the crude oil storage area.

During the Reporting Period, CITIC Seram used the method of transporting crude oil to oil tankers. Through the stress testing for loading hoses, inspection and testing of safety device pipelines, preparation of oil spillage equipment and operator testing of the measurement system UPS, and backup generating units testing, the oil spills could be prevented.

Oil Spill Management

CITIC Seram has set up a crude oil spill emergency response team to directly participate in handling environmental incidents. Members of the crude oil spill emergency response team include personnel from the production, maintenance and HSE departments. The crude oil spill emergency response team conducts drills every year to train personnel and test the operation of equipment. In addition, members of the crude oil spill emergency response team have obtained the first and second-level certifications from the International Maritime Organization as required by the Marine Transport Department.

CITIC Seram stores and maintains its crude oil spill emergency equipment in the crude oil spill emergency equipment building in its terminal cargo area, and the relevant staff conducts weekly inspections of the crude oil spill emergency equipment to ensure it is maintained in the best condition.

Karazhanbas Oilfield

KBM has established a number of testing programs to prevent crude oil spills at various stages of production and operation. At the same time, KBM has also formulated relevant regulations for the treatment of crude oil spills to regulate the response measures after the accidents.

Precautionary Measures

KBM prevents crude oil spills at the facility sites of crude oil extraction, centralized transportation and treatment process through the establishment and implementation of the "Annual Oil Well Holes Inspection Plan", "Annual Valves and Process Pipelines Inspection Plan", "Annual Process Equipment Flaw Detection and Inspection Plan", and "Annual Crude Oil Processing and Processing Workshops", and "Process Pipelines and Valves Inspection Plan", etc. The prevention of crude oil spills was carried out according to the annual work plan and related work processes in all workshops.

Oil Spill Management

KBM executes the "Regulations on Temporary Stacking, Storage, Counting, and Clearance of Production Waste in KBM Oilfield".

The regulations on crude oil spills and response are as follows:

- The employees and their leaders at the location of the accident of crude oil spill and the soil resources contamination shall be responsible for the handling of the accident of the crude oil spill;
- The personnel responsible for oil spills shall be punished;
- All events of crude oil and oil product spill accidents shall be recorded and signed for confirmation in accordance with the relevant format;
- The crude oil spill shall be responded immediately after the occurrence; the wastes generated during the accident shall be registered and handed over to the Environmental Protection Department; the ground recovery shall be conducted at the accident area;
- On the 1st day of each month, the person responsible for accident registration and reporting in KBM shall submit the information on the crude oil spill to the Environmental protection department.

Environmental Management

CITIC Resources understands that its business will have a certain degree of negative impact on the environment and local residents of the places where it operates. Therefore, we regard environmental protection as a key concern in addition to oilfield production operations. CITIC Resources actively promotes its subsidiaries and joint ventures to attach importance to environmental protection. All subsidiaries and joint ventures are required to strictly comply with the relevant environmental laws and regulations in the places where they operate, maintain good communication with the relevant government departments, and actively cooperate with the environmental protection requirements of the local government departments. In addition, the Group continuously monitors and manages its environmental performance to implement environmental management systems and policies. The Group is committed to implementing environmental protection concepts at every stage of its operations and striving to achieve the goal of balancing business development and environmental protection.

The Environmental Impacts of the Group Overview:

Air Emissions

The fossil fuel driven equipment used in the Group's operations, including offshore platform equipment, diesel generating units, construction machinery, and vehicles driven by various fuels, contribute to air emissions such as nitrogen oxides, sulphur dioxide and soot emissions.

GHG Emissions

The Group generates direct and indirect GHG emissions in the course of its operations. Direct GHG emissions are mainly from fossil fuel-driven equipment and flare emissions, while indirect GHG emissions are mainly from electricity consumption and steam use.

Waste Generation

The Group generates oil sludge and oil contaminants (commonly known as oil sand) when exploring and developing oil fields. The drilling process generates drilling wastes, including drill cuttings and drilling fluids. Besides, the wastes are mainly from non-hazardous wastes, including domestic wastes and wastepaper at the employee dormitories and offices.

Discharges into Water and Land

The Group discharges the properly treated production and domestic sewage into the water bodies, and the wastes generated are stored in proper places.

Water Usage

As the oilfields are located in remote locations or far from land, the Group needs to use fresh water from the natural environment for production and daily living in the oil fields.

Changes to the Natural Environment Around the Operating Locations

During the operation of the Group, it is necessary to establish different facilities in the natural environment to maintain smooth operation, and it changes the surrounding natural environment.

In order to meet the actual conditions of the operating regions, Tincy Group, CITIC Seram and KBM have formulated and implemented different environmental management policies respectively in each oilfield. In addition, in order to effectively reduce the impact on the surrounding environment, during the Reporting Period, Tincy Group and KBM have formulated relevant environmental objectives and action plans, and implemented more targeted measures to protect the environment.

Yuedong Oilfield

To reduce the emission of onshore air pollutants, since 2019, Tincy Group's onshore terminal processing station has replaced the crude oil heating boiler with purchased heat steam. At present, Tincy Group's air pollutant emissions are derived from the combustion of fuel oil in the crude oil heating boiler at the onshore terminal processing station and the combustion of fuels in various boilers and equipment on the offshore production platform.

Environmental Impacts

Based on the relevant laws and regulations promulgated by the state to control exhaust gas emissions, sewage discharge and land discharge, Tincy Group has formulated management regulations related to environmental protection in the Company's HSE system documents, such as the "Environmental Protection Management Procedures", the "Environmental Protection Management Regulations", the "Provisions on the Reporting", the "Reporting of Pollution Prevention Statements", the "Health and Safety Environmental Inspection Regulations", the "Sewage Treatment and Discharge Management Regulations", and the "Domestic Sewage Treatment Plant Management Regulations". These systems have detailed provisions from the "Environmental Protection Three Simultaneities" of engineering construction to the discharge and recycling of pollutants such as gas/ water/ slag generated during the construction, production and operation stages, data recording/ statistics and reporting, problem inspection and treatment, environmental tracking and monitoring, emergency response and drills for environmental emergencies and other aspects. Tincy Group has formulated and implemented relevant environmental protection systems to ensure timely declaration of exhaust gas in the production site, discharge of wastewater pollutants in compliance with standards, recycling of solid waste and compliant disposal, so as to guarantee the data records and timely declaration, and reduce the impact on the environment through the following measures:

Declaration of the number of pollutants in the discharge of air and domestic sewage from offshore platforms to the Fourth Branch of Tianjin Tax Bureau of the State Administration of Taxation and pay the environmental protection tax on a quarterly basis;

All sewage produced on the offshore platform is collected into the onshore terminal processing station in the system, and is discharged into Liaodong Bay sewage treatment plant after the standard pre-treatment (real-time monitoring by online monitoring equipment, and the indicators are in compliance with DB21/1627-2008 Integrated Wastewater Discharge Standard of Liaoning Province, regulating that the standards of chemical oxygen demand \leq 300mg/L, ammonia nitrogen \leq 30mg/L and petroleum \leq 20mg/L);

The domestic sewage of the platform is discharged after being treated and qualified (monthly sampling is commissioned to Panjin Shengda Environmental Monitoring Service Co., Ltd. for testing, and the actual discharge of COD in the *GB4914-2008 Emission Concentration Limit of Pollutants for Offshore Petroleum Exploration and Development* is 300mg/L);

All solid wastes generated from offshore platforms are collected and transported to land for compliant disposal;

At the beginning of each month, the "Report on Pollution Prevention of Offshore Oil Drilling Platforms" and the "Report on Pollution Prevention of Offshore Oil Production Platforms" shall be submitted to the Ecological Environment Supervision and Administration Bureau of the Beihai Sea Area of the Haihe River Basin of the Ministry of Ecology and Environment of the PRC. Since July, the online submission of the "Offshore Oil Exploration and Development Pollution Prevention Statistics System" was resumed. The offshore production platform reports data on a daily basis and the data has been regularly reviewed by the Company.

■ Sewage Treatment

Wastewater after crude oil is discharged is one of the pollutants generated during the production process. Yuedong oilfield uses the sewage transportation system to filter and treat oily sewage, and then transport the sewage after meeting the export requirements. During the Reporting Period, Yuedong oilfield upgraded the original sewage treatment network. After the renovation of the sewage transportation system, the transportation of external pumps and external transmission tanks will be terminated, which will help reduce the use of electricity, save electricity costs by approximately RMB 60,000 per year and reduce indirect GHG emissions.



Renovation of the sewage transportation system in Yuedong oilfield

■ Waste Management

For the compliant waste management, Tincy Group has assisted the treatment station to improve the preparation of the "Hazardous Waste Management System" and various relevant ledgers.

The waste mud and cuttings generated during the drilling process are all recycled by the drilling contractor using the cuttings box and transported back to the land in a centralized manner, and qualified companies are entrusted for centralized treatment, and the waste is discharged after treatment. During the Reporting Period, a total of 18,765 cubic meters of land treatment mud and 271.20 cubic meters of cuttings were collected and transported back to the land.

Oily sludge generated from the sewage treatment process in the onshore terminal processing station is entrusted to a company with hazardous waste treatment qualifications. The oil sludge will be mixed with coal to carry out the collaborative resource utilization of oil sludge and coal circulating fluidized bed, for the compliant treatment as renewable fuels. A total of 1,062.76 tonnes of oily sludge was disposed of during the Reporting Period. Oily wastes generated from offshore platforms are all recycled and transported to land by special containers, and entrusted to Liaoning Yinghua Environmental Protection Technology Co., Ltd. with the hazardous waste treatment qualification for compliant disposal. During the Reporting Period, a total of 180.20 tonnes of oily wastes were disposed of.

Domestic waste generated from offshore platforms is collected and transported to land by special containers, and entrusted to excellent environmental sanitation services in Jinzhou Economic and Technological Development Zone with corresponding qualifications for unified recycling and disposal. During the Reporting Period, a total of 870 tonnes of domestic waste was recycled and disposed of.



During the Reporting Period, a total of **18,765** cubic meters of land treatment mud



and **271.20** cubic meters of cuttings were collected and transported back to the land



A total of **1,062.76** tonnes of oily sludge was disposed of



a total of **180.20** tonnes of oily wastes were disposed of



a total of **870** tonnes of domestic waste was recycled and disposed of

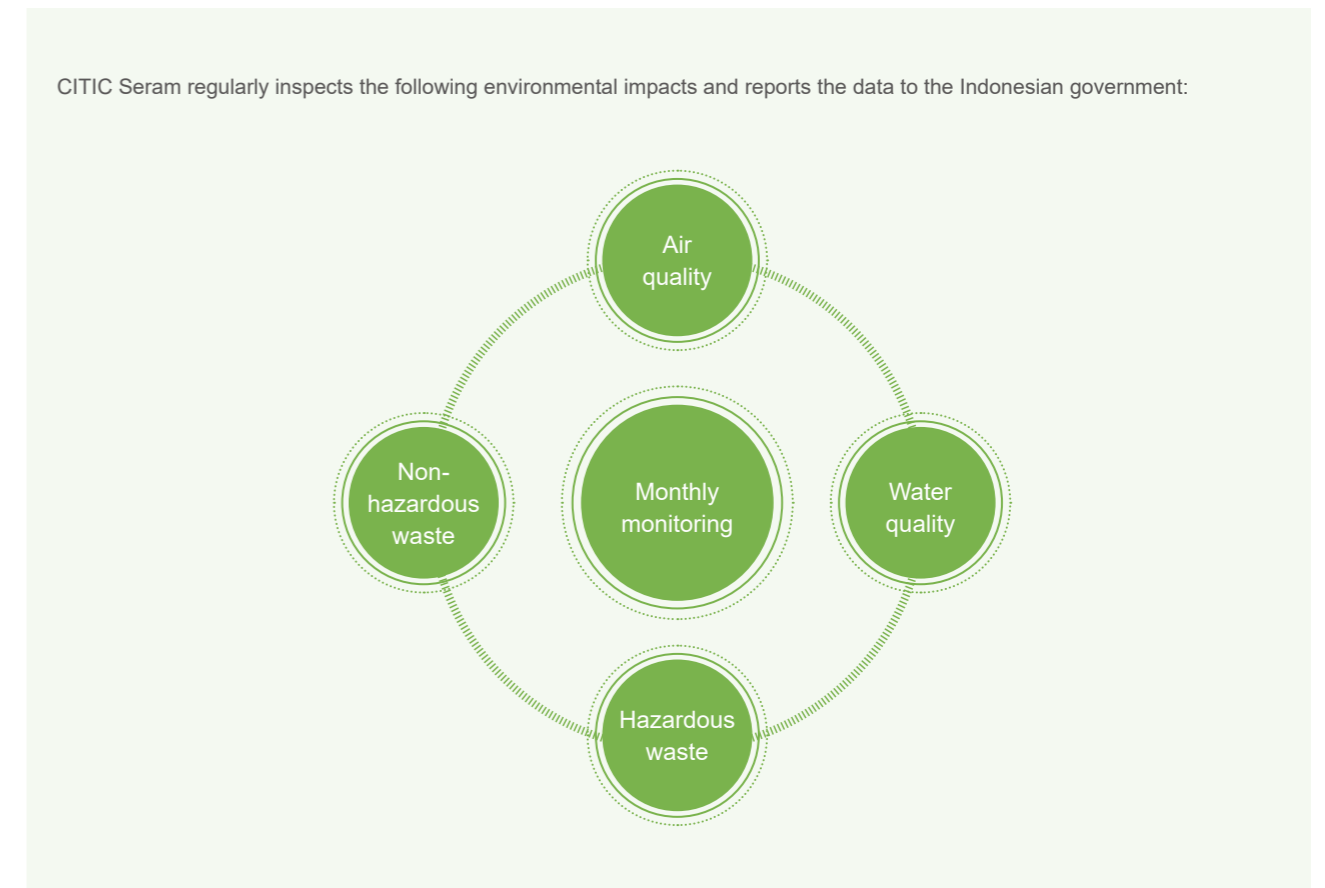
Environmental Targets and Action Plan					
Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department
Air Pollutant Emission	Reduce air pollutant emissions	Regularly repair and maintain the pressure control system, and regularly repair the production process	Avoid incidents such as blowouts to affect the atmospheric environment; Avoid the leakage of the process to affect the atmospheric environment.	2022	Oil production and Transportation department
GHG Emissions	Reduce GHG emissions from vehicles	The overall fuel consumption or usage of official vehicles	Strengthen the management of official vehicles, record the fuel consumption of official vehicles, regularly repair official vehicles, and reduce the fuel consumption per km of vehicles.	2022	General Management Department
	Strengthen the recycling of GHG	Methane recovery from oil and gas fields	Adopt comprehensive utilization of natural gas, with island C as the main gas source supplying island, laying natural gas pipelines between islands, terminating flare combustion, rationally allocating natural gas supply according to the needs of each island, and replacing all heating furnaces and steam injection boilers with natural gas fuels.	2026	Oil production and Transportation department, Engineering department
	Greening	Area greening rate, number of trees planted	Plan to plant 20 trees and 10 square meters of flowers at the onshore terminal processing station.	2022	Oil production and Transportation department
Waste generation	Improve the utilization rate of waste resources	Realize classified management, transportation and compliant disposal of industrial and domestic waste in oil fields	The Company strictly regulates the classification and storage of industrial and domestic waste on the offshore production platform, and strengthens the supervision and management in the daily production process by marking, listing and tracking the garbage bins on each platform, so as to avoid the mixing of domestic waste and industrial waste as much as possible, reduce the amount of industrial waste generated, and reduce environmental hazards and industrial waste disposal expenses.	2022	Offshore platform production and Operation department, Comprehensive management department of office building of the company
		Penetration rate of garbage classification	Promote waste recycling in all oilfields and offices, regularly carry out publicity and education on waste sorting, and encourage employees to participate in waste sorting at the source.	2022	
	Reduce non-hazardous waste	Reduce the use of disposable items	The canteen does not provide plastic bags and disposable tableware/ provides plastic bags and disposable tableware in charge of fee.	2022	Offshore platform production and Operation department, Comprehensive management department of office building of the company

