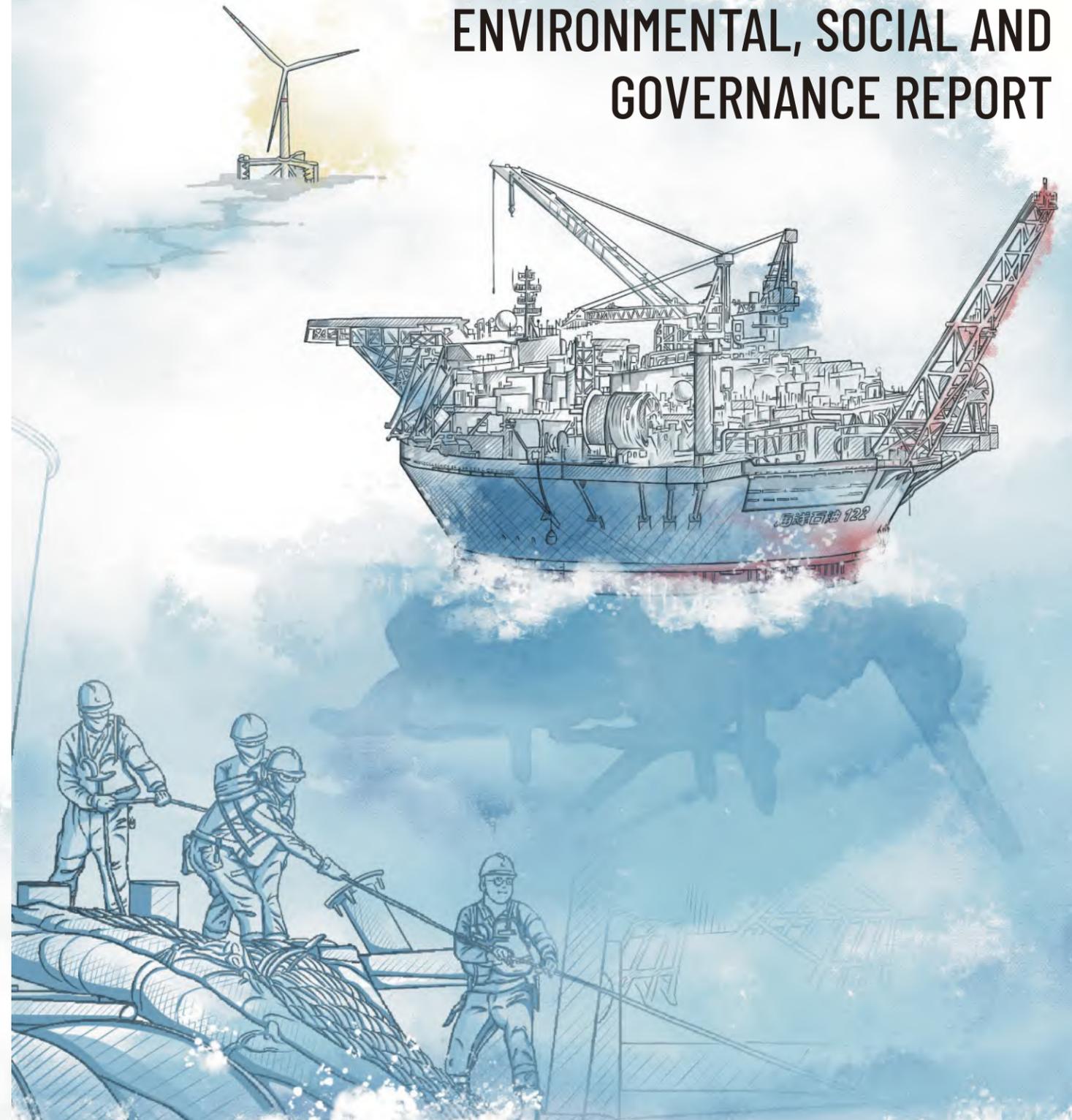


# 2024

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Empower the Future  
With Excellent Engineering

# 卓越工程 赋能未来

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

## ABOUT THIS REPORT

### n1

#### BOARD OF DIRECTORS' STATEMENT

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

### n2

#### REPORT INSTRUCTION

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

### n3

#### REPORTING PERIOD

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

### n4

#### SCOPE OF REPORTING ORGANIZATION

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

### n5

#### REFERENCES

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

### n6

#### DATA SOURCE

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

### n7

#### CURRENCY UNIT

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

### n8

#### ACCESS TO THIS REPORT

This report is available for reading and downloading at SSE website ([www.sse.com.cn](http://www.sse.com.cn)), the cninfo ([www.cninfo.com.cn](http://www.cninfo.com.cn)), and the official website of the Company ([www.cnoocengineering.com](http://www.cnoocengineering.com)).

### n9

#### CONTACT INFORMATION

For any further inquiries or suggestions on this report and the Company's ESG work, please contact us via:

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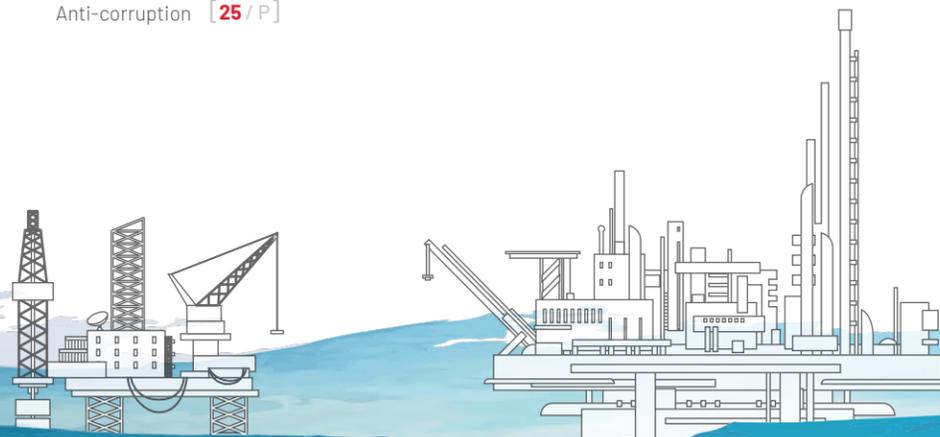
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# Message from Chairman



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

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

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

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

## Bearing social responsibilities and practicing win-win concept

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

## Build excellent brand through governance system upgrade

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

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

Wang Zhangling

Chairman of COOEC

March 2025



# About COOEC

## COMPANY PROFILE

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

The Company currently has 9,800 employees, and has built an all-round, multi-level, and wide-ranging professional team competent for EPCI projects. The Company has the world-class qualifications and design capacity, possesses the large offshore engineering manufacture bases in Binhai New Area, Tianjin, Qingdao, Shandong Province, Zhuhai, Guangdong Province, etc., with a total area of nearly 4 million m<sup>2</sup>. The layout of such bases stretches across the South China and the North China, involves the mutual supplementary functions, covers both the deep and shallow water areas and faces the whole world. The Company has a professional offshore construction fleet consisting of 19 vessels, including Class 3 dynamic positioning deep water pipelay vessels, 7,500 metric tons crane vessels and other vessels, so that the offshore installation and pipe-laying capacity of the Company is in the leading position in Asia. In 2024, the Company was ranked honorably in the list of ENR "Top 250 Global Contractors" and "Top 250 International Contractors".