Environmental Targets and Action Plan					
Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department
Waste generation	Reduce hazardous waste	Drilling waste disposal rate	Transfer drilling waste back to land, and entrust qualified units to handle all drilling waste in compliance with regulations.	2022	Drilling Department and HSE Department supervise the completion of drilling contractors
		Oily sludge treatment rate	According to the water content of oil sludge, the Company timely regulated the proportion of chemical drugs, strictly controlled the water content of oil sludge ≤ 58%, and reduced the amount of oil sludge generated; Qualified entities are invited to conduct harmless and compliant treatment of oily sludge.	2022	Oil production and Transportation department
	Increase food waste recycling	Oily sludge treatment rate	According to the water content of oil sludge, the Company timely regulated the proportion of chemical drugs, strictly controlled the water content of oil sludge ≤ 58%, and reduced the amount of oil sludge generated; Qualified entities are invited to conduct harmless and compliant treatment of oily sludge.	2022	Oil production and Transportation department
Energy use	Improve energy efficiency	Energy consumption of energy-consuming equipment	According to the actual production of oil wells, the Group will explore the medium-frequency heating of oil wells and turn them into the running mode to achieve the goal of power saving; High-energy-consuming nitrogen skid adopts the staggered peak operation mode to save electricity costs	2022	Oil production and Transportation department
		Electricity Consumption	Formulate sound energy conservation management work plans and measures, and establish an energy project team.	2022	
		Process optimization	Conduct process review to identify areas of low efficiency and potential areas for improvement.	2022	
Use of water resources	Reduce water consumption	Water Consumption	Post water-saving signs in washrooms and other places; Turn off the tap timely with intact water to avoid wastage; Reasonably regulate the use of water in production to avoid long-flowing water.	2022	Oil production and Transportation department
		Regular maintenance	Regular maintenance of water supply pumps and water supply pipes to ensure no water leakage.	2022	

Seram Block

Environmental Inspection

As an important part of the CITIC Seram HSE management system, the environmental monitoring system and the accident reporting system can effectively monitor the concentration of various types of emissions to ensure compliance with emission standards. In case of any abnormal situation, the designated personnel of CITIC Seram will handle the follow up.



Air Emissions

CITIC Seram strictly complies with the relevant regulations of the places where it operates to reduce emissions. Natural gas is used to replace diesel for turbine generators in major production facilities, and diesel is only used in emergency or trial operations. Air and GHG emissions are controlled through preventive maintenance of turbines. Natural gas is used as efficiently as possible and the use of gas is minimized. Emissions from turbines are monitored and measured regularly (mandatory conducting for every 6 months).

At the same time, in response to the Carbon Neutrality and Carbon Peak policies, CITIC Seram promotes environmental awareness in all activities and seeks to reduce GHG emissions, waste emissions and the use of hazardous substances. In addition, the Maintenance department has changed the maintenance model from preventive maintenance to predictive maintenance since 2020 to help reduce GHG emissions more effectively.

Wastewater and Waste Management

CITIC Seram conducts classified treatment according to the type of wastewater and ensures all indicators meet the discharge standards through a series of processes, such as sedimentation system and sprinkler system. Domestic sewage is discharged after unified treatment by qualified sewage treatment plants, and sample testing is conducted monthly.

CITIC Seram classifies non-hazardous wastes at the source and recycles them as much as possible. Wastes that cannot be recovered will be incinerated or buried. CITIC Seram also recycles lubricating oil used in well workover and production, and crude oil extracted or filtered from oil-based sewage treatment equipment. Hazardous wastes are first stored in the temporary storage area of the Seram Block and then transported by a third party to the approved storage area and disposal facilities. The transportation process is supervised by the relevant government departments. Meanwhile, in terms of waste generation, CITIC Seram has replaced bottled drinking water with gallon drinking since 2020, so waste plastics have been reduced.

Daily, monthly, quarterly, and annually check, monitor and measure the domestic waste (properly treated) and water (production water) discharged to marine.

Hazardous waste is temporarily stored on site as required and then sent to ATSN as a licensed hazardous and toxic (B3) waste manager. Meanwhile, non-hazardous waste is disposed of at landfills.

Environmental Impact

CITIC Seram attaches great importance to the promotion of environmental protection awareness in all business activities, and is committed to reducing emissions of exhaust gas, wastewater and waste. It has formulated and implemented the "HSE Policy" and "Environmental Policy" in strict accordance with the requirements of Indonesia's environmental protection regulations. In order to effectively strengthen the control of water and air pollutants, hazardous waste management, and sewage discharge control, CITIC Seram regularly engages an independent laboratory to regularly assess the impact of business operations on the environment, and strengthens the preventive measures based on the test results.

CITIC Petroleum

Tree Planting and Greening

"Greening the Blue Sky in the Capital and Creating a Low-carbon Life" is not only a slogan issued by CITIC Petroleum. In April 2021, CITIC Petroleum organized a tree planting activity at the Beijing Living Island Practice Base, which brought the slogan into practical life and contributed to a low-carbon life, as well as strengthening the awareness of environmental protection.



Tree planting activity at the Beijing Living Island Practice Base



Karazhanbas Oilfield

Environmental Impact

KBM is committed to environmental protection while ensuring its daily production and operation. During the Reporting Period, KBM adopted the following measures to reduce the environmental impact:

Conduct regular testing on the atmosphere, soil, drinking water, animals and plants, Caspian sea water and radiation in the oilfield area as planned;

Handle oil sludge, domestic waste, construction waste, electronic chemical waste, etc. generated during the production process in a timely manner;

Treat drilling waste and oil soils accumulated in previous years and commence the treatment of legacy pit oil. In 2021, KBM cleaned and transported a total of approximately 17,000 tonnes of waste such as drilling and workover waste, oil sand and oil leaching.

Solid Waste Treatment

In 2021, KBM signed waste treatment service contracts with three qualified environmental waste treatment service providers, and officially started the treatment and surface restoration of historical oil soils in the oilfield in mid-October. It is planned to fully treat these pollutants within three years through microbial, physical and chemical methods to restore the surface.



Karazhanbas oilfield oil pollution pool and Oilfield operation site

Waste Removal Activities

On 15 May 2021, nearly 30 employees of KBM travelled to the Kapamsay Grand Canyon, 130 km from the urban area, to carry out voluntary work. Kapamsay is a local scenic area that attracts a large number of tourists to visit the area every year, while leaving a large amount of garbage. During the voluntary work on that day, KBM employees cleaned up a large number of glass bottles, plastic bottles and other solid domestic waste, and brought them to the designated garbage site for disposal.



Karazhanbas oilfield waste removal volunteer activity

■ Extracted Water Treatment

In 2021, in order to improve the sewage treatment capacity and the use of water resources, KBM accelerated the construction of the oilfield sewage treatment plant. At present, the supported external network has been fully completed, and the construction and installation part has been 72% completed.

The designed daily capacity of the sewage treatment plant is 42,500 tonnes of treated extracted water, with a daily capacity of 17,000 tonnes of purified water, which is expected to be completed and put into operation in the first quarter of 2022. Upon completion, the plant will supply over 6,200,000 tonnes of fresh water annually, which will also provide a continuous and stable water supply for the development of steam injection in the Karazhanbas oilfield.



Sewage treatment plant under construction at Karazhanbas oilfield

■ Tree Planting

KBM always pays attention to the ecological environment around the Karazhanbas oilfield, minimizing the impact of production activities on the environment, and actively creates a good production and living environment by improving forest coverage.

In 2021, KBM organized a large-scale volunteer activity and planned to plant 3000 trees around some important social facilities for people's livelihood in the oilfield and Aktau. KBM organized all departments and its employees to participate in the event, and was responsible for tree planting and greening activities in the Prefecture Qingzhen Temple, the Cancer Institute, the Nursing Home, the Orphanage Home, the Parenting Home, and the Computer Training School for Disabled Children. To this end, KBM has specifically selected a variety of seedlings that are adapted to the local drought climate, hoping to turn the environment into a more beautiful and livable state in Mangkhut.



Tree planting activity at Karazhanbas oilfield

Environmental Targets and Action Plan					
Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department
Air Pollutant Emission	Reduce air pollutant emissions	Addition of exhaust gas treatment devices	It is planned to apply flue gas recycling devices.	Long-term	Production department, Drilling and maintenance department, Safety and Environmental protection department
		Regular overhaul and maintenance of pressure control system	The well control devices are regularly tested to avoid incidents such as blowouts that affect the atmospheric environment.		
GHG Emissions	Reduce GHG emissions from vehicles	The overall fuel consumption or usage of official vehicles	Strengthen the management of official vehicles, record the fuel consumption of official vehicles, regularly repair official vehicles, and reduce the fuel consumption per km of vehicles.	Long-term	Vehicle transportation department
	Reduce GHG emissions during production	Percentage of renewable energy	Study the application of solar power in oilfields.	2026	Production department
	Greening	Area greening rate, number of trees planted	Encourage employees to participate in tree planting activities.	Long-term	Social department
Waste Generation	Improve the utilization rate of waste resources	Oilfield area, dormitory and office for waste classification	Waste separation is implemented in the office, and paper is especially recycled.	Long-term	Administration department
		Penetration rate of garbage classification	Promote waste recycling in all oilfields and offices, regularly carry out publicity and education on waste sorting, and encourage employees to participate in waste sorting at the source.	Long-term	
	Reduce non-hazardous waste	Reduce the use of disposable items	The canteen does not actively provide plastic bags and disposable tableware.	Long-term	Administration department
		Implement paperless office	Actively promote paperless office.	Long-term	
	Reduce hazardous waste	Drilling waste disposal rate	The newly produced drilling waste is handed over to professional waste handlers for treatment every year.	Long-term	Safety and environmental protection department and Drilling and maintenance department
Oily sludge treatment rate		At present, the Company is engaging a third-party professional treatment agency to treat historical oil pollution and oily sludge, and treat the waste for laying the road surface for recycling.	2026		

Environmental Targets and Action Plan					
Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department
Waste generation	Increase food waste recycling	Promotion of "Clean Plate" campaigns (e.g. promotion participation)	We promote "Clean Plate" campaigns and post promotional materials in the canteen to remind employees not to waste food.	Long-term	Administration department
		Energy consumption of energy-consuming equipment	Formulate maintenance plans, regularly inspect energy-consuming equipment, and regularly repair and upgrade electronic equipment in offices and oilfields to optimize energy efficiency.	Long-term	
Energy use	Improve energy efficiency	Penetration rate of low-energy-consuming equipment	Replace and phase out high energy-consuming equipment and formulate time schedule for equipment replacement.	Long-term	Production department
		Electricity Consumption	Formulate sound energy conservation management work plans and measures.	Long-term	
Use of water resources	Reduce water consumption	Water Consumption	Formulate water-saving measures. For example, water-saving signs are posted in places such as washrooms.	Long-term	Administration department

Resource Usage

While ensuring normal production and operation, CITIC Resources has always been committed to effectively saving resources, improving resource utilization, and integrating environmental protection concepts into technical services and supervision. In terms of Carbon Neutrality and Carbon Peak policies work, the Group actively promotes relevant knowledge, improves employees' awareness of energy conservation and carbon emission reduction, and actively adopts various measures to save energy such as purchasing electricity.