The Company currently has **9,800** EMPLOYEES

In 2024

TOP 250 GLOBAL CONTRACTORS

TOP 250 INTERNATIONAL CONTRACTORS

## CORPORATE CULTURE

### MISSION

Empower the Future with Excellent Engineering

### VISION

To Build a World-Leading Offshore Energy Engineering Company

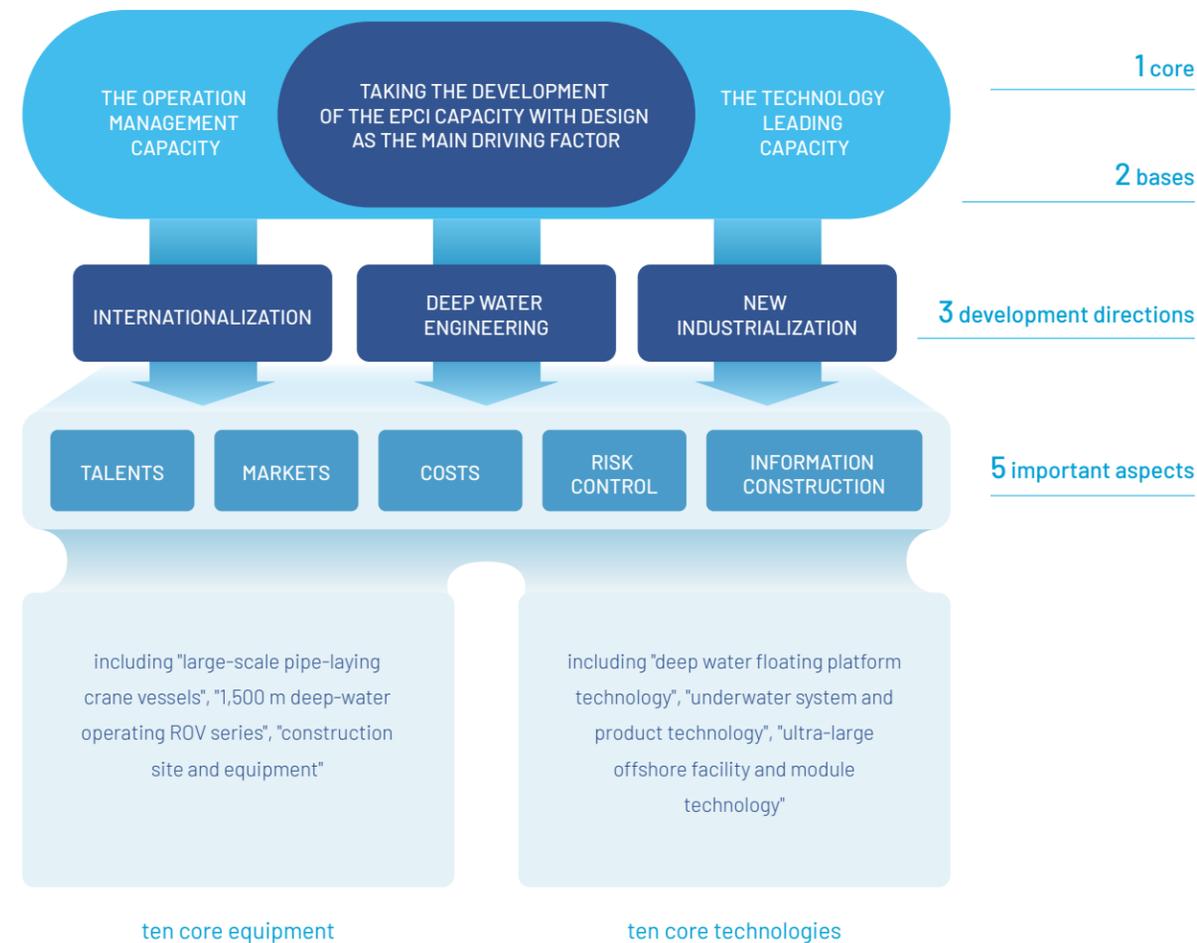
### CORE VALUE

Commitment to Excellence, Innovation for Sustainability

### EMPLOYEE CODE OF CONDUCT

Persist in Truth and Pragmatism, Excel in Action and Results

## BUSINESS LAYOUT



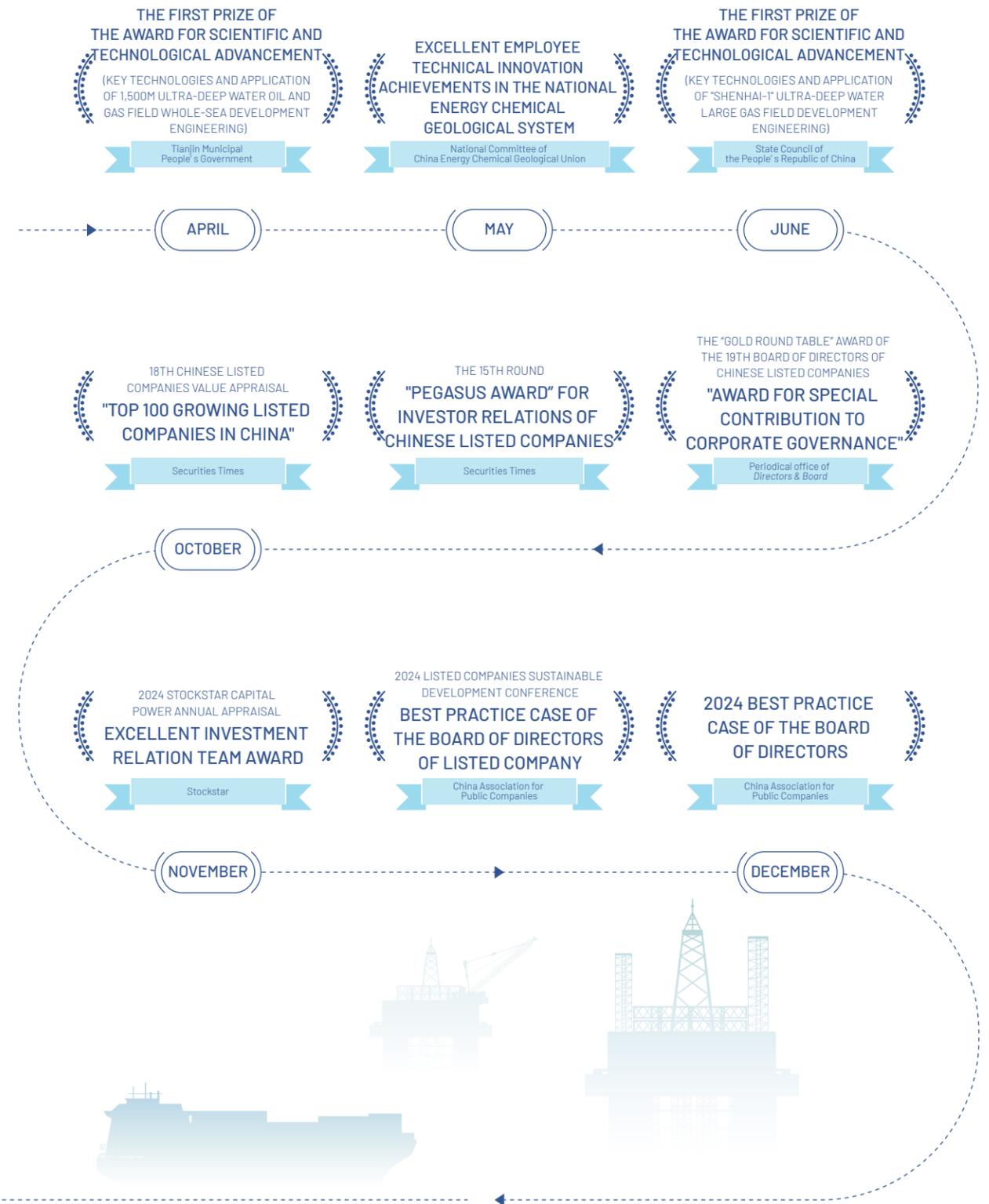
COOEC has clearly defined the development strategy of "taking the development of the EPCI capacity as the only core with design as the main driving factor, the operation management capacity and the technology leading capacity as the two bases, the internationalization, deep water engineering and new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



## ACHIEVEMENTS IN 2024



## ACHIEVEMENTS & HONORS



# ESG Management

COOEC attaches great importance to ESG management and has gradually improved its ESG management level. The Company has actively explored ESG governance frameworks, strengthened ESG performance management, enhanced the ESG awareness and capabilities of all employees, and reinforced its ESG brand image. ESG concepts have been integrated into the Company's production and operation to facilitate its sustainable development.

## ESG GOVERNANCE

To enhance the guide of strategy, it includes the "strategic" concept of the Board of Directors into the basic governance structure of the Company, completes environmental, social and governance (ESG) management system and indicator construction with industrial characteristics, and forms effective strategic management and sustainable development management system and operation mechanism, so as to promote the Company to enhance the core competition of the Company.

### Building governance structure

The Company builds strategy and sustainable development governance structure, prepares and releases the *Rules of Procedures of the Board of Directors Strategy and Sustainable Development Committee*, and constructs governance system comprising three cut-through levels, such as the Board of Directors, the Board of Directors Strategy and Sustainable Development Committee and the business departments with definite rights and responsibilities, in order to realize all-round promotion at the "decision-research-execution levels". And meanwhile, the Company is equipped with personnel with relevant professional background to carry out ESG.

Constitution		Responsibilities
Decision-making level	The Board of Directors	It approves the sustainable development strategies and goals of the Company, supervises and assesses the ESG performance and target schedule of the Company, approves the sustainable development report of the Company, deliberates and reviews the major ESG negative events of the Company.
Research institutions	Strategy and Sustainable Development Committee of Board of Directors	It guides the Company to prepare development strategy, gives opinions and advice on the development strategy of the Company, and promotes their implementation. It recognizes and assesses the ESG risks of the Company; concludes ESG principles, policies, systems and goals of the Company; supervises and assesses ESG practice of the Company; and reviews ESG information disclosure of the Company.
Executing institutions	Business departments	Led by the department of planning development and office (the Office of the Board of Directors), ten departments, such as the department of quality, health, security and environmental protection, the department of human resources execute the following functions and provide support for the Board of Directors Strategy and Sustainable Development Committee, including: carrying out analysis targeting at the functional fields, preparing the special planning for the functional fields and ESG indicator promotion work schemes, carrying out task decomposition and execution of strategic planning and ESG indicator promotion, and regularly carrying out review and appraisal for the strategic planning and ESG indicator promotion.

### Professional capacity promotion

To improve the professional skills of relevant staff of the Company in the ESG field, the Company proactively participates in special training organized by institutions such as exchanges, and meanwhile invites external experts to carry out trainings on ESG policy background, development trend, etc., so as to ensure the Board of Directors and the management of the Company know about the latest ESG development.

### Timely information disclosure

In open and transparent principle, the Company regularly updates, discloses ESG-related information of the Company through the forms such as official website, official account, annual statements, ESG reports, and actively presents the ESG management concept, measures and efficiency of the Company to the stakeholders.

### Definite performance assessment

The management of the Company signs the *Operation Performance Responsibility Letter*, which includes ESG indicator in operation performance assessment, and covers safety management, quality management, occupational management, scientific and technological innovation, digital transformation, scientific and technological project achievement transformation and other dimensionality. And relevant operation performance assessment results are linked up with the performance annual salary of the management of the Company.

## ESG STRATEGY

Starting from the top-level design, COOEC prepares ESG strategy, builds a strategic structure covering environmental protection, social responsibilities and company governance through deep research on industrial trends, company situation and stakeholder concerns, and defines goals and routes, which lays foundation for the high-quality development and the performance of social responsibilities with systematic planning.

### To Develop Blue Ocean And Build Green Engineering

1 aim

### E Environmental

Green low-carbon energy engineering builder

- Until 2025, carbon emission per RMB 10,000 production value will decrease 18% compared with the base of the 14th five-year plan
- Until 2025, green power use will account for over 30% of the total electricity consumption
- Until 2025, three manufacture sites will win "Green Factory" and "Green Supply Chain Enterprise"
- Heavy pollution weather emergency emission reduction measures implementation rate 100%
- Regular environment test rate of key pollutants 100%
- Rate of reaching the standard of discharged pollutant 100%

### S Social

Friendly win-win harmonious society maintainer

- Zero occupational death
- The labor contract signing rate 100%
- Employee and contractor security training coverage reaches 100%
- Annual employee vocational training coverage reaches 100%
- No major event violating human rights

### G Governance

Standard transparent corporate governance practitioner

- The information disclosure rating of Shanghai Stock Exchange is above Class B
- External directors (including independent director) accounts for more than 50%
- Independent director accounts for more than 1/3
- Zero veto of the resolutions of the Board of Shareholders and the Board of Directors

3 positioning

15 goals



Combining with the actual development demands of the Company, the Board of Directors of COOEC assesses the importance of environmental protection, safe production, supply chain stability, respond to climate change and other topics related to sustainable development, includes them into the risk management system of the Company, and prepares risk and opportunity solutions to regularly follow up the risk situation. As for the risk management system and mechanism of the Company, and measures and actions taken to monitor, prevent, manage, control and reduce relevant significant impact, see the chapters of the "compliant operation" and the chapters in the text.

Table: ESG Risk and Opportunity Recognition and Solution Table

Dimensionality	Anticipated risk and opportunity content	Solutions
<b>Compliance risks</b>	It violates the prohibitive stipulations in laws and regulations when carrying out businesses, is punished by competent authorities at home and abroad, resulting in failure to carry out businesses normally; the operation goals of the Company are affected due to compliance management risks.	Continuously carry out compliance obligation recognition and solutions, organize the whole Company to update the list of laws and regulations and the list of compliance management annually, and complete the internal control system according to the latest laws and regulations and prepare solutions to ensure the implementation of relevant compliance obligations.
<b>Occupational health and safety</b>	Safe management system is incomplete, the safety precautions are not in place, and the responsibilities are not implemented; the employees' occupational health rights and interests are not protected properly, resulting in damaged employee physical and psychological health, affecting the protection operation and sustainable development of the Company.	Carry out three-year action to solve the foundational and difficult issues "the year to enhance the foundation", continuously improve the process management such as the basis at the safe environmental basic level, mechanism and system, personnel quality, management mode, risk control and emergency addressing; implement the staff safe production responsibilities, and enhance the supervision, guidance, etc. of the on-site implementation of "six responsible gridded matrix", "four lists", "responsibility list" and "one card for one person". Constantly improve the occupational health control level. Strictly implement the control over the links such as sorting out, notice, health supervision, archive management of personnel exposed to occupational hazardous factors, timely discover and address the occupational disease risks, and further enhance the propaganda and training on the prevention and treatment of occupational diseases.
<b>Environment compliance management</b>	The environmental protection investment is insufficient, the environmental protection measures are not implemented effectively, resulting in government punishment, customer claim, economic losses and image damage suffered by the Company.	Strictly implement environmental management. Continuously implement the governance, monitoring and assessment of environment pollution factors, improve the pollutant emission control measures; strictly execute the various hazardous waste classification disposal requirements, and further reduce the generation and discharge of pollutant through green low-carbon development planning.
<b>Product quality</b>	The product quality is poor, resulting in economic losses, customer claim and image damage of the Company.	Comprehensively promote the launching of powerful quality enterprise. Improve the product, engineering quality guarantee system.
<b>Respond to climate change</b>	See the chapter of "Respond to climate change" for details.	
Opportunities	Anticipated opportunity	Solutions
<b>Human resources</b>	The State has announced medium and long-term scientific and technological talent development planning, scientific and technological talent incentive policies, etc., to promote the talent development.	Provide diversified material and spiritual guarantee for employees, to attract and retain talents. Expand talent introduction channels, provide extensive career development space, abundant development resources and training plans for employees, and respect and protect the human rights of employees.
<b>Community relations</b>	Promote rural revitalization policies in all respects internationally, and provide definite direction guidelines for the enterprises to carry out relevant work.	Carry out community-targeted assistance, to promote community economic development and people's wellbeing.
<b>Respond to climate change</b>	See the chapter of "Respond to climate change" for details	

## STAKEHOLDER ENGAGEMENT

COOEC understands that sustainable development of the Company requires the support of all stakeholders. The Company has established a normalized communication mechanism for stakeholders to understand and respond to their demands through diverse communication channels, safeguarding the rights and interests of all stakeholders, and profoundly practicing environmental, social, and governance work.