In addition, the Group also actively supervises the rational use of resources in every oilfield, and requires them to formulate appropriate resource use policies based on their business and the characteristics of the operating locations.



Yuedong Oilfield

Energy

In order to ensure that all offshore production equipment can achieve environmental improvement, conserve energy and resources, reduce costs, and improve economic efficiency, Tincy Group has formulated the "Regulations on the Management of Electricity Conservation" to clarify and regulate the operation requirements of various production equipment and systems such as oil pumping machines, gas injection systems, and sewage transportation system to use electricity reasonably, reduce and avoid unnecessary waste.

In addition, in order to use natural gas in a reasonable and efficient manner and reduce the self-consumption of steam injection boilers, the Yuedong oilfield has started the construction and renovation of the natural gas utilization project on Island C, and improved the current natural gas production through the conversion of C4 oil wells into gas wells. The project meets the use of steam injection boilers, thus reducing the consumption of crude oil for the boiler's own use. It is estimated that the natural gas volume of the C4 well is about 38,000 cubic meters per day. About 33 tonnes of fuel oil will be saved per day.



Yuedong oilfield C4 oil well to gas well in Island C

It is estimated that the natural gas volume of the C4 well is about **38,000** cubic meters per day

About **33** tonnes of fuel oil will be saved per day

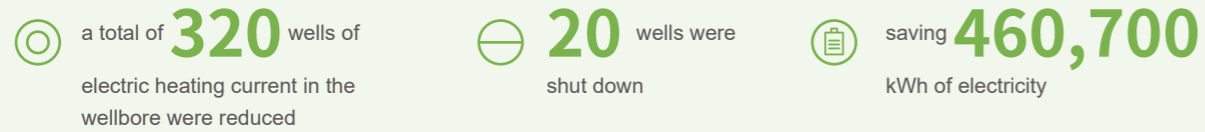
Meanwhile, in order to save the use of purchasing electricity, Tincy Group has adopted the following measures:

For single equipment with higher power consumption, such as steam injection boiler, nitrogen skid, pressure-washing shaft skid, living building, low-pressure steam boiler, lighting transformer, electrothermic transformer, etc., power metering devices are installed. Self-procurement, electrical engineers and electricians on the island cooperated to install with their own strength, and a total of 43 meters were installed. Further improve the electricity measurement system to better track and analyze the reasons for the increase in electricity consumption and further improve the electricity management system;

The process of adding new wells to B Island is implemented, and new well pipes are used to replace electric heating in well pipes. 38 wells were added to the wellbore, saving 1,152,900 kWh of electricity and saving RMB 691,300 in electricity costs;

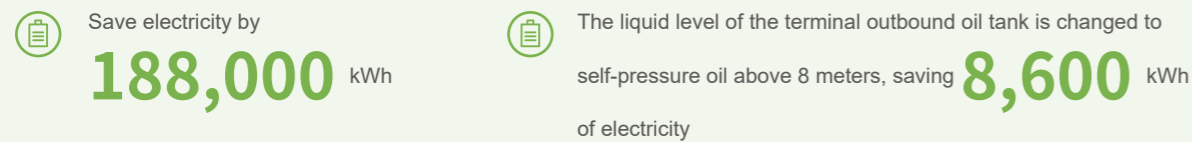
38 wells were added to the wellbore saving **1,152,900** kWh of electricity saving RMB **691,300** in electricity costs

A single well electric heating-related data board was established to guide the suspension, operation and power flow adjustment of electric heating wells. During the Report Period, a total of 320 wells of electric heating current in the wellbore were reduced, 20 wells were shut down, saving 460,700 kWh of electricity;

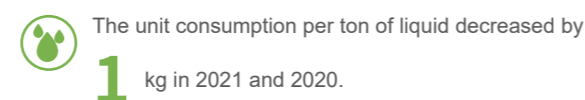


Adjust the balance of 48 wells in time according to the changes in the upstream and downstream electric current of the pumping machine, saving 7,000 kWh of electricity; Pre-nitrogen gas measure has been taken to increase discharge volume and reduce operation time; Optimize and adjust the operation parameters of nitrogen skid, saving 33,600 kWh of electricity; With the gradual increase in temperature, the production system was shut down in time with a tropical cyclone, saving electricity of 297,000 kWh;

Strengthen the management of domestic electricity consumption and stop heating in the living room; The conference room of the living building, office, lights off; Shorten outdoor lighting time; Adjust the operation of transformers; Save electricity by 188,000 kWh. The liquid level of the terminal outbound oil tank is changed to self-pressure oil above 8 meters, saving 8,600 kWh of electricity.



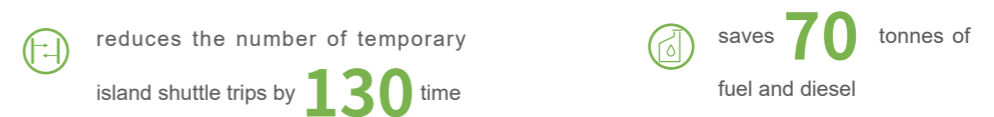
In order to reduce the use of purchased heat steam, Tincy Group's onshore terminal processing station suspended the operation of the oil tank maintenance temperature system in the tank area by taking advantage of the high temperature in summer and the small heat dissipation of oil tanks, and all steam was used for the heating of crude oil in the first and second stages of heat exchangers. Lower the dehydration temperature of a sedimentation tank appropriately to reduce steam consumption. The unit consumption per ton of liquid decreased by 1 kg in 2021 and 2020.



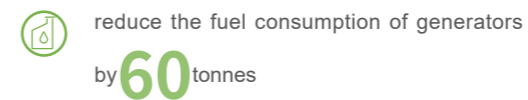
Tincy Group also strengthens vessel operation management and reduces energy consumption through the following three measures:

Through investigation and research, combined with the pandemic prevention and control work and the actual daily management of each production unit, the Company appropriately extended the time on the island (no more than 6 weeks), adjusted the ship shift twice a week, reduced more than 80 ship trips, and saved 200 tonnes of fuel and diesel;

In accordance with the light, heavy, slow and urgent production tasks, the Company strictly supervises and implements the 'Regulations on the Management of Vessel Island Shuttle', reasonably arranges the transportation between vessels and islands, eliminates the occurrence of temporary shuttle tasks to the maximum extent, reduces the number of temporary island shuttle trips by 130 times, and saves 70 tonnes of fuel and diesel;



Secondment guard ship maximises the use of B-island shore power to reduce the fuel consumption of generators by 60 tonnes;



As of the end of the Reporting Period, the above three measures saved a total of 400 tonnes of fuel and diesel. While reducing a large amount of air pollutant emissions, the cost was reduced by RMB 990,000.

Water Sources

Although Tincy Group does not have any difficulty in sourcing water, it is still committed to reducing the use of water resources. The major measures taken by Tincy Group are as follows:



Turn off the faucet timely with intact water to avoid long-running water;



Reduce the addition of water purifying agents to reduce the diluted water usage;



Real-time monitoring of water inlet wells with no leakage and repair at any time by using cameras;



The valve inside the water well is checked regularly to ensure that there is no leakage for timely repair.

Seram Block

Energy

In the CITIC Seram's energy efficiency plan, it is specified that diesel is replaced by natural gas to power turbine generators in major production facilities. It not only utilises natural gas in the oilfield, but also reduces the use of diesel. At the same time, CITIC Seram reduces the residual gas in the flue as much as possible and burns natural gas more comprehensively by using the turbine in the main production facility effectively.

In addition, CITIC Seram has established a "On-Site Management Policy" to reduce power consumption through a number of measures, including but not limited to turning off lights, air conditioning, and computers when employees leave the office.



Water Sources

CITIC Seram adopts a number of measures to effectively conserve water, which are specifically listed below:

Promoting efficient water use to employees and contractors;

Reporting and repairing cisterns in a timely manner when their floating closures are not working properly and causing water to spill out;

Regularly inspecting faucets and valves on site to ensure they are not leaking due to damage

Karazhanbas Oilfield

Energy

Under the slogan of "Year of Environmental Protection", offices and oilfields in KBM City launched the "Green Office" initiative. This action involves several steps, including rational use and conservation of electricity, use of safe energy-saving lamps, waste sorting and recycling, etc. The first step of this action is the collection of waste paper and the establishment of paper recycling bins. It is estimated that 5-10 tonnes of waste newspapers and paper can be collected within one year, equivalent to saving 10 trees and 1,000 kWh of electricity.

Water Sources

KBM continues to promote the construction of oilfield water treatment plants to enhance the recycling of sewage. The plant project uses the membrane method, which can be used as a boiler water source for oilfield steam extraction after deep treatment of the produced water from the oilfield. The measures not only can greatly reduce the large-scale water leakage problems that may be caused by the recovery of oil-field extraction water and avoid the risk of environmental pollution, but also realize the resource utilization of oil-field extraction water, so that KBM can further reduce its reliance on Volga River water, saving more than 6,200,000 cubic meters of Volga River water per year. The water resources saved by the project can be used for the development of local industrial and agricultural industries. At the same time, it can not only reduce the reintroduction of water from oil fields, but also increase crude oil production, save energy and reduce oil production costs.



Fresh water from the natural environment around the oilfields is drawn for production and daily use. The water sources for each oilfield are as follows:



During the Reporting Period, KBM, Tincy Group, and CITIC Seram did not experience any issues related to water sourcing.

Coping with Climate Change

CITIC Resources is aware of the impact of climate change on the Group's oilfield business and the society as a whole, as well as the potential risks and opportunities arising therefrom. The Group strives to identify the physical and transition risks associated with climate change to identify the risks closely related to the Group's oilfields, and then review the existing policies and management measures, to continuously invest resources to strengthen risk management strategies, establish and continuously improve its ability to respond to climate change.

The Group has developed an in-depth understanding of the key risks posed by climate change to its operations and studied the different physical risks that may exist in its own value chain and different oilfields in different geographical locations. Through the assessment of the Group's operation, finance and other dimensions, a climate risk database has been established, and each oilfield has identified its most relevant climate risks and ensured that appropriate response measures are in place.



The significant climate change risks for each oilfield and the current actions to address them are as follows:

Significant Climate Risk Identification	Responding Actions
Acute physical risk: more frequent and more intense extreme weather events	
<p>Yuedong Oilfield</p> <p>Frequent extreme weather events cause significant damage to oil wells and supporting production facilities in offshore oilfields, which could result in environmental pollution incidents.</p>	<p>Tincy Group has signed a marine environment forecast agreement with the National Marine Environmental Forecasting Center, sending marine environment forecasts (including wind level, waves, temperature, and other marine and climatic data) of the Yue Dong oilfield sea area to Tincy Group twice a day. The Production Operations Department will forward the information to company leaders, relevant departments, and production platforms in a timely manner.</p> <p>When informed of windy weather, Tincy Group will correspondingly prepare in advance, such as stopping vessel launch, operation, lifting operation, and overhead operation in windy weather. When informed of extremely bad weather like typhoons, Tincy Group will also prepare in advance to stop production, stabilise equipment, and evacuate personnel.</p>
<p>Seram Block</p> <ul style="list-style-type: none"> ● Heavy rainfall can cause pipeline landslides in production facility areas ● Prolonged heavy rainfall can lead to flooding and oil spills, affecting production facilities ● Strong winds can cause long-term physical damage to jetties 	<p>For pipeline landslides, CITIC Seram will adopt the following measures:</p> <ul style="list-style-type: none"> ● Use ropes to hold the pipe to prevent bends and gaps in the pipe ● Replace bent pipes at risk of oil spills with straight pipes in a timely manner ● Repair the soil in the affected area to re-establish the buffer wall ● Regularly monitor and manage walls and production facility areas <p>For potential impacts on production equipment, CITIC Seram will take the following measures:</p> <ul style="list-style-type: none"> ● Keep the external wall water access valve of the tank area closed ● Regularly monitor and manage water entering the drainage area ● Report any oil spills immediately to the relevant authorities and cooperate to take measures <p>In response to damage to terminal equipment, CITIC Seram will take the following measures:</p> <ul style="list-style-type: none"> ● Restore pier's equipment ● Regularly inspect, control and check pier equipment to identify the effects of strong winds to prevent irreparable damage



High temperatures in summer and cold waves in winter can affect site safety and production.

KBM will stop personnel from performing outdoor field work under strong convective thunderstorm conditions. In windy weather, KBM has different response plans depending on the wind speed; KBM will stop all well repairing and oil drilling operations when wind speed reaches a higher level. When the air temperature is higher or lower than a certain temperature, KBM requires operators to break 20 minutes every two hours.

Chronic physical risks: Increase in average temperature/ change in rainfall pattern



- Continuous high temperatures may reduce the working hours and work capacity of frontline operators.
- Frequent rainfall can affect the safety of the working environment and reduce the working time of personnel.

Based on the actual situation of marine environmental forecast, in the event of high-temperature weather, Tincy Group will arrange working hours reasonably to avoid high-temperature periods; in the event of heavy rain, the equipment and facilities such as the power distribution system and production control system will be inspected in advance for rain prevention measures and non-essential personnel will stop working and essential personnel must be well protected.



Continuous high temperatures may reduce the working hours and work capacity of frontline operators.

KBM will provide clean drinking water and other heatstroke prevention and cooling beverages and medicines to frontline operators during continuous high-temperature conditions. KBM will also adjust work schedules to avoid daily temperature extremes during periods of continuous high temperatures.

In addition, KBM will take measures such as dam diversion, raising the well field road, forced drainage, and other measures to protect production operations during continuous rainfall conditions.