Stakeholders	Expectation and demands	Communication and exchange modes	Frequency
 <b>Government and regulation institutes</b>	Pay taxes by law Respond to the national policies Compliant operation	Special conference and report Government dialogue Work report	Irregularly Irregularly Semiannually
 <b>Shareholder</b>	Financial performance Guarantee owner's equity Risk management Sustainable development	General Meeting of Shareholders Performance news conferences and announcement Investor exchange meeting Annual report and ESG information disclosure	Annually Quarterly Irregularly Annually
 <b>Employee</b>	Right and interest guarantee Performance and promotion Training and development	Labor union organization Complaint and feedback mailbox Workers' Congress Online training system	Irregularly Irregularly Annually Daily
 <b>Customer</b>	Quality product Information safety Operation in good faith Compliant operation	Customer satisfaction survey Daily contact Policy communication	Annually Irregularly Irregularly
 <b>Supplier</b>	Anti-corruption Mutually beneficial cooperation	Strategic cooperation Experience sharing Contract negotiation Business exchange meeting	Irregularly Irregularly Annually Irregularly
 <b>Community</b>	Public benefit charity Community economic development Community cultural protection	Community activity Field survey Report and complaints hotline	Irregularly Irregularly Irregularly

## DUAL SIGNIFICANT DISCUSSION TOPIC ANALYSIS

### 1 Recognize key discussion topics

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

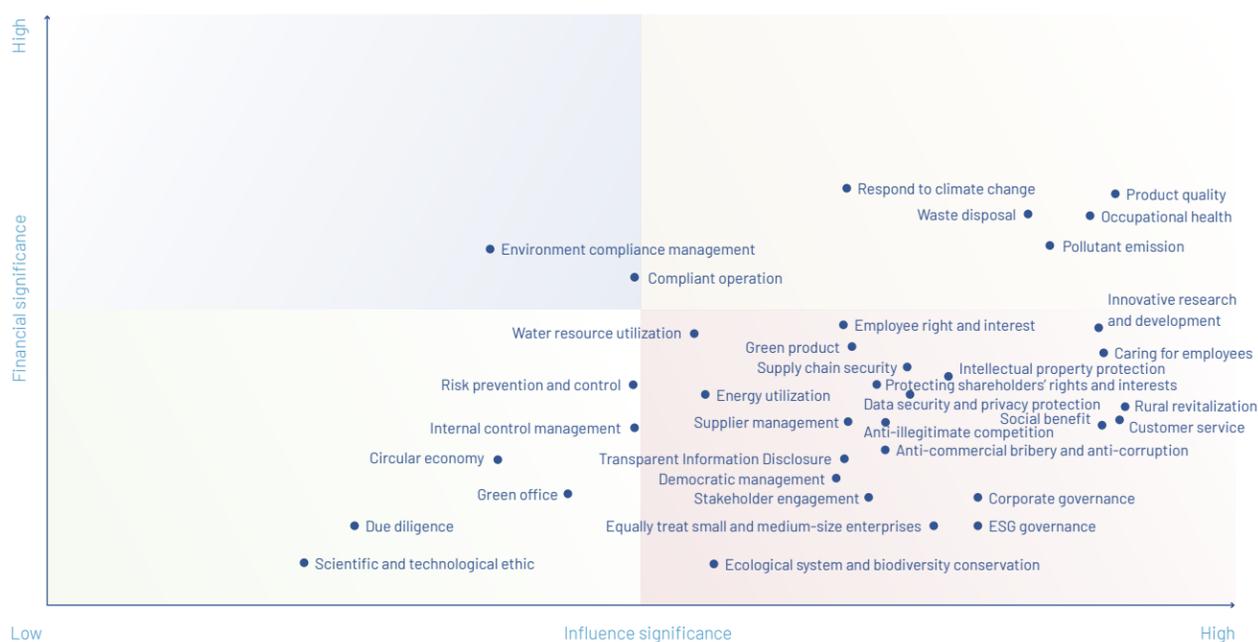
### 2 Significance analysis

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

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

### 3 Comprehensive analysis on significance discussion topic

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



## ESG BRAND BUILDING

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



The 5th round of the "Gold Metal of Investor Relations" Outstanding ESG Values Propagation Award  
www.p5w.net

September



China ESG - Innovative Annual Meeting (2024) 2024 ESG Excellent Practice Case  
Seminar on the Enterprise Transformation and Development in China

October



18th Chinese Listed Companies Value Appraisal "Top 100 ESG Chinese Listed Companies"  
Securities Times

December



Wind Top 100 Best ESG Practice of Chinese Listed Companies  
Wind

November



2024 Listed Companies Sustainable Development Conference 2024 Best Practice Case  
China Association for Public Companies



2024 Golden Bull Enterprise Sustainable Development Forum & the Second CRHC Cup ESG Golden Bull Award Top 50 Central Enterprises ESG Golden Bull Award  
China Securities Journal and China Reform Consulting



The Third Xinhua Credit Jinlan Cup ESG Excellent Cases Pioneering Practice Case for Sustainable Supply Chain  
China Economic Information Service



2024 Shanghai Securities News "Gold Quality - ESG Award"  
Shanghai Securities News

# Enhance the Foundation of Corporate Management with Stable Development

- 15 / Consolidate Governance
- 18 / Compliant Operation
- 21 / Risk Management
- 22 / Reward Shareholders
- 25 / Anti-corruption



## CONSOLIDATE GOVERNANCE

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



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



### The Special Committee pre-reviews "mastering majors"

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

### Independent Directors investigation pre-reviews "controlling risks"

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



The Fifth Session of the Eighth Board of Directors



The Third Session of the Eighth Board of Directors

### Improve management system

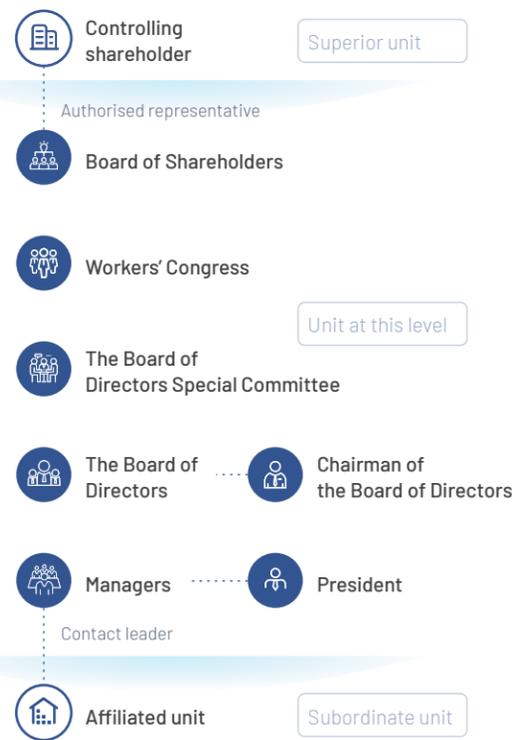
Adhering to the "consistency in modernized corporate system", the Company governance system deeply constructs the state-owned holding listed company governance mode with Chinese characteristics by combining with the actuality, and making the decision makers work at their posts, coordinately operate and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



### Standardizing the rights and responsibilities

Combining with the actuality that the Company's scale is expanding and the internationalization is deepening constantly, prepare a governance approval authority table of the Company, covering nine governance institutes such as the Board of Shareholders, the Board of Directors, Employee Representative Union, management, Chairman of the Board of Directors, president, special committee of the Board of Directors, holding shareholders and subsidiaries, 17 decision categories, 91 specific authorities, summarize the governance matter decision-making procedures in one table, and ensure that the decision-making procedures of governance institutes are connected in proper order.