Chronic physical risk: sea level rise/ water temperature rise



Sea level rise will lead to a greater impact of waves on offshore platforms, which may result in increased risks and costs for the operation and maintenance of offshore platforms.

As sea level rise/ water temperature rise is a long-term process, the impact of sea level rise on the platform production during the project cooperation period is negligible. If there is any impact, Tincy Group will install protection panels of a certain height on the windward wall of the island and cement protection piers on the side of the dock to prevent sea water from splashing or surging into the island.



The Caspian Sea is an inland sea and is currently experiencing a decline in sea level. A small increase in sea level in the Caspian Sea will have no impact on production, but a larger increase may affect the drilling of new wells for future development in the waterfront.

Based on the trend of sea level change in recent years, no significant increase is expected in the near future. KBM will continue to monitor the situation.



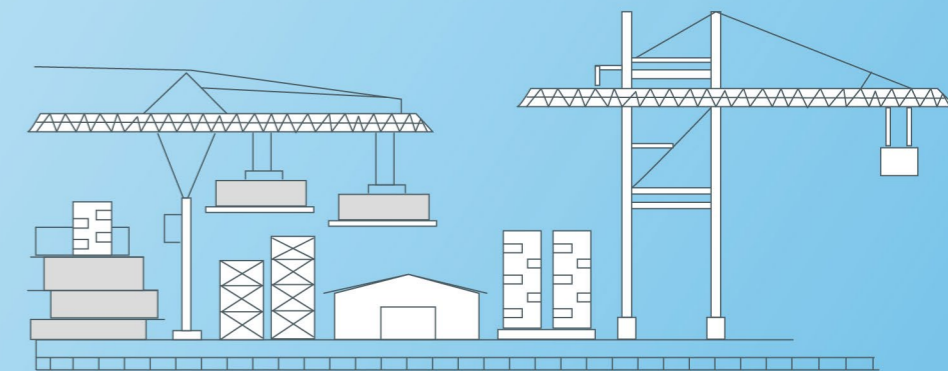
Our Operations

The Group fully complies with the laws and regulations of the places where it operates, and has established relevant policies to ensure the compliant operation of the Group. The Group always regards employee safety and health as its top priority, continues to improve and implement HSE management processes and systems, actively implements the safety responsibilities of all employees, and strives to achieve the goal of “zero accident” in the working environment. At the same time, the Group adheres to the concept of integrity, upholds the highest ethical standards in market practices, and requires all employees to strictly comply with the Group's policies and systems when conducting business activities. In addition, the Group believes that a long-term relationship of mutual trust is the cornerstone for the stable development of an enterprise. Therefore, the Group continuously improves supply chain management measures and strengthens supply chain risk identification and response capabilities.

The Group strictly complies with applicable laws and regulations relating to protection of sales and credit management, oil production and quality control, privacy and information security, as well as trademarks, patents and intellectual property rights in its daily operation and management. When selling and transporting crude oil products, the relevant parties must sign a confidentiality agreement for the protection of confidential data or proprietary information. Unless with the written consent of both parties, the disclosure of relevant data and information to any third party is strictly prohibited to protect the information and privacy of the relevant parties.

As the Group is principally engaged in oil and gas exploration and development, advertising is less material to the Group's principal business.

The material issue – “Employees’ Health & Safety” is particularly responded to in this section of this Report.



Health and Safety

The Group adheres to the work principle of “safety first, prevention-oriented and comprehensive governance” and the safety concept of “all accidents can be prevented and avoided”, continuously improves safety management and strengthens risk management and process control. The Group always attaches great importance to the health and safety of employees and all on-site workers. The Group continues to promote the sense of responsibility of “who is in charge and should take the responsibility”, strictly requires all oilfields to implement safety management systems, implements safety management operating procedures, and regularly carries out equipment supervision and inspection to minimize the risk of accidents. In addition, the Group has distributed HSE manuals and explained HSE guidelines and procedures to employees and contractors to further enhance the HSE awareness of employees and contractors and effectively protect the personal safety of employees and contractors.

CITIC Resources follows the principle of starting from the actual situation of production and organizes comprehensive emergency drills for onshore terminal processing stations and offshore platforms every year to review and improve comprehensive emergency response capabilities. Through scientific scheduling and reasonable division of labor during the drills, CITIC Resources has achieved the goal of “scientific, safe, orderly and rapid” response to various accidents. In addition, CITIC Resources also attaches great importance to the health of employees under the impact of the COVID-19 pandemic. Therefore, we have implemented corresponding pandemic prevention and control measures to ensure the health and safety of employees.

Preventing Safety Accidents



Multi-party Participation
Since contractors are exposed to the same health and safety risks as the Group's employees when working at each operating locations, the Group's HSE policies and systems cover all the contractors, which means they are managed, restricted and protected by the HSE policies and systems, to ensure that there are no accidents caused by improper operation of the contractors or the Group's employees.



Emergencies
In response to emergencies in oilfields, the Group also continuously improve emergency management and prevention mechanisms in consideration of the types of emergencies that may occur, and enhances employees' and contractors' capacities of response for potential hazards in workplaces by giving work instructions, warning instructions and training on specific safety topics.



Personal Protection
The Group requires employees and other on-site staff to wear qualified personal protective equipment. Especially when specific high-risk works are engaged, the employees and other on-site staff must wear designated labor protective gear and safety equipment to protect their personal safety.



Equipment Maintenance
The Group requests all oilfields to conduct in-depth control and risk assessment of key equipment and facilities, identify, prevent and control hidden dangers in a timely manner. The necessary security and detection systems have been installed in the production equipment or facilities in every oilfields. When there is failure in pressure controls, temperature controls, liquid level controls, safety valves, fire protection systems, or gas detection systems, alarm signals are issued immediately to alert operators to pay attention to their personal safety and to replace faulty parts in a timely manner

Yuedong Oilfield

Operation Safety Management

Tincy Group has formulated, implemented and continuously improved the HSE management system, which includes the management measures for creating a safe and healthy working environment for employees, such as the *Occupational Health Management Procedures*, the *Personnel Health Management Regulations*, the *Personal Protective Equipment Management Regulations*, the *Health and Safety Environment Inspection Regulations*, and the *Hidden Danger Reporting and Rectification Management Regulations*. Among them, the *Occupational Health Management Procedures* stipulates that the Tincy Group shall continuously monitor the health status of employees through regular or irregular medical health examinations and collection of health-related information according to the occupational contact history of employees, analyze the relationship between the health changes of employees and the occupational disease hazards exposed, and provide the results of health examinations and data analysis reports to all departments and employees in a timely manner, so as to take preventive measures in time and protect the health of employees. In addition, Tincy Group strictly complies with the relevant provisions of the *Production Safety Law of the People's Republic of China* to ensure the safety of daily operations.

During the Reporting Period, Tincy Group adhered to the mechanism of daily inspection, comprehensive inspection, special inspection, monthly inspection and departmental inspection. Through various inspections, Tincy Group strengthened the investigation and management of hidden dangers, achieved the inspection, rectification and measures optimization, eliminated potential safety hazards, reduced the safety and environmental protection risks of the working environment, and effectively prevented the occurrence of safety accidents.



In 2021, a total of **480** problems were found in the inspection, and **477** rectifications were completed, and the completion rate of **99.4%**;



In accordance with the requirements of the relevant notices of CNPC Division, CITIC Resources and PetroChina Petroleum Exploration and Production Branch, Tincy Group organized self-inspection activities such as construction inspection in spring, special inspection of well control, and inspection and rectification of hidden dangers of typhoon on offshore oil platform. **154** problems were inspected, **153** problems were rectified, and the rectification rate was **99.4%**;



Tincy Group organized and carried out safety supervision and inspection on “two festivals (New Year's Day and Spring Festival)”, identified **41** problems, rectified **38** problems, with a rectification rate of **92.7%**, and organized safety supervision and inspection, and all problems found were rectified before Oct. 1;



Cooperated with the CNPC Division of the Emergency Management Department to carry out **one** “four not two direct” inspection of CNOOC. **49** problems were found in the inspection, **47** problems were rectified, and the rectification rate was **96%**;

Cooperated with PetroChina Petroleum Exploration and Production Branch to start inspection **once** in spring, found **24** problems, rectified **24** problems, and the rectification rate was **100%**.

Cooperated with the International Cooperation Department of Liaohe Oilfield to carry out **one** HSE inspection. **16** problems were inspected, **16** problems were rectified, and the rectification rate was **100%**;



In accordance with the requirements of CITIC Resources, Tincy Group carried out a second inspection of hidden risks, identified **93** problems, and completed **85** rectifications, and the rectification rate was **91.4%**.

Pandemic prevention and control

In response to the pandemic situation in China, Tincy Group has incorporated pandemic prevention and control as a routine work into its daily management. Since the beginning of 2021, in response to the pandemic in different places such as somewhere in the Spring Festival and Yingkou in May, Tincy Group has successively compiled and issued 11 pandemic prevention and control documents, management measures, prevention and control measures, and control mechanisms, made accurate deployment and precise policies for pandemic prevention and control, and carried out corresponding special meetings for pandemic prevention and control to ensure that the pandemic prevention and control work is carried out in an orderly and effective manner. Tincy Group also conducted pandemic prevention and control inspections to ensure the effective implementation of relevant measures.



Tincy Group held a special conference on pandemic prevention and control and pandemic prevention and control inspection

Emergency Drills

Tincy Group organizes contractors for oil production and well workover operations at each production facility to carry out various emergency drills in strict accordance with the provisions of the offshore oil safety management rules. According to statistics, the construction workers of each production facility carried out a total of 436 drills regarding firefighting, abandonment of platforms, well control, personnel falling water rescue, hydrogen sulfide, oil spilling, anti-storm surges, etc., with a total of 6,211 participants during the Reporting Period.

In October 2021, Tincy Group's HSE Department organized a comprehensive emergency drill for three subjects, including life-saving, fire-fighting and oil spill recovery, at the onshore terminal processing station, and invited the leaders of Liaodong Bay Ecology and Environment Bureau to observe the drill. Throughout the drill, the commander's instructions were given accurately and properly directed, and the participants were skilful and operated properly.

The overall drill program was prepared in a reasonable manner with scientific scheduling, reasonable division of labor and tight links, achieving the goal of "scientific, safe, orderly and rapid" response to various emergencies, and achieved good results.



Tincy Group carried out fire drills

Marine Safety

Tincy Group completed the preparation and review of the navigation safety protection plans for the management of submarine cables and laying of submarine cables in accordance with the new policies of the National Maritime Safety Administration, and coordinated with the Maritime Safety Administration to complete the aquatic and underwater construction permits and issue navigation warnings.



Seram Block

Operation Safety Management

CITIC Seram has an internal safety committee responsible for operational safety matters and is required to implement the HSE management system and contractor safety management system to ensure operational safety in the Seram Block.

CITIC Seram arranges occupational health checks for employees and contractors every year, and the professional medical team analyzes the health check reports, so as to establish occupational health monitoring files and formulate health management plans. In addition to safety meetings every day, large-scale safety health meetings will be organized every week. In addition, CITIC Seram provides a number of sports facilities to encourage employees to improve their physical and mental health. CITIC Seram also conducts workplace risk surveys and posts noise signs in areas with noise exceeding 85 decibels.

Safety guidance is provided to new employees or visitors and the existing hazards in the plant area and methods to prevent and avoid such hazards are also introduced. CITIC Seram conducts routine inspections on the places where occupational hazards may occur, and evaluates employees' personal protective equipment, production equipment and the situation of employees in preventing and avoiding occupational hazards.

Safety Inspection

During the Reporting Period, CITIC Seram carried out occupational health risk testing and would take improvement actions according to the analysis results. CITIC Seram has identified four major occupational risks, namely hydrogen sulphide exposure risk, asbestos/ glass inhalation risk, noise risk and chemical smoke inhalation risk, and has adopted effective measures to deal with these risks.

Emergency Drills

During the Reporting Period, CITIC Seram conducted monthly fire drills and drills on the handling process of hydrogen sulphide gas when employees were exposed to it. This allows employees to understand their duties and responsibilities when an accident occurs, and at the same time check the status of fire extinguishing equipment.

Karazhanbas Oilfield

Safety Management

KBM requires all workplaces to be equipped with corresponding technical specifications, safety operation manuals and first aid kits, and to formulate corresponding emergency response plans. KBM also makes extensive reference to the operation and management regulations formulated by benchmarking peer companies in the places where it operates, which are used to regulate the operation processes of use of fire, civil engineering, confined space and other aspects in the oilfield, and provides relevant training for employees and contractors.

The Labor Protection and Safety Technology Department at the Karazhanbas oilfield is responsible for recording work-related injuries of employees and contractors. At every bi-weekly meeting of the Labor Protection and Safety Technology Department, KBM's safety management personnel and contractors analyze the site situation, discuss the accidents occurred, and take corresponding measures to prevent the recurrence of the accidents.

Pandemic Prevention and Control

KBM always adheres to the value concept that the safety and health of employees are higher than everything else. Against the backdrop of the global spread of the COVID-19 pandemic, KBM, under the three-level pandemic prevention management system of local states, cities, and enterprises, earnestly fulfilled the responsibility of the company's responsibility of pandemic prevention management, and established a joint pandemic prevention headquarters jointly formed by KBM, its subsidiaries and major oilfield service companies in advance to implement various pandemic prevention systems and ensure the sufficiency of pandemic prevention materials.

In the context of the normalization of the pandemic, KBM focused on implementing daily production and pandemic prevention measures, such as regular disinfection of office premises and transportation vehicles, social distancing, and nucleic acid testing for shift personnel before and after get off work. As of the end of the Reporting Period, more than 40,000 nucleic acid tests were conducted.

In addition, KBM tracked the health status of employees on a daily basis, encouraged employees to be vaccinated, and maintained continuous communication with the national health and epidemic prevention department to build a defense line against protests.



As of the end of the Reporting Period,
more than **40,000**
nucleic acid tests were conducted

Labor Protection Certification Inspection

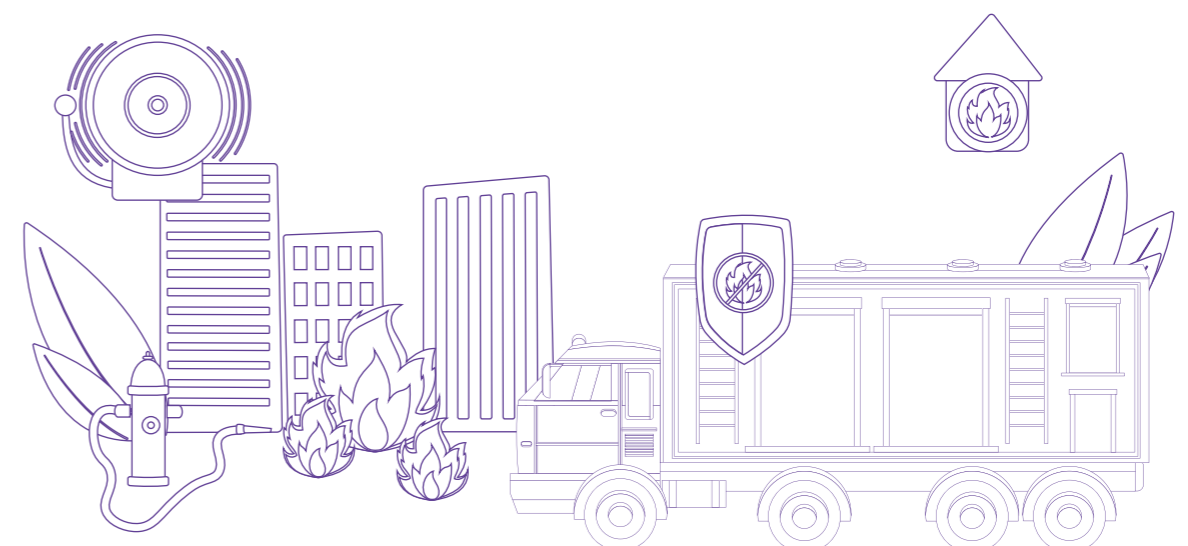
On 15 July 2021, KBM's labor protection management system was once again certified by the experts of the Kazakhstan National Certification and Accreditation Center, confirming that KBM's existing labor protection system is in full compliance with the Kazakhstan national standard GOST12.0.230-2007 (equivalent to the International Labor Organization's *Guidelines for Occupational Safety and Health Management System* (ILO-OSH2001)). KBM continues to improve the safety management system, and continuously improves the labor environment through various measures. At the same time, KBM complies with the industrial safety requirements of the oil and gas industry, prevents risk accidents in high-risk production facilities, and effectively protects the health and safety of employees.

Winter Fire Drill

On 16 November 2021, to strengthen the safety production in autumn and winter, KBM organized the "Winter-2021" comprehensive emergency drill. A total of 100 employees from major workshops, fire-fighting, medical, catering, security, and vehicle transportation service providers in the oilfield participated in the drill and involved 40 sets of various special vehicles to strengthen the early warning and handling capabilities of fire and other emergencies.



KBM carried out winter fire drills



Integrity in Business

CITIC Resources firmly believes that anti-corruption is the basic requirement for the daily operation and management of an enterprise. The Group is committed to regulating the business operation and management and daily work processes with extremely high ethical standards, to eliminate any behaviors and ways that may lead to corruption, extortion, fraud and commercial bribery. While the Group strictly complies with the laws and regulations that have a significant impact on the Company's business in relation to corruption and bribery in the places where it operates, it also requires each subsidiary to formulate more detailed and comprehensive internal policies according to its own situation and the actual requirements of the places where it operates.

CITIC Resources also updated the relevant requirements of the code of business practices in the Employee Handbook based on the local laws and regulations in Hong Kong. At the same time, in order to prevent money laundering activities and maintain good operation order, the Company has formulated the *CITIC Resources Holdings Limited Anti-Money Laundering Management Measures*. The measures aim to clarify the anti-money laundering organizational structure and its division of responsibilities, as well as the identification mechanism for business customers. In addition, the Group sent training materials of combating money laundering related to anti-corruption to each Director for learning by emails to increase his/her awareness of anti-corruption.

Yuedong Oilfield

■ Anti-corruption Training

During the Reporting Period, Tincy Group carried out in-depth anti-corruption training activities and issued the *Integrity Risk Prevention and Control Measures*, which divided the integrity risk into three levels, namely A, B and C. Tincy Group also implements a hierarchical management, hierarchical supervision and hierarchical responsibility system according to different levels. The risk early warning mechanism is managed and implemented by the main leaders and responsible leaders of Tincy Group. Tincy Group also strengthens the supervision of integrity construction to prevent the occurrence of bribery, extortion, fraud and money laundering, and establishes preventive measures and reporting procedures.

In addition, Tincy Group also strictly implemented the requirements of discipline inspection work, paid close attention to important period and key issues, and conducted anti-corruption warning in advance during the Spring Festival, Qingming Festival, Dragon Boat Festival and other major festivals through the Internet, WeChat and other media to effectively prevent employees from violations of disciplines during festivals. It also strictly regulated cadres to deal with personal major events such as wedding, funeral, or celebration activities, and focused on the supervision and inspection of the incidents of business transactions between the children and relatives of the cadres and units of Tincy Group.



Tincy Group conducted anti-corruption training activities

■ Anti-corruption Management

Tincy Group stipulates that it shall not conduct on-site inspection or any form of communication with potential contractors and suppliers before bidding or quotation without consent. For unfamiliar services or materials, Tincy Group may arrange consultation and communication with potential contractors or suppliers in a unified manner so as to formulate appropriate procurement strategies. Tincy Group also has the following anti-corruption management requirements:

If there is a need to interview with the tender participants, upon approval by the authorized person, the meeting shall be conducted during office hours and at the required office premises, with more than two business and technical bid evaluation personnel present;

Recording and keeping electronic files for the bid opening process and the negotiation process; and

Without the approval of the authorized person, no relevant personnel of Tincy Group shall contact the bidders for any matter related to the tender during non-office hours or non-office premises.

Tincy Group strengthened the anti-corruption education and training of the management and employees through anti-corruption warning education films, superior document study and other forms. At the same time, Tincy Group gave full play to the supervisory role of the masses, and set up petition boxes in the office buildings to smooth the petition and reporting channels. As of the end of the Reporting Period, Tincy Group did not receive any report letters. After supervision and inspection, Tincy Group's official vehicles and the three public funds did not exceed the standard, and there was no illegal distribution of benefits.

Seram Block

■ Anti-corruption Management

CITIC Seram strictly complies with the relevant laws and regulations in Indonesia, and strictly regulates the daily operation and management process according to the requirements of the Group to eliminate illegal acts. At the same time, CITIC Seram receives regular internal audit from the Company to ensure its operations are in compliance with laws and regulations.

In addition, CITIC Seram fully complies with *CITIC Resources Holdings Limited Anti-Money Laundering Policy*, which highlights the special requirements for anti-money laundering in operating activities, and describes the anti-money laundering organizational structure of CITIC Resources and its subsidiaries and the division of responsibilities. According to the policy, CITIC Seram will report any non-compliance incidents to CITIC Resources' Risk Control Department in a timely manner.

Members and staff of CITIC Seram's procurement committee are required to sign a declaration of integrity and comply with the code of conduct in their daily work and must always be independent and impartial to avoid any interest drive to maintain CITIC Seram's reputation.

Karazhanbas Oilfield

■ Anti-corruption Management

KBM's management committee has formulated and approved the *Anti-corruption Regulations of Karazhanbas Petroleum Co., Ltd.* This regulation is an internal document formulated in accordance with the Kazakhstan Anti-Corruption Law and the articles of association to regulate the behavior of employees and internal business departments in the process of communicating with state agencies and external enterprises, so as to ensure the formation of a corporate culture with zero tolerance for corruption and maintain an open and honest corporate image.

At the same time, KBM has also formulated documents such as business process passports and inter-departmental collaboration procedures to clarify the responsibilities, rights and obligations of each department. At the same time, KBM strengthens the supervision of procurement, sales, taxation, law, etc., effectively prevents potential risks, and prevents bribery, extortion, fraud, money laundering and other activities.

In addition, KBM has set up a special hotline to ensure a smooth reporting channel, and all employees can report all kinds of violations in a timely manner.

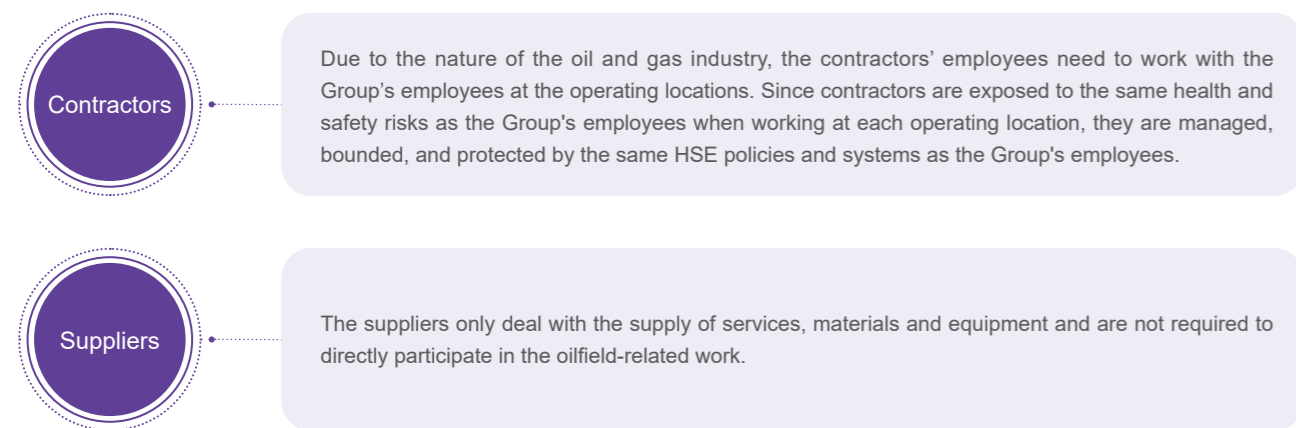
Supply Chain and Product Quality Management

The Group maintains close contact with suppliers and contractors, adheres to the concept of "working and growing Together", and works with suppliers and contractors to improve sustainability performance. The Group clearly requires suppliers and contractors to comply with and implement applicable local laws and regulations, ensure that all supply chain management measures comply with relevant requirements, and continuously focus on improving product quality management. During the Reporting Period, the Group did not receive any complaints about its products and services.

Supply Chain Management

The Group's supply chain mainly involves suppliers and contractors, and products are mainly sold to oil buyers. The Group's suppliers and contractors are located in Mainland China, Hong Kong, Taiwan, Kazakhstan, Indonesia, Russia, Australia and other regions. The Group focuses on improving its environmental, procurement, labor and HSE management in the supply chain. Simultaneously, the Group clearly requires suppliers and contractors to comply with and implement applicable laws and regulations in the places where they operate, and strictly controls the impact of suppliers on the environment and society, and selects suppliers with good performance to cooperate with, so as to manage the environmental and social risks of the supply chain. For example, the Group will consider whether the suppliers have passed the certification of environmental management system, whether they have received environmental penalties, whether they have good operating conditions, whether they have complied with relevant employment and labor standards, whether they conduct regular monitoring or spot checks on products to ensure product quality and safety. We also inform the suppliers of the relevant requirements in the contracts and require them to be aware of and strictly comply with the relevant environmental and safety standards. The Group has implemented the practices required by the Group on 126 suppliers, assessing them or requiring them to self-declare.

Supply Chain Overview



Quality Management

CITIC Resources continues to improve its quality management and strives to provide consumers with clean, high-quality, and diversified products and services through standards revision, quality supervision and inspection, and quality culture construction. Meanwhile, the Group provides consumers with products that meet legal requirements and standards in a responsible manner. In the process of providing products, the Group comprehensively considers the impact of products on consumers to ensure product quality and safety. During the Reporting Period, the Group did not receive any complaints about products and services.



Yuedong Oilfield

Supplier and Contractor Management

During the Reporting Period, Tincy Group updated the relevant management measures of suppliers and formulated the new version of the 2021 Purchase Management Measures of Tincy Group Energy Resources Limited. At the same time, when selecting engineering (technical) contractors, the relevant qualifications of suppliers, such as ISO9001, ISO14001, ISO18001, etc., will be examined, and the *Safety Production Management Agreement for Non-coal Mine Outsourcing Project* will be included in the engineering (technical) service contract as an appendix to the contract.

In addition, Tincy Group also carries out safety and environmental supervision and management of the whole process of operation of contractors in accordance with the requirements of national safety supervision and environmental protection management.

At the end of the Reporting Period, Tincy Group had a total of 822 suppliers and engineering technology contractors, all of which are applicable to the above-mentioned supplier management measures.

Supplier Assessment

Tincy Group has the following measures in supplier assessment to address the environmental, social and other risks involved:

- Acceptance of incoming materials in accordance with the requirements of safety and environmental protection production;
- Acceptance before leaving the factory and on-site installation and commissioning of production equipment;
- Acceptance and assessment after the expiration of the warranty period;
- Conduct pre-contract qualification and capability checks on engineering (technical) service contractors, and conduct on-site inspections when necessary;
- Review the approval for commencement of construction before commencement of construction;
- Conducting on-site supervision and assessment during construction; and
- Completion inspection upon completion of construction.