## 9 governance institutes



## 17 decision categories



## 91 specific authorities

- |   |   |  |                                       |
|---|---|--|---------------------------------------|
| 1. Investment projects in fixed assets                      | 4. Equity merger and acquisition, asset acquisition, etc. | 7. Bank loan                             | 10. Accounting estimate change        |
| 2. Sale projects in fixed assets                            | 5. Securities issuance                                    | 8. Use of raised funds                   | 11. Affiliate transaction expectation |
| 3. Establishment and canceling of branches and subsidiaries | 6. Issuing bonds  | 9. Financial budget and final settlement | 12. ....                              |

### Diverse Board of Directors

The directors are elected and replaced by the Board of Shareholders, and may be resigned by the Board of Shareholders before the expiration of the term of their office. The term of office of directors is three years, and they may be elected and reappointed upon the expiration of the term of their office. The Board of Directors of the Company comprises 6 persons, including 2 internal directors and 4 external directors. Wherein, there are 3 independent directors, accounting for 1/3 of the Board of Directors. 3 independent directors are respectively senior person engaging in corporate management researches, accounting management and risk control professional person and construction engineering-related professional persons. The knowledge structure and professional field of each independent director are professional and complementary in the overall structure of the Board of Directors, realizing professional, scientific and effective supervision in various fields, and laying system foundation for the implementation of function and power of the Board of Directors.



### The compensation management of the Board of Directors

The Company set up the Compensation and Evaluation Committee under the Board of Directors, established the system of dispatched directors and supervisors management, leader remuneration, which standardized the assessment and remuneration benefit distribution management of directors, supervisors and senior management of the Company at the level of system. And meanwhile, as a list company, the Company annually disclosed the change in holdings and remuneration of current and resigned directors, supervisors and senior management during the reporting period in the annual reports of listed company in SSC, to guarantee the reasonability and transparent remuneration of directors, supervisors and senior management.

## COMPLIANT OPERATION

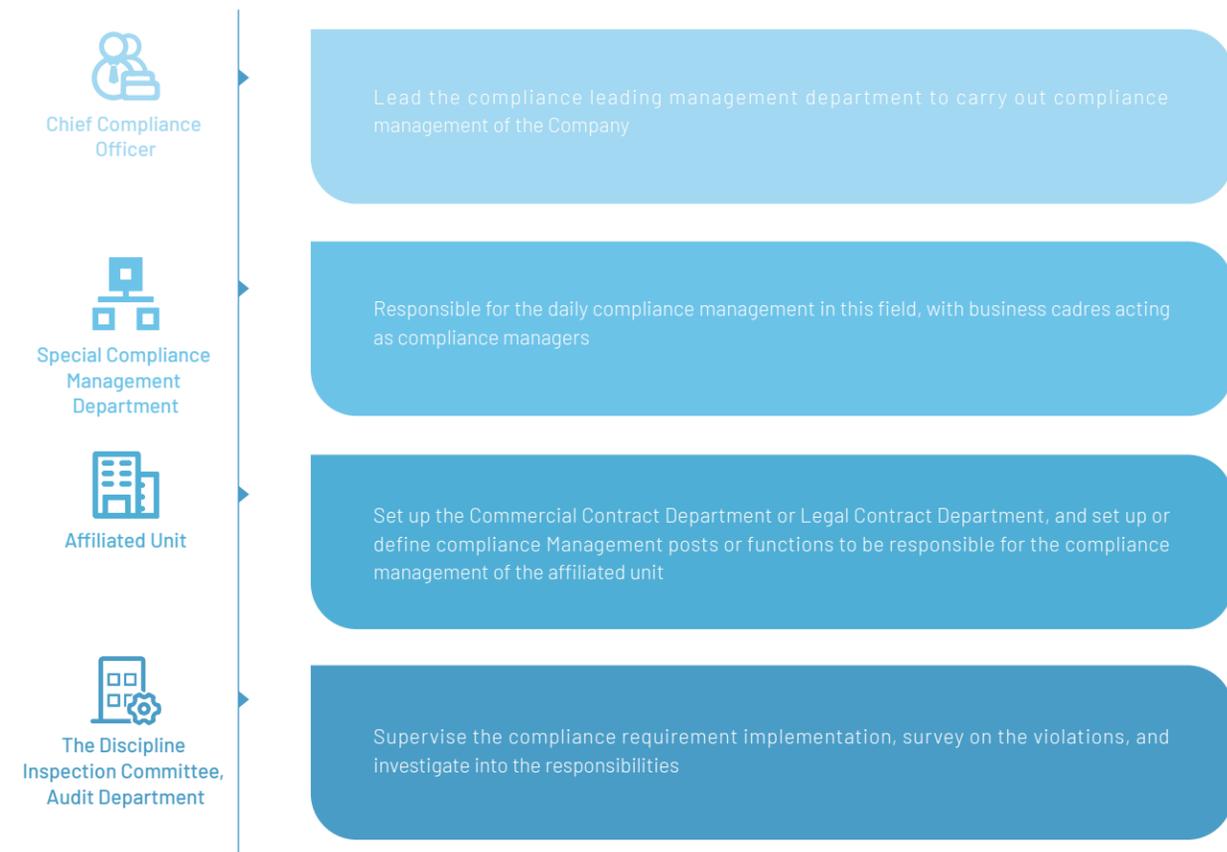
According to the *Compliance Management Methods of Central Enterprises*, COOEC attached great importance to the compliance management of the Company, included it into the 14th five-year planning of the Company, and established and completed compliance management system with COOEC characteristics and corresponding to the industrial characteristics, operational scale and business scale.

### Governance

The Company prepared and implemented the *Compliance Management System*, with the Chief Financial Officer & General Legal Counsel of the Company acting as Chief Compliance Officer. In this way, "three lines of defense" of compliance management comprising compliance leading management department, compliance special management department, and compliance supervision assessment department were constructed to carry out compliance management of the Company.

"three lines of defense" of compliance management





### Standardize the compliance review process

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



### Enhance the compliance cultural construction

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



### Strict internal control management

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

## Strategy

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



## Influence, risk and opportunity management

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

## CASE

### Acquired international and domestic "dual certificates" of compliance management system

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



## Indicator and goal

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

## RISK MANAGEMENT

COOEC constantly improved the organization structure of risk management system, prepared the *Risk Management System, Major Operation Risk Event Management Measures, the Procedures of Legal Construction & Internal Compliance and Risk Management Committee*, standardized the risk management functions, working procedures and requirements, to ensure systematic and standard risk management work. It established three lines of defense of the business departments and business units, risk management and compliance management departments, internal supervision institutions of the Company and the affiliated units, which perform their own functions, to promote the risk management collaboratively.

Risk Management Organization System

Responsibilities	
Legal Construction & Internal Compliance and Risk Management Committee	The Chairman of the Board of Directors acts as director; is responsible for approving the risk-related plan and work report of the Company, guiding and supervising risk management work; and reviewing risk solutions and other major matter
Planning Department (internal control and risk management office)	Department leader acts as director; is responsible for stipulating risk management regulations; organizing the Company to carry out risk assessment; reporting the internal control system work report; and organizing risk management information construction, etc.
Departments of the headquarter	It is responsible for establishing and improving the organization institutions and personnel; implementing the risk management requirements and test risks, and stipulating risk solutions, etc.
The affiliated units	It performs the risk management entity responsibilities of this unit; and is responsible for various risk work.

- Risk recognition and early warning** → Prepare the *Internal Control and Risk Management Annual Work Plan*, recognize and assess the major risks of the Company in the next year, forming TOP5 risk list; including quality, health, security, environmental protection risks, oil price fluctuation, business compliance risks, international operation risks and digital transformation risks, and stipulate relevant solutions; establish the *Risk Tank in the Function Field of the Company* covering **5 Level I risks, 60 Level II risks, 181 Level III risks, 356 Level IV risks**, enabling the high-quality development of production operation of the Company; pilot stipulation based on the value management indicators includes **13 risk early warning indicators** including the turnover of account receivable, contributing risk value to the production operation of the Company.
- Risk report and management** → Stipulate the risk management report mechanism of the Company, form the risk management report of the Company quarterly, and timely focus on the major operation risk events of the Company.
- Risk management indicator and goal.** → The Company set up risk management assessment indicators and included them into the overall assessment indicator system of the Company, defined the annual goals of "comprehensive optimized risk management system", and comprehensively optimized the risk management system of the Company in four respects of organization, responsibility, business and assessment systems through special "risk and business integration".

## REWARD SHAREHOLDERS

COOEC attaches great importance to the protection of shareholders' rights and interests and strictly adheres to laws and regulations such as the *Company Law, Securities Law, and Work Guidelines for the Investor Relations Management of Listed Companies*. The Company has established a sound mechanism for protecting shareholders' rights and interests, actively engaged in investor relations management, safeguarded shareholders' rights to information, participation and decision-making, and strengthened communication and cooperation with shareholders to jointly promote sustainable development of the Company.

### Protecting Shareholders' Rights and Interests

Adhering to the guidance of shareholders' benefits, COOEC kept major decision-making information open throughout the process, to guarantee the shareholders' rights to be informed; actively carried out shareholder engagement activities, to receive the shareholders' suggestions and fully respond to the appeals of shareholders, and equally treated small and medium-sized shareholders, to guarantee the shareholders' rights to attend meetings and vote.

#### Completing the system

As regulated by the *Regulations of the Company*, stipulate the *Rules of Procedure for the General Meeting of Shareholders*, to further define the function and power, proposal ways, voting procedures, etc. of the General Meeting of Shareholders. The General Meeting of Shareholders invited professional securities law firm to attend the meeting and issue legal opinions, to ensure legal and compliant meeting convening, holding, deliberation and voting procedures.

#### Improving the procedures

Open network voting saved costs and provided convenience for small and medium-sized shareholders to vote; implemented cumulative voting guaranteed that the small and medium-sized shareholders can elect directors representing their own benefits in terms of system and procedures; counting votes of small and medium-sized shareholders independently and disclosing the result in public protected the rights of small and medium-sized shareholders to be informed; strict implementing affiliated shareholder avoidance mechanism and voting by small and medium-sized shareholders practically guaranteed the legal rights and interests of small and medium-sized shareholders.

#### Smooth mechanism

To ensure the passing rate of General Meeting of Shareholders, COOEC established smooth communication system with small and medium-sized shareholders through standard and transparent information disclosure and proactive investor relations, to fully acquire the shareholders' opinions before the General Meeting of Shareholders.

#### Rewarding shareholders

To reward the shareholders for investment, and enhance the confidence of investors, the Company implemented 2023 profit distribution scheme in June 2024. Taking the general capital 4,421,354,800 shares at the end of 2023 as a cardinal number, cash bonus RMB 0.147 (tax inclusive) was distributed per share, and cash bonus RMB649,939,155.60 was distributed in total.

## Investor relation management

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

### Investment relation team building



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

### Coordination mechanism improvement



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

### Complete interaction mechanism



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

### Carry out investment relation activities in multiple dimensions



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

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



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



2023 Annual General Meeting of Shareholders

Number of investment relation events

21 events

Number of investor exchange meeting

55 times

Cumulative number of investors received

598 person-times



#### CASE

#### The 15th round of "Pegasus Award" for Investor Relations of Chinese Listed Companies



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

#### CASE

#### Organizing the investor reverse roadshow activity of "2024 Getting to Know Qingdao Company"

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



## Transparent information disclosure

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

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

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

Disclosed regular report quantity	Released temporary announcement
4	33

## ANTI-CORRUPTION

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

### Construct integrity system

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

### Systematically carry out integrity education

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

### Complete complaint and report mechanism

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

### Informer protection mechanism

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

#### CASE

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



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

#### CASE

#### Carrying out the third Integrity Building month activity

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



# Start the Environment Responsible Journey with Blue Sea and Sky

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# ENVIRONMENT COMPLIANCE MANAGEMENT

COOEC implements firmly the requirements related to the *Law on Environmental Protection*, overall plans and practices green low-carbon development strategy, breaks up low-carbon environmental target indicators, and complies the *Five-year Implementation Plan of Eco-environmental Protection of COOEC*, controlling the total quantity of pollutant and reducing the emission, ensuring the pollutant emission reaching the standard and environmental protection entity responsibility implementation, and realizing the normalized management of environmental risks, and taking effective prevention and control measures for environmental risks. In 2024, the Company and the affiliated branches and subsidiaries didn't violate laws or regulations in the environmental field.

## Governance

Through compiling the *Quality, Health, Security, Environmental Protection Management Manual*, *Environmental Protection Management Procedures*, and other documents, COOEC defines the environmental protection management requirements at the stages of manufacture, construction, installation and other phases, to effectively cope with environmental pollution risks, and practically protect environment.

In principle of "business and production operation principals must be responsible for security", the Company determines QHSE organization institutions and division of responsibilities of the Company, defines the management interfaces of the Company and affiliated units, and carries out unified management the environment, quality, health and safety-related work of the Company.

QHSE Organizational Structure and Division of Responsibilities

Institutions	Responsibilities
<b>Safe Production Committee</b>	<ul style="list-style-type: none"> <li>Deploy and promote the Company and affiliated units to implement the decision-making and deployment of the State Council and superior units on safe production work and important instruction and comments on safe production.</li> <li>Listen to the report on safe production, analyze the safe production trend of the Company, and research on and propose important decision and measures of the Company on safe production.</li> <li>Deliberate on the annual work report on the health, safety and environmental protection, and the safe production responsibility goals and key work in the next year.</li> <li>Guide and coordinate the emergency rescue of production safety accidents.</li> <li>Supervise the survey and treatment of production safety accidents of the Company.</li> <li>Study, treat, and solve major issues on quality, health, security and environmental protection, and controlling measures of hidden danger of accidents; listen to the rectification measures of major hidden danger and report on the implementation.</li> <li>Deliberate on major matters in other safe production.</li> <li>Regularly listen to the report on the occupational health of employee and general health of employee, research and decide on major matters, such as policies, systems, investment guarantee, responsibility investigation of occupational and general health policies.</li> </ul>
<b>Chief Safety Officer</b>	<ul style="list-style-type: none"> <li>Acting as Executive Deputy Director of the Safe Production Committee and Chief Safety Officer, assist in the quality and safe production of the Chairman of the Board of Directors, and be responsible for the comprehensive supervision of quality safety of the Company.</li> <li>Establish, complete, supervise and implement the quality, health, security, environmental protection responsibility, regulations, and rules of the Company, assist in establishing, completing, supervising and implementing the staff safety production responsibility system and regulation system of the Company, promote the implementation, execution and assessment of staff safe production responsibility system of the Company, and enhance the safe production standard construction.</li> </ul>

Institutions	Responsibilities
<b>Chief Safety Officer</b>	<ul style="list-style-type: none"> <li>Supervise the implementation of quality, health, security, environmental protection organization institutions and personnel setting of the Company, and participate in the examination and approval of the qualification of Chief Safety Officer of the affiliated units.</li> <li>Guide, and supervise the quality safety investment of the affiliated units to meet the quality safety work demand.</li> <li>Supervise the affiliated units to establish and implement the Safety Risk Classification Control and Hidden Hazard Investigation and Remediation Dual Prevention Mechanism, supervise and review the safe production of the affiliated units, and timely eliminate the hidden hazard of production safety accidents.</li> <li>Regularly listen to the report on safe production and major hidden hazard rectification of the Company, supervise and urge the affiliated units in terms of major hidden hazard rectification.</li> <li>Regularly summarize and analyze the safe production work trend of the Company, analyze the existing issues and hidden hazard, research and stipulate countermeasures and measures.</li> <li>Examine and approve the annual quality, safe production goals of the Company, organize to complete and implement quality, safe production performance assessment and responsibility accountability system.</li> <li>Promote the new constructed, modified and expanded project to prefer to select safe production new technology, new materials, new equipment, new technology, to improve the safe production conditions.</li> <li>Organize and deploy the quality, safe production education and training plan of the Company.</li> <li>Timely and faithfully report quality and safe production accidents, give treatment opinions and improvement measures based on the authorization organization quality and safe production accident survey.</li> <li>Acting as Deputy Director of the Emergency Command Center of the Company, complete the emergency rescue system construction, implement full-time (part-time) emergency rescue team building, and manage the safe production accidents, natural disaster emergency, public health event and other emergency command.</li> </ul>
<b>The Department of Quality, Health, Security, Environmental Protection</b>	<ul style="list-style-type: none"> <li>Implement and execute the policy, laws, regulations, policies and relevant system and requirements on quality and safe production of China and CNOOC.</li> <li>Based on the risk identification, organize to stipulate and improve the quality, safe production concept, policy, target and institutional system of the Company; organize to stipulate and improve the emergency plans of the Company, and coordinate the emergency management of the Company.</li> <li>Organize to stipulate quality, safe production education and safe production training plan at the Company level and implement it, and faithfully record the safe production education and safe production training.</li> <li>Organize to carry out hazard identification and assessment of the Company, urge and implement safety management measures of major hazard sources of the unit.</li> <li>Organize or participate in the emergency rescue drill of the unit.</li> <li>Check the quality, safe production, timely troubleshoot hidden hazard accidents, and give suggestions on the safety management improvement.</li> <li>Stop and correct commands that violates the regulation, dangerous compelled operation, and operation in breach of regulations.</li> <li>Urge and implement safe production rectification measures.</li> <li>Urge the affiliated units to establish and implement the quality management system and safety production management system, and organize internal review in the system or approval by superior.</li> </ul>