Quality Management

Tincy Group continues to focus on quality management. The Group entrusts China Certification & Inspection Co., Ltd. (CCIC) to conduct inspection of finished crude oil in accordance with the national standards including but not limited to *GB/T 19779-2005 Static Measurement of Petroleum and Liquid Petroleum Product Oil Volume*, *GB/T 1884-2000 Laboratory Determination Method for Crude Oil and Liquid Petroleum Product Density (Density Measurement Method)*, *GB/T 1885-1998 Petroleum Measurement Form*, *GB/T 4756-2015 Petroleum and Liquid Hand Sampling Method*, *GB/T 8927-2008 Petroleum and Liquid Petroleum Product Temperature Measurement – Handwork Method*, *GB/T 8929-2006 Measurement of Crude Oil Water Content – Distilling Method*, *GB/T 13236-2011 Manual Measurement Equipment for Liquid Level of Petroleum and Liquid Petroleum Product Tanks* and *GB/T 13894-1992 Method for Liquid Level Measurement of Petroleum and Liquid Petroleum Products (Handwork Method)*.

During the Reporting Period, in order to protect the rights and interests of both buyers and sellers of crude oil, Tincy Group supervised the units involved in the inspection, sampling and oil loading at Tincy Group’s terminal stations in strict accordance with the relevant HSE regulations at the company’s terminal stations to ensure the safety of life and property of customers and the Company’s personnel. Tincy Group protects the interests of customers and the Comp

Each tank is sampled by CCIC and divided into four parallel samples. Ensure that the test objects of the land terminal laboratory, CCIC laboratory and SGS laboratory are the same parallel samples, and the other parallel samples are retained by the land terminal station.

Each inspection of the water data from CCIC and SGS did not result in a positive/ negative deviation of more than 2‰. If the deviation is greater than 2‰, the oil extraction will be terminated and re-assayed.

Seram Block

Supplier and Contractor Management

CITIC Seram has established the Procurement Regulations, requiring its contractors and suppliers to comply with the terms of the contract regarding health, safe production and environmental protection. CITIC Seram also provides contractors with HSE plans, personal protective equipment, training, etc.

CITIC Seram conducts the supplier evaluation process at the outset of the tender to understand their compliance, financial capability and experience. During the tendering process, CITIC Seram makes the best selection based on the supplier's ability to meet the bid and budget. While executing the contract, CITIC Seram also evaluates the supplier's performance.

Quality Management

CITIC Seram produces goods based on the laws and regulations in the operating location and customer requirements. Goods are recalled in accordance with laws and regulations when necessary.



Karazhanbas Oilfield

Supplier and Contractor Management

KBM strictly selects suppliers and contractors in accordance with the laws and regulations of the places where it operates. The terms of KBM’s standard contract in relation to labor safety, environmental protection and emergency response are applicable to both parties in the contract. For suppliers who violate the contract terms, KBM will take relevant measures and even include them in the list of dishonest suppliers.

KBM has signed standard contracts with contractors to ensure that contractors understand and implement relevant HSE requirements. For all bidding and procurement involving engineering and services, the application for Safety, Labour and Environmental Protection Requirements has been included in the bidding documents. When signing an agreement, the contractor must also sign and confirm on the appendix of the Safety, Labour and Environmental Protection Requirements contract.

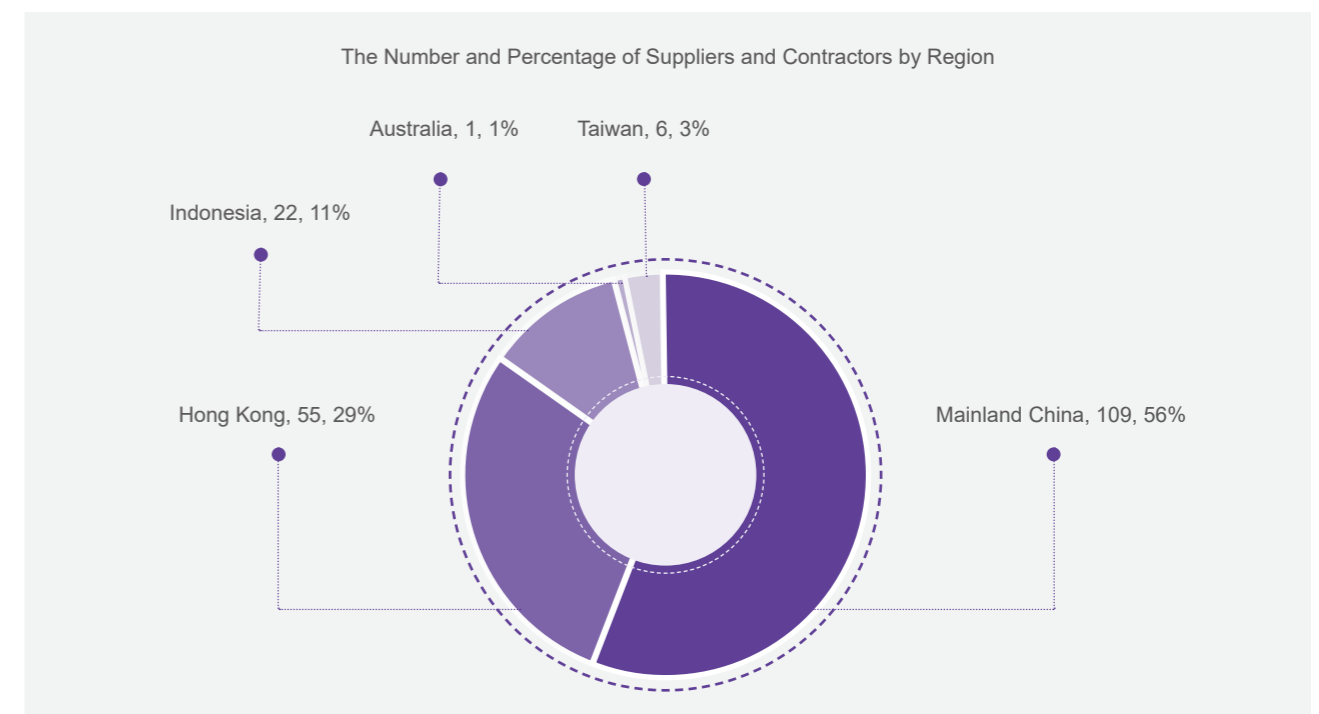
In order to further optimize the operation process and management, KBM has established a company management committee, which is responsible for reviewing and approving the company’s priority procurement plans and long-term procurement plans for goods, engineering and services, so as to avoid production stagnation caused by untimely material procurement.

As one of the supply chain risk management measures, most of the products are procured based on delivered duty paid (DDP) conditions, under which the product quality risk is transferred to KBM after the completion of product acceptance. If defects are found in the process of installation and operation, KBM may require suppliers to replace them within the product warranty period in accordance with the contract, and further claims will be made if the suppliers violate the contractual obligations. The complaint and claim work are supported and governed by the provisions in the contract terms on the responsibilities of both parties to the contract and the rules of litigation.

Quality Management

KBM established its company technology management committee to better formulate oilfield medium- and long-term development plans and introduce new technologies to ensure the continuous improvement of product quality.

The following is the regional distribution of suppliers and contractors of the Group during the Reporting Period:

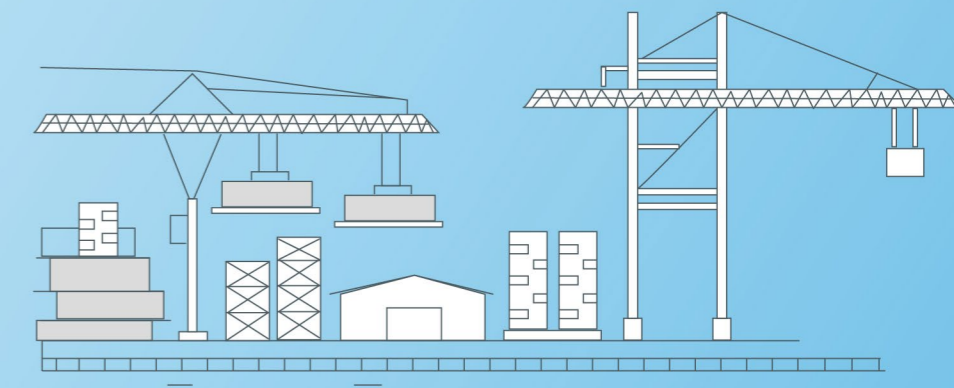


Our Community

The Group adheres to the principle of mutual benefit and win-win, strives to achieve harmonious and inclusive development with the community, attaches great importance to its social responsibility, pays attention to the impact of the Group's oilfield business on the communities where it operates, and actively listens to and responds to the expectations of the communities where it operates to build a sustainable community. The Group actively calls on its subsidiaries and joint ventures to pay attention to and integrate into the local community and local culture, and to fulfill its commitments with practical actions. In the course of operation, the Group complies with the relevant laws and regulations of the places where it operates, is enthusiastic about social welfare, promotes community co-construction, and shares corporate development achievements with the society.

Given that the Yuedong oilfield is located offshore, and the onshore terminal processing station is located in an industrial area, where there is no community in the vicinity. In addition, as the staffs of the Yuedong oilfield are basically local people, it does not involve the integration of local culture. The Seram Block is located in Seram Island, Indonesia and there is a village nearby. The Karazhanbas oilfield is located in the west of Kazakhstan, which is a large onshore heavy oil field near the coast of Caspian Sea, with villages and ports nearby.

The material issue – “Extent of Localization” is particularly responded to in this section of this Report.



Community Building

Seram Block

CITIC Seram is committed to actively helping to address community concerns. In the midst of the COVID-19 pandemic, CITIC Seram collaborated with regional police and regional health service departments to spray disinfectants in various areas around the refinery. Thousands of liters of disinfectants made from a mixture of chlorine and water are sprayed to public areas to protect the health of residents in surrounding communities.

In addition, CITIC Seram adheres to the philosophy of "integrating into the local community and developing together", and continues to provide assistance and financial support to local communities to assist the development of local communities and local villagers. At the same time, CITIC Seram also continuously improves the skills, knowledge and ability of local employees through training.

Karazhanbas Oilfield

As a socially responsible enterprise, KBM formulates charity donation and community co-construction plans every year, allocates a certain amount of money, purchases corresponding materials, focuses on helping the disadvantaged groups, and supports education, sports, culture, and medical and health development. In the process of participating in local economic construction, KBM actively fulfilled its social responsibilities.

During the Reporting Period, KBM planned to allocate approximately US \$75,000 for charitable donations to support the development of local education, medical care, culture and other causes. The projects donated mainly included funding for the construction of Aktau Geological Prospecting Park, the 30th anniversary celebration of the closure of Semipalatinsk Nuclear Test Ground, anti-terrorism financing and local low-income families.

Donation of Supplies

In February 2021, KBM's Geological Department presented a special tent for geological field inspection to 11 teams in Mangystau Province who participated in the "Young Geologists" competition, hoping to help young people who are committed to geological exploration to better develop their own interests and enrich the talent reserve of Kazakhstan's oil and gas industry. In September of the same year, KBM's employees also donated living materials to more than 20 local poor families for the elderly and children. Before the beginning of the school season, KBM's Labor union donated school bags and other learning supplies to about 400 children of KBM's employees to be admitted to schools.



KBM donation ceremony

Visiting Veterans

In May 2021, KBM's Social Department visited Asan Aimagambetov, a 97-year-old veteran who participated in the Second World War, to bring warmth, care and condolences to him, and send condolences and blessings to the elderly.



KBM representatives visited the veteran

Organizaing Blood Donation

In order to alleviate the problem of continuous blood shortage in local hospitals since the pandemic, KBM employees responded to the call and participated in the activity of "I am a blood donor". Employees actively signed up in every blood donation activity, and tried their best to donate their love from busy work, and also mobilized their family members to donate blood to express their love for life with their enthusiasm, which was also a good meaning.