Institutions	Responsibilities
<b>The Department of Quality, Health, Security, Environmental Protection</b>	<ul style="list-style-type: none"> <li>Supervise and guide the affiliated units to implement national and CNOOC Environmental Influence assessment, total pollutant discharge control, pollution discharge permit and other environmental protection system.</li> <li>Organize or participate in the survey and treatment of quality, safe production accidents of the Company, be responsible for the report, statistics, summarization and analysis of various quality, safe production events.</li> <li>Supervise, coordinate the "three same times" of occupational disease prevention and treatment, safe production of the newly constructed, modified and expanded project of the Company.</li> <li>As the comprehensive supervision management department of environmental work of the Company, carry out comprehensive coordination and supervision management for the environmental management of other functional departments and the affiliated units.</li> <li>Organize and stipulate the environmental responsibility system of the Company.</li> <li>Organize the planning, establishment, audit, management review and constant improvement of environmental management system of the Company.</li> <li>Organize and stipulate the medium and long-term environmental planning, annual environmental goals, indicator and management scheme of the Company.</li> <li>In grading implementation principle, stipulate the environmental protection training plan of the Company, organize and implement it, and record the environmental education and training faithfully.</li> <li>Supervise the implementation of Pollution Discharge Permit Management of the affiliated units, supervise and review the completion of environmental management information system of the affiliated units.</li> <li>As required by the supervision over ecological environmental protection, carry out self-inspection and self-correction, and supervise the rectification of environmental issues.</li> <li>Check the environmental management, timely investigate the hidden hazard of environmental accidents, and deliver suggestions on environmental management improvement; supervise and implement the rectification measures of environmental hidden hazard of the Company.</li> <li>Organize and carry out the environmental risk recognition and assessment, and require the responsible units to stipulate control measures and supervise their implementation.</li> <li>Supervise the environmental impact assessment and "three same times" implementation of environmental protection of newly constructed, expanded and modified investment projects.</li> <li>Organize to include the emergent environmental incident emergency response in the emergency management plan, supervise and guide the pollutant discharge units where emergent environmental incidents may occur to establish emergency Plans of emergent environmental incidents.</li> <li>Organize and participate in the environmental emergency rescue drills of the Company; supervise and guide the affiliated units to carry out the environmental emergency drills of the affiliated units.</li> <li>Organize or participate in the survey and treatment of environmental accidents of the Company.</li> <li>Responsible for report, statistics, summarizing and analysis of various environmental accidents.</li> <li>Participate in the stipulation of environmental goals and performance assessment methods, and organize the environmental annual assessment and rewards of the affiliated units.</li> <li>Undertake the daily work of the ecological environmental protection work leading group office of the Company.</li> <li>The General Manager of the department is the first environmental principal of this department, and bears the management and education obligation for the environmental conducts of personnel of this department.</li> </ul>

## Strategy

The Company included the environment-related risk recognition and management into the risk management and control system, regularly recognized environment-related risks, including environment compliance, pollutant discharge, resource use and other dimensionalities, and stipulated risk and opportunity solutions. See the chapter of "ESG Strategy" in this Report for details.

## Influence, risk and opportunity management

The Company actively stipulated environment-related goals and indicators, and prepared comprehensive and complete measures to minimize the environment risk influence, enhance its capacity of combating environmental risks of the Company, and protect ecological environment, contributing power to the construction of Beautiful China.



### Environment monitoring

Carry out environment factor recognition and monitoring, hidden environmental hazard investigation and remediation. Where environmental accident occurs, report faithfully in time, and organize environmental pollution monitoring and survey and treatment of accidents.



### Green production

The Company actively plans green industrial layout, carries out forward-looking deployment of green manufacture system construction, elaborately builds green manufacturing bases. So far, three manufacturing bases respectively in Tianjin, Qingdao and Zhuhai under the Company have won multiple national, provincial and industrial "green factory" and "green supply chain management enterprise" titles.



### Green office

The Company actively carries out energy conservation and low-carbon propaganda, organizes the main office, production plants to replace with energy conservation luminaire, replaces and transforms the old high energy consumption equipment, and promotes paperless office. And the Company constructs charging piles to facilitate the green travel of staff.



### Conserving biodiversity conservation

When planning and designing the project, use sustainable, environment-friendly raw materials and resources as far as possible, and don't use those from illegal exploitation, snatch, or other resources in breach of relevant laws and regulation. Carry out environment influence assessment before operation, especially for the projects and activities that may affect the biodiversity. Where the influence assessment results show that the project may impact the biodiversity adversely, actively stipulate corresponding management measures and take operation action, to practically maintain the biodiversity. During the project construction and operation, take targeted measures, and try to minimize the ecological damage.

## Indicator and goal

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

### Environmental Protection Goals and Completion

Environmental pollution liability accident	Pollutant discharge
Occurrence rate	Rate of reaching the standard
0 <b>Realized</b>	100% <b>Realized</b>

#### CASE

#### Uganda Kingfisher project implements green management

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

#### CASE

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

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



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

#### CASE

#### Carrying out voluntary service activities on Arbor Day



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

## RESPOND TO CLIMATE CHANGE

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

### Governance

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

#### The Carbon Peaking and Carbon Neutrality Organization System

### Responsibilities

#### Carbon peaking and carbon neutrality work leading group

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

#### Special research group, system construction and special management group

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

### Strategy

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

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

Risk or opportunity category		Risk and opportunity description	Solutions	Financial influence	
Climate-related risks	Transformation risks	Supervision on the industry of oil and gas engineering	For the goals of "carbon peaking and carbon neutrality", the oil and gas industry may be supervised and limited, and oil and gas engineering industry will also be affected.	Operational revenues decrease	
		Supervision over marine pollution	Main construction site of the Company is located at sea. During the construction, the construction materials and various ships used for construction may damage the marine ecological environment.	Cost increases	
	Legal risks	Supervision on the industry of oil and gas engineering	The strict environment supervision measures of the industry may make the Company suffer from administrative penalty and legal lawsuits.	Same to "Policy risks".	The non-business expenditures increase
		Supervision over marine pollution	The country where the main construction site of the Company is located stipulates a series of laws and regulations, and violation of such laws and regulations may cause administrative penalty and lawsuits.	Same to "Policy risks".	The non-business expenditures increase
	Technical risks	Investment in new technology fails	The advanced researches on offshore wind power construction, offshore carbon storage construction, seafloor data center engineering, hydrogen energy and other new green technologies may fail.	The Company has successfully launched the offshore wind power construction project, offshore carbon storage construction project, seafloor data center engineering construction project. The new businesses are promising, and the investment rarely fails.	Cost increases
		Cost of transformation to new technology	Transforming from oil and gas engineering construction to offshore wind power construction and other new green businesses may require a lot of cost.	The Company will give consideration to oil and gas engineering construction and other old businesses as well as offshore wind power and other new business, creating values through diversity. When transforming to new business, taking full advantage of technical advantages, management experience and customer relations accumulated for years, the Company maintains original dominant competitive position and reduces transformation costs.	Cost increases
	Market risks	The preference of customers towards oil and gas engineering decreases	Under the background of global energy transformation, main customers invest in oil and gas development with caution. On the contrary, offshore wind power, offshore carbon storage, hydrogen energy and other projects will be preferred by more customers.	Taking advantage of existing technical superiority, the Company has started to actively explore businesses such as offshore wind power construction and offshore carbon storage construction, seafloor data center engineering, hydrogen energy	Income decreases