KBM employees donated blood

Appendix 1

The Material Laws and Regulations that the Group Complied with During the Reporting Period

Laws and regulations corresponding to the aspects of the ESG Reporting Guide ²	The Group's policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ³	Performance
A. Environmental		
Aspect A1: Air Emissions		
<p>China</p> <p><i>Environmental Protection Law of the People's Republic of China</i></p> <p><i>Environmental Protection Tax Law of the People's Republic of China</i></p> <p><i>Atmospheric Pollution Prevention and Control Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes</i></p> <p><i>Marine Environment Protection Law of the People's Republic of China</i></p> <p><i>Emergency Response Law of the People's Republic of China</i></p> <p><i>Standard for Fugitive Emission of Volatile Organic Compounds</i></p> <p><i>Regulation on the Administration of Permitting of Pollutant Discharges</i></p> <p><i>National Hazardous Waste List</i></p> <p>Indonesia</p> <p>Environmental Protection and Management Law of the Republic of Indonesia</p> <p>Waste Management Law of the Republic of Indonesia</p> <p>Forestry Law of the Republic of Indonesia</p> <p>Kazakhstan</p> <p>Kazakhstan Environmental Protection Regulation</p> <p>Kazakhstan Land Regulation</p> <p>Kazakhstan Water Regulation</p>	<p>Tincy Group</p> <p>"Environmental Factor Identification and Evaluation Control Procedures"^{*A3}</p> <p>"Hazard Identification and Risk Assessment Control Procedures"^{*A3}</p> <p>"Emergency Preparedness and Response Management Procedures"^{*A3, B2}</p> <p>"Accidents and Incident Handling Control Procedures"^{*A3, B2}</p> <p>"Comprehensive and Special Emergency Response Plans"^{*A3, B2}</p> <p>"Emergency Plans for Emergent Environmental Incidents at the Onshore Terminal Processing Station"^{*A3}</p> <p>"Hazardous Waste Management Handbook"</p> <p>"2020 Hazardous Waste Management Handbook"</p> <p>"Hazardous Waste Management System"</p> <p>CITIC Seram</p> <p>"Environmental Management"</p> <p>"Incident Reporting and Investigation"^{*B2}</p> <p>"HSE Policy"^{*B2}</p> <p>KBM</p> <p>"Environmental Monitoring and Control System"</p> <p>"Annual Environmental Protection Work Plan"</p> <p>"Production Environmental Management Plan"</p> <p>"Emergency Plans"^{*B2}</p> <p>"Accident Reporting Procedure and Crisis Management Code"^{*B2}</p>	<p>During the Reporting Period, the Group did not experience any violation of laws and regulations relating to the Group's air emissions and GHG emissions, discharges into to water and land, waste generation and disposal that had a significant impact on the Group.</p> <p>Since the implementation of the Environmental Protection Tax Law of the People's Republic of China on January 1, 2018, Tincy Group has to pay the environmental pollution tax and the sewage discharge environmental tax in accordance with the law, comparing with the past that Tincy Group only had to pay the pollution discharge fees.</p> <p>During the Reporting Period, Tincy Group paid the environmental protection tax on time, and there was no violation that had a significant impact on Tincy Group.</p>

²Certain laws cover several topics regulated in the "Aspects"; these laws are marked with an asterisk and codes of Aspects being covered. There is a limitation to disclose all laws and regulations that the Group complies with, and only laws and regulations that have a significant impact on the Group are disclosed. The Kazakhstan laws and regulations are originally written in Kazakh, and the Indonesian laws and regulations are originally in Indonesian.

³Particular policies and regulations cover several topics provisioned in the Aspects; these policies and regulations are marked with an asterisk and codes of Aspects being covered. Some policies and regulations are derived from CITIC Group; these policies and regulations are marked with a hash.

Laws and regulations corresponding to the aspects of the ESG Reporting Guide ²	The Group's policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ³	Performance
Aspect A2: Use of Resources		
Not Applicable	<p>Tincy Group</p> <p>"Power Saving Management Regulations" A4</p> <p>"Implementation Rules of Power-Saving Project Management Team" A4</p> <p>"Management Regulations on the Water Treatment and Discharge"</p> <p>"Regulations on the Management of Domestic Wastewater Treatment Plant"</p> <p>"Shuttle Management Rules on the Island"</p> <p>CITIC Seram</p> <p>"Management of Changes"</p> <p>KBM</p> <p>"Associated Gas Application Plan"</p> <p>"Wastewater Resource Utilization Plan"</p>	Not Applicable
Aspect A3: The Environment and Natural Resources		
<p>China</p> <p><i>Environmental Protection Law of the People's Republic of China</i></p> <p><i>Marine Environment Protection Law of the People's Republic of China</i></p> <p>Indonesia</p> <p><i>Indonesian Water Resources Law</i></p> <p><i>Indonesian Law on the Protection of Living Natural Resources and Their Ecosystems</i></p> <p><i>Indonesia's Licensing for Borrowing and Using Natural Resources</i></p> <p><i>Indonesia's Regulations on the Use of Natural Gas to Generate Electricity</i></p>	<p>Tincy Group</p> <p>"Control Procedure for Identification and Evaluation of Environmental Factors"</p> <p>"Hazard Identification and Risk Assessment Control Procedure"</p> <p>"Preparation Plan for Abandonment of Offshore Oil and Gas Production Facilities in Yuedong Block of Hainan Yuedong Cooperation Zone"</p> <p>"Special Cotingency Plan for Oil Transportation Pipeline Rupture Emergency"</p> <p>"Management Document for the Completeness of Operation Stage of Tincy"</p> <p>CITIC Seram</p> <p>"Afforestation Program"</p> <p>KBM</p> <p>"Construction of Beautiful Oilfields Plan"</p> <p>"Annual Inspection Plan for Oil Well Wellhead"</p> <p>"Annual Inspection Plan for Valves and Technical Pipelines"</p> <p>"Annual Inspection Plan for Damages of Techniques and Equipment"</p> <p>"Annual Inspection Plan for Technical Pipelines and Valves in CrudeOil Treatment and Processing Workshops"</p>	Not Applicable
Aspect A4: Climate Change		
Not Applicable	<p>Tincy Group</p> <p>"Power Saving Management Regulations"</p> <p>"Implementation Rules of Power-Saving Project Management Team"</p> <p>CITIC Seram</p> <p>"Afforestation Program"</p> <p>KBM</p> <p>"Environmental Monitoring and Control System"</p> <p>"Annual Environmental Protection Work Plan"</p> <p>"Production Environmental Management Plan"</p>	Not Applicable

Laws and regulations corresponding to the aspects of the ESG Reporting Guide ²	The Group's policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ³	Performance
B. Social		
Aspect B1: Employment		
<p>China Labour Law of the People's Republic of China^{B2, B4} Labour Contract Law of the People's Republic of China Social Insurance Law of the People's Republic of China Labour Dispute Mediation and Arbitration Law of the People's Republic of China Indonesia Labour Law of the Republic of Indonesia^{B4} Trade Union Law of the Republic of Indonesia Kazakhstan Kazakhstan Labour Regulation^{B4, B6}</p>	<p>CITIC Resources Share Option Scheme Contribution and Retirement Benefit Schemes "Employee Handbook" "Guidelines on Business Travel Reimbursement Procedures" "Regulation for Managing Office Items" "Management Measures for Employee Holiday Compensation" Tincy Group "Tincy Group Management Manual"^{B4} Social Security and Pension Scheme CITIC Seram "Company Policy"^{B3, B4, B8} KBM "2019-2021 Collective Contract with Employees" "Regulations for Material Assistance to KBM's In-service Employees and Retired Persons"</p>	<p>During the Reporting Period, the Group did not receive any violation of laws and regulations that had a significant impact on the Group and are related to employment.</p>
Aspect B2: Health and Safety		
<p>China Work Safety Law of the People's Republic of China (2021 edition) Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Emergency Response Law of the People's Republic of China Interim Measures for Administration of Outsourcing Non-Coal Mining Project Safety Indonesia Occupational Safety and Health Law of the Republic of Indonesia Kazakhstan Kazakhstan Occupational Safety and Health Regulation</p>	<p>Tincy "Occupational Health Management Procedures" "HSE Rewarding and Punishment Implementation Plan (Provisional)" "Working License Management Procedures" "Operational Safety Analysis Management Regulations" "Energy Isolation Safety Management Regulations" "Project Permit Management Regulations" "HSE Hazard Report Form" CITIC Seram "HSE Management of Projects" *B5 KBM "2018 Work Safety Conditions and Production Process Safety Measures Plan" "Behaviour Observation Plan"</p>	<p>During the Reporting Period, the Group did not receive any complaints about occupational health and safety that had a significant impact on the Group.</p>
Aspect B3: Development and Training		
<p>Not Applicable</p>	<p>CITIC Resources "Employee Training and Development Policy" Tincy Group "Annual Employee Training Plan" KBM "Annual Employee Training Plan"</p>	<p>Not Applicable</p>
Aspect B4: Labour Standards		
<p>China Law of the People's Republic of China on the Protection of Women's Rights and Interests Law of the People's Republic of China on the Protection of Minors Provisions on the Prohibition of Using Child Labour Kazakhstan Kazakhstan Men's and Women's Equal Rights and Opportunities Guarantee Law</p>	<p>KBM KBM clearly defined the welfare policies for female employees on maternity leave and child-rearing in the "2019-2021 Collective Contract with Employees".</p>	<p>During the Reporting Period, the Group did not have any cases involving illegal employment of child labour and forced labour that had a significant impact on the Group.</p>

Laws and regulations corresponding to the aspects of the ESG Reporting Guide ²	The Group's policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ³	Performance
B. Social		
Aspect B5: Supply Chain Management		
<p>Not Applicable</p>	<p>Tincy Group "Construction Safety and Production Management Agreement" CITIC Seram "HSE Management of Contract Services" KBM "Safety, Labour and Environmental Protection Requirements"</p>	<p>Not Applicable</p>
Aspect B6: Product Responsibility		
<p>China Intellectual Property Law of the People's Republic of China Trademark Law of the People's Republic of China Patent Law of the People's Republic of China Tort Law of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China^{B7} Indonesia Indonesian Supply Chain Management Supervision Regulations Trademark and Geographical Indications Law of the Republic of Indonesia Kazakhstan Kazakhstan Personal Information Protection Law Kazakhstan Trademarks, Service Marks and Appellations of Origin Law Kazakhstan Oil General Technical Specifications</p>	<p>Tincy Group Tincy Group fulfills its confidentiality obligations in accordance with the terms of contract with its customers in relation to the confidentiality of the information. Tincy Group produces and supplies products in accordance with the quality-related requirements of contracts with its customers. CITIC Seram CITIC Seram strictly maintains customer information, maintains intellectual property rights as required, and recalls products as required by Indonesian Supply Chain Management Supervision Regulations. KBM "Confidential Information Management Regulations" "Rules for Handling, Protecting and Storing JSC Karazhanbasmanui Employee Personal Records"</p>	<p>During the Reporting Period, the Group was not aware of any incidents of non-compliance with laws and regulations concerning the provision and use of the Group's products and services, which cover product and service information and labelling, marketing communications including advertising, promotion and sponsorship, and property rights including intellectual property rights that had a significant impact on the Group.</p> <p>During the Reporting Period, the Group produced and supplied products in strict accordance with the relevant laws and regulations of quality management in the operating locations and customer requirements, and there were no incidents of product recalling that had a significant impact on the Group.</p>
Aspect B7: Anti-corruption		
<p>China Criminal Law of the People's Republic of China Anti-Money Laundering Law of the People's Republic of China Indonesia Elimination of Corruption Law of the Republic of Indonesia Money Laundering Law of the Republic of Indonesia Elimination of Bribery Regulation of the Republic of Indonesia Kazakhstan Kazakhstan Anti-Corruption Regulations</p>	<p>Tincy Group "Implementation Measures for Disciplinary Inspection and Reporting of CITIC Group" # "CITIC Group's Implementation Opinions on the Clue Management of Discipline Inspection and Supervision" # CITIC Seram CITIC Seram strictly abides by the relevant laws and regulations of Indonesia and strictly regulates the daily operation management process according to the requirements of the Group to prevent illegal acts. KBM "Internal Communication Plan" Reporting System</p>	<p>During the Reporting Period, the Group did not receive any violation of relevant laws and regulations relating to the prevention of bribery, extortion, fraud, and money laundering, and did not receive any lawsuit relating to internal employees involved in bribery, extortion, and money laundering.</p>
Aspect B8: Community Investment		
<p>Not Applicable</p>	<p>CITIC Seram "Annual Community Relations Work Plan" KBM "Annual Work Plan"</p>	<p>Not Applicable</p>

Appendix 2 Key Performance Indicators

2020 – 2021 Social and Environmental Related Key Performance Indicators ("KPI"):

The disclosure scope of KPIs in the social and environmental aspects includes CITIC Resources (the head office of the Group in Hong Kong), CITIC Haiyue Energy Limited, CITIC Seram, CITIC Petroleum and CRA. The disclosure scope of KPIs in the social and environmental presented below do not include KBM.

Social Aspect

KPI	Unit	2020	2021
In-service Employees and Contractors			
Number of In-service Employees and Contractors by Region			
Employees in the Mainland China	person	133	132
Contractors in the Mainland China	person	677	564
Employees in Indonesia	person	8	8
Contractors in Indonesia	person	233	212
Employees in Australia	person	29	23
Employees in Hong Kong	person	29	27
Number of In-service Employees by Gender			
Female employees	person	46	45
Male employees	person	153	145
Number of In-service Employees by Age			
Below 30	person	2	3
30 - 50	person	126	120
Above 50	person	71	67
Number of In-service Employees by Employment Category			
Senior	person	21	24
Middle Level	person	35	27
Junior	person	125	124
Contract	person	16	13
Short-term and Part-time	person	2	2

⁴The employee turnover ratio for each category in 2021 is calculated by dividing the number of employees in that category by the total number of employees in that category. The number of employee turnover of various categories in 2020 has been disclosed in previous reports and will not be calculated additionally here.

KPI	Unit	2020	2021
Resigned Employees ⁴			
Employee Turnover Rate by Region			
Mainland China	%	/	3
Indonesia	%	/	25
Australia	%	/	26
Hong Kong	%	/	7
Employee Turnover Rate by Gender			
Female Employees	%	/	4
Male Employees	%	/	8
Employee Turnover Rate by Age			
Below 30	%	/	0
30 - 50	%	/	5
Above 50	%	/	12
Employee Training			
Percentage of Employees Trained by Gender			
Female Employees	%	18	4
Male Employees	%	82	96
Percentage of Employees Trained by Employee Category			
Senior	%	16	7
Middle Level	%	26	11
Junior	%	45	82
Contract	%	13	0
Short-term and Part-time	%	0	0
Average Training Hours of Employees			
Average Training Hours of Employees by Gender			
Female Employees	hours	3.61	0.78
Male Employees	hours	4.55	29.17
Average Training Hours of Employees by Employee Category			
Senior	hours	5.86	21.46
Middle Level	hours	9.46	15.56
Junior	hours	3.26	27.48
Contract	hours	0.80	0
Short-term and Part-time	hours	0	0

KPI	Unit	2020	2021
Work Safety			
Number of work-related fatalities ⁵	person	0	0
Rate of work-related fatalities	%	0	0
Lost days due to work injury	days	0	0
Suppliers and Contractors			
Number of Suppliers and Contractors by Region			
Mainland China	No.	112	109
Hong Kong	No.	147	55
Taiwan	No.	6	6
Kazakhstan	No.	0	0
Indonesia	No.	84	22
Russia	No.	0	0
Australia	No.	2	1
Switzerland	No.	0	0
United States	No.	0	0
United Kingdom	No.	0	0
Others	No.	1	0
Community Investment			
Resources Used in the Following Areas	10,000RMB	11.24	8.40
Supporting Disaster Relief	10,000RMB	0.00	0.00
Supporting Disadvantaged Groups	10,000RMB	0.79	0.00
Supporting Education	10,000RMB	3.39	1.12
Supporting Sports	10,000RMB	0.00	0.00
Supporting Cultural Activities	10,000RMB	1.63	0.00
Supporting Healthcare	10,000RMB	2.61	0.00
Supporting Poverty Alleviation	10,000RMB	0.00	0.00
Others	10,000RMB	0.00	7.28

⁵In the past three Reporting Periods, the Group had no work-related fatalities.

Environmental Aspect

KPI	Unit	2020	2021
Air Pollutants ⁶			
NO _x Emissions	Metric tonnes	82.18	70.36
Intensity of NO _x Emissions	Metric tonnes per barrel of crude oil	2.43 x 10 ⁻⁵	1.91 x 10 ⁻⁵
SO ₂ Emissions	Metric tonnes	49.36	56.40
Intensity of SO ₂ Emissions	Metric tonnes per barrel of crude oil	1.46 x 10 ⁻⁵	1.53 x 10 ⁻⁵
PM Emissions	Metric tonnes	39.30	46.33
Intensity of PM Emission	Metric tonnes per barrel of crude oil	1.16 x 10 ⁻⁵	1.26 x 10 ⁻⁵
GHG			
Total GHG Emissions	Metric tonnes	114,123.40	121,852.73
Intensity of Total GHG Emissions	Metric tonnes per barrel of crude oil	0.03	0.03
Scope 1 ⁷			
Emissions from Stationary and Mobile Sources	Metric tonnes	74,576.91	85,553.22
Flaring Emissions	Metric tonnes	11,677.21	5,684.22
Scope 2 ⁸			
Indirect GHG Emissions from Purchased Electricity	Metric tonnes	19,669.83	21,084.99
Indirect GHG Emissions from Purchased Steam	Metric tonnes	8,199.05	8,923.78
Hazardous Waste			
Generated and Treated Oil Sand	Metric tonnes	696.42	1,062.94
Intensity of Generated and Treated Oil Sand Amount	Metric tonnes per barrel of crude oil	2.06 x 10 ⁻⁴	2.89 x 10 ⁻⁴
Generated and Treated Drilling Waste Amount ⁹	Metric tonnes	24,128.50	22,636.20
Intensity of Generated and Treated Drilling Waste Amount	Metric tonnes per barrel of crude oil	7.14 x 10 ⁻³	6.15 x 10 ⁻³

⁶The emissions of air pollutants during the Reporting Period came from the combustion of fuel from stationary sources, road mobile sources and non-road mobile sources. The calculation is mainly based on the Technical Guidelines for Compiling Air Pollution Emission Inventories of Road Motor Vehicles (Trial) and Technical Guidelines for Compiling Emission Inventory of Non-Road Mobile Pollutant Sources (Trial) issued by the Ministry of Ecology and Environment of the People's Republic of China, Guidelines for Compiling Air Pollutant Emission Inventory issued by the European Union Monitoring and Evaluation Program (EMEP)/European Environment Agency (EEA), and the emissions conversion in Appendix B of Australian Transport Assessment and Planning.

⁷The calculation of GHG Scope 1 emissions in the Reporting Period is mainly based on the Guidelines for Accounting Methods and Reporting of GHG Emissions for China's Petroleum and Natural Gas Production Enterprises (Trial) and the Guidelines for Accounting Methods and Reporting of e Emissions for Land Transportation Enterprises (Trial), Guidelines for Accounting Methods and Reporting of GHG Emissions for Enterprises in Other Industries (Trial) issued by the National Development and Reform Commission of the People's Republic of China, 2006 IPCC Guidelines for National GHG Inventories, and Appendix II Guidelines of Reporting Environmental Key Performance Indicators of How to Prepare Environmental, Social and Governance Reports of the SEHK.

⁸The calculation of GHG Scope 2 emissions in the Reporting Period is mainly based on the Notice on Doing a Good Job in the Management of Corporate GHG Emissions Reporting in 2022 issued by the Ministry of Ecology and Environment of the People's Republic of China, the 2021 Sustainability Report of CLP Holdings Limited, the National GHG Accounting Factors¹⁰ published by the Ministry of Environment and Energy of Australia in 2020, and carbon dioxide emission factors for power grids and carbon dioxide emission intensity calculations for electricity sales in GHG Emission Factors for Electric Power Systems published by the General Administration of Electricity of the Indonesian Ministry of Energy and Mineral Resources in 2019.

⁹Drilling waste includes drilling cuttings and drilling fluids.

KPI	Unit	2020	2021
Non-hazardous Waste			
Generated and Treated Domestic Waste Amount	Metric tonnes	883.76	924.75
Intensity of Generated and Treated Domestic Waste Amount	Metric tonnes per barrel of crude oil	2.62 x 10 ⁻⁴	2.51 x 10 ⁻⁴
Treated Metal Waste Amount	Metric tonnes	3.56	0.00
Intensity of Treated Metal Waste Amount	Metric tonnes per barrel of crude oil	1.05 x 10 ⁻⁶	0.00
Wastewater			
Total Wastewater Discharge	Metric tonnes	1,765,639.27	1,636,197.63
Intensity of Total Wastewater Discharge	Metric tonnes per barrel of crude oil	0.52	0.44
Treated Industrial Oily Wastewater Discharge	Metric tonnes	1,743,654.57	1,623,831.00
Domestic Sewage Discharge	Metric tonnes	21,984.70	12,366.63
Direct Energy			
Associated Gas Consumption ¹⁰	kWh in '000s	42,026.05	198,833.58
Intensity of Associated Gas Consumption	kWh in '000s per barrel of crude oil	0.01	0.05
Natural Gas Consumption	kWh in '000s	44,315.17	68,378.03
Intensity of Natural Gas Consumption	kWh in '000s per barrel of crude oil	0.01	0.02
Gasoline Consumption ¹¹	kWh in '000s	477.69	466.21
Intensity of Gasoline Consumption	kWh in '000s per barrel of crude oil	1.41 x 10 ⁻⁴	1.27 x 10 ⁻⁴
Diesel Consumption ¹²	kWh in '000s	4,336.12	2,784.98
Intensity of Diesel Consumption	kWh in '000s per barrel of crude oil	1.28 x 10 ⁻³	7.57 x 10 ⁻⁴
Crude Oil Consumption ¹³	kWh in '000s	141,789.87	162,373.45
Intensity of Crude Oil Consumption	kWh in '000s per barrel of crude oil	4.20 x 10 ⁻²	4.41 x 10 ⁻²
Indirect Energy			
Purchased Electricity Consumption	kWh in '000s	32,127.73	36,280.03
Intensity of Purchased Electricity Consumption	kWh in '000s per barrel of crude oil	9.51 x 10 ⁻³	9.86 x 10 ⁻³
Purchased Steam Consumption ¹⁴	kWh in '000s	20,704.85	22,534.81
Intensity of Purchased Steam Consumption	kWh in '000s per barrel of crude oil	0.01	6.12 x 10 ⁻³
Water resources			
Total Water Usage	Metric tonnes	852,723.28	818,987.86
Intensity of Total Water Usage	Metric tonnes per barrel of crude oil	0.25	0.22
Water Sourced from Wells	Metric tonnes	840,074.38	831,600.00
Water Sourced from Municipal Water Supply	Metric tonnes	12,648.90	27,357.72
Greening			
Newly Planted Trees	No.	120	110
Newly Laid Lawn	m ²	0.00	3,000.00

¹⁰The unit conversion of associated natural gas refers to the Guidelines for Accounting Methods and Reporting of GHG Emissions of Chinese Petroleum and Natural Gas Production Enterprises (Trial).¹³The unit conversion of crude oil refers to the Guidelines for GHG Accounting Reports for Enterprises in 24 Key Industries (Trial).

¹¹The unit conversion of gasoline refers to the Guidelines for GHG Accounting Reports for Enterprises in 24 Key Industries (Trial), and the density of gasoline is converted at 0.7475 kg/liter.

¹²The unit conversion of diesel units refers to the Guidelines for GHG Accounting Reports for Enterprises in 24 Key Industries (Trial), and the density of diesel is converted at 0.82 kg/liter.

¹³The unit conversion of crude oil refers to the Guidelines for GHG Accounting Reports for Enterprises in 24 Key Industries (Trial).

¹⁴The unit conversion of purchased steam refers to Guidelines for Accounting Methods and Reporting of GHG Emissions of Chinese Petroleum and Natural Gas Production Enterprises (Trial). The 2020 figures are recalculated in kWh in '000s.

Appendix 3 SEHK ESG Reporting Guide Index

Mandatory Disclosure Requirements	Description	Relevant Section in this Report or Explanation	
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Our Governance	
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report	About This Report	
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About This Report	
"Comply or Explain"	Subject Areas, Aspects, General Disclosures and KPIs	Relevant Section in this Report or Explanation	
A.Environment			
Aspect A1: Emission	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Environmental Management Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period	
	KPI A1.1	The types of emissions and respective emissions data.	Appendix 2 Key Performance Indicators
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Management
	KPI A1.6	Description of emissions target(s) set and steps taken to achieve them.	Environmental Management
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc	Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period	
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix 2 Key Performance Indicators
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Resource Usage
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Resource Usage
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Resource Usage	

"Comply or Explain"	Subject Areas, Aspects, General Disclosures and KPIs		Relevant Section in this Report or Explanation
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not Applicable ¹⁵
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.		Our Environment
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Our Environment
Aspect A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		Our Environment
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Our Environment
"Comply or Explain"	Subject Areas, Aspects, General Disclosures and KPIs		Relevant Section in this Report or Explanation
B. Social			
Aspect B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		Policies and Benefits Appendix 1 The Material Laws and Regulations that the Group Complied with During the Reporting Period
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Appendix 2 Key Performance Indicators
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix 2 Key Performance Indicators
Aspect B2: Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		Health and Safety
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years, including the reporting year.	Appendix 2 Key Performance Indicators
	KPI B2.2	Lost days due to work injury.	Appendix 2 Key Performance Indicators
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Health and Safety
Aspect B3: Development and Training	General Disclosure Policies on improving employee knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.		Training and Development
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix 2 Key Performance Indicators
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Appendix 2 Key Performance Indicators
Aspect B4: Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.		Respecting Rights Appendix 1 The Material Laws and Regulations that the Group Complied with During the Reporting Period
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Respecting Rights

¹⁵The Group's principal operations disclosed in this Report are the exploration, development and production of crude oil, and no packaging materials are involved in these processes.

"Comply or Explain"	Subject Areas, Aspects, General Disclosures and KPIs		Relevant Section in this Report or Explanation
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Respecting Rights
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		Supply Chain Management
	KPI B5.1	Number of suppliers by geographical region.	Appendix 2 Key Performance Indicators
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
Aspect B6: Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		Our Operations Appendix 1 The Material Laws and Regulations that the Group Complied with During the Reporting Period
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Supply Chain and Product Quality Management
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Appendix 1 The Material Laws and Regulations that the Group Complied with During the Reporting Period
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Our operations Appendix 1 The Material Laws and Regulations that the Group Complied with During the Reporting Period
	KPI B6.4	Description of quality assurance process and recall procedures.	Supply Chain and Product Quality Management
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Our Operations
Aspect B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		Integrity in Business Appendix 1 The Material Laws and Regulations that the Group Complied with During the Reporting Period
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Integrity in Business
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Integrity in Business
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Integrity in Business
Aspect B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		Our Community
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Our Community Appendix 2 Key Performance Indicators
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	

Appendix 4 Feedback Form

Dear Reader:

Hello! Thank you very much for reading this Report. To continuously promote the Company's work in ESG and improve ESG reporting, we sincerely and truly look forward to hearing your feedback and suggestions, please let us know!

1. What is your identity regarding to CITIC Resources?

- Government and Regulator Employee Customer Business Partner
 Potential Investors and Financial Institutions Media
 Community and the Public Others_____(Please specify)

2. Your overall assessment to this Report is:

- Very Good Good Fair Poor Very Poor

3. How do you think of the structure of this Report?

- Very Reasonable Reasonable General Poor Very Poor

4. How do you think of the design of this Report?

- Very Reasonable Reasonable Fair Poor Very Poor

5. How do you think of the readability of this Report?

- Very Good Good Fair Poor Very Poor

6. How do you think of the quality of the ESG information in this Report?

- Very Good Good Fair Poor Very Poor

7. Which disclosed issues do you pay attention to in this Report? (please choose 3 issues at most)

- Oil Spill Prevention Local Environmental Impact of Our Business
 Energy Usage & Efficiency Climate Change
 Water Consumption & Efficiency Employees' Health & Safety
 Employment & Employee Benefits Employees' Development & Training
 Employees', Contractors' & Communities' Rights
 Corporate Governance Extent of Localization

8. What are your feedback and/or suggestions on this ESG Report and/or our performance?

You can e-mail the above feedback form to the following email address:

Email: ir@citicresources.com

Thank you very much again for your understanding and support of our work!



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