Risk or opportunity category		Risk and opportunity description	Solutions	Financial influence	
Climate-related risks	Transformation risks	Failing to promote implementation of green low-carbon concept	Lack of green low-carbon technical service product may make interested stakeholders dissatisfied, and thus impact the income.	Taking advantage of existing technical superiority, the Company has started to actively explore businesses, such as offshore wind power construction and offshore carbon storage construction	Income decreases
		ESG negative events	ESG negative events may cause damage to the reputation of the Company, resulting in supervision attention and operational revenue decrease.	The Company establishes complete ESG management system, integrates ESG management into risk control, to prevent ESG negative events.	The non-business expenditures increase and the income decreases
	Short-term risks	Typhoon and coastal flood	Main production base of the Company is located in coastal areas, which are vulnerable to typhoon and coastal flood. Typhoon and coastal flood may impact on the production of the enterprises in multiple respects, for example, interrupted supply of materials and parts, production interruption, factory and equipment damage, etc., resulting in postponed production schedule, decreased quality, and affected sales of the enterprise.	Before typhoon season and flood season each year, the Company will organize the departments to investigate, fix and maintain the plants, carry out hazard prevention training for employees, purchase flood prevention equipment such as water pump, check the production schedule, and properly supplement raw materials and parts, to properly address the emergent impact on climate physical risks.	Capital expenditures, income decreases
		Natural disasters at sea	The main construction site of the Company is located at sea, which may be threatened by catastrophic sea wave, sea ice, tsunami, storm surge and other natural disasters at sea; especially, the Company is actively exploring deepwater oil and gas field engineering construction capacity deeper than over 300m. The natural disasters at sea in the deepwater area are more intensive. These disasters may cause construction stagnation, contract breach, engineering structure damage, personnel injury and death.	Taking safety management as the priority among priorities, The Company will follow up closely and address typhoon and other severe weather, prevent, prepare for, closely follow up and timely report emergency, and timely start emergency response at corresponding level, so as to minimize losses through various measures.	Capital expenditures, income decreases
	Long-term risks	Average temperature increases	Some of production and construction sites of the Company are located at tropical zone, subtropical zone, which are affected by the average temperature increase due to change in long-term climate mode more seriously, as a result, the equipment may overheat and interrupt the production and construction, which may also affect the production and construction efficiency of workers.	The Company provides reasonable refrigeration measures for production plants, provides benefits to relieve summer heat for staff, and reduce losses caused by temperature increase.	Cost increases and income decreases
		Water depletion	According to WRI (World Resources Institute), the Qingdao production base of the Company is located in areas with extremely high water pressure, and water depletion will halt the production. And meanwhile, the fresh water of the offshore construction site of the Company relies on the supplementation from the onshore base, therefore, the drought and water depletion risks faced by onshore base will also affect offshore construction schedule.	Carry out key enterprise water balance tests, water-saving enterprise construction, save water resource with digital and intelligent system, promote water resource reutilization, such as water reuse for pressure testing, sea water desalination, and maintenance and transformation of old water supply system, and organize water conservation propaganda to enhance the water conservation awareness of staff, reducing the annual water consumption per RMB10,000 production value from 0.8231 in 2022 to 0.5856 m <sup>3</sup> /RMB10,000 in 2024.	Income decreases

Risk or opportunity category	Risk and opportunity description	Solutions	Financial influence
Resource efficiency	/	Through improving the production and distribution process, construction, machine/equipment, transport/mobility, energy use efficiency and more extensive materials, water and waste management, the Company will realize efficient emission reduction and transformation, resulting in cost decrease.	Cost decreases
Climate-related opportunities	Energy conservation measures	Extensive energy conservation measures may assist the Company in energy consumption reduction in various links, in order to reduce the operation and production costs.	Cost decreases
	Energy source	The Company promotes energy conservation technology, reduces energy consumption; the Company constructs energy conservation and carbon emission reduction water conservation information system, to monitor in real time and regulate intelligently.	Cost decreases
	Green electricity utilization	The Company promotes the construction of roof distributed photovoltaic projects at three sites such as Tianjin Lingang, Qingdao, Zhuhai, to relieve the dependence on external power supply. The Company devotes greater effort to the utilization of green energy, which will reduce carbon dioxide emission of 7,500 tons each year. At the end of 2024, photovoltaic power generation capacity of 3 production bases is 11,668,800 Kwh, and carbon emission reduction is 7,064.84 of CO2e. The carbon emission factor adopts electric power carbon emission factors issued by the Department of Ecological Environment in 2012	Cost decreases
	Wind power industrial link	Winding power is one of clean energy which is expected to be applied in large scale. The businesses of the Company involve in offshore wind power project construction, which has relatively large development prospect in future. Relying on offshore engineering experience, the Company expands the EPC business scope to offshore wind power field, gives play to comparative advantage, benchmarking offshore wind power development mode in Europe at high level, to speed up the development of offshore wind power industry; taking deepwater wind power, large-scale booster station, convertor station as development key point, primarily establishes EPCI full-service chain with offshore wind power design as core business and construction and installation as expanded business; explores and promotes cost reduction throughout the life cycle in the offshore wind power industry with design optimization, module manufacture, intelligent manufacture, digital delivery, offshore installation method innovation, etc. as cutting point.	Income increases
Product and service	Carbon capture, utilization and storage (CCUS) industrial chain	Carbon Capture, Utilization, and Storage (CCUS) is an important technical means of carbon neutrality, geologic usage, geologic storage and sea storage are several crucial forms. The Company may take advantage of existing technical superiority, to explore CCUS engineering construction businesses.	Income increases
	Hydrogen energy industrial link	Hydrogen energy is one of promising clean energy. The businesses of the Company, hydrogen energy project construction, has relatively large development prospect in future. Taking providing offshore wind power hydrogen production with engineering technical solutions as the development key point, the Company focuses on the EPCI of offshore Wind Power hydrogen production platform, hydrogen/combination gas submarine pipeline design and installation, hydrogen production device modular construction and offshore installation, liquid hydrogen/liquid ammonia tank EPCM and other links, making determination to become an enterprise leading in the offshore wind power hydrogen production engineering in China.	Income increases

Risk or opportunity category	Risk and opportunity description	Solutions	Financial influence
Market	Overseas market	The global new energy transformation directions are consistent, wind power, CCUS, hydrogen and other engineering businesses also have broad development prospect at overseas market.	Income increases
Climate-related opportunities	Resilience	Led by design, EPCI general contracting capacity is the basis to settle down and get on with our pursuit, the unique advantage which differentiates the Company from most offshore oil engineering general contractors at home and abroad, and key support when the Company participates in international competition. On this basis, the Company actively transforms towards the wind power, CCUS, hydrogen energy and other engineering business direction, and speeds up the promotion of image at the market in the offshore wind power field. The adaptive capacity of the Company to combat climate change, to manage relevant risks and grasp opportunity.	Income increase and cost decreases

### Influence, risk and opportunity management

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

### Strengthening Energy Management

The Company mainly uses in the links of manufacture of offshore oil and gas equipment on land and offshore construction. The energy categories are mainly purchased diesel, power and natural gas, wherein, diesel accounts for over 80%. According to the *Energy Conservation Law of the People's Republic of China* and other laws and regulations, the Company establishes ISO 50001 energy management system, and acquires the third party certification. And meanwhile, the Company adheres to development and conservation at the same time. In principle of saving coming first, the Company takes energy conservation as a basic system, includes it into daily production operation management of the Company, to promote constantly the improvement of industrial energy efficiency, deeply promote the energy conservation and carbon emission reduction throughout the process, and gradually realize efficient, low-carbon and green energy consumption.

In terms of energy conservation, in principle of conservation coming first, COOEC takes energy conservation and efficiency increase as the most direct, effective and economic carbon emission reduction measures, strives to promote the energy conservation and efficiency increase through online energy monitoring system application, optimizing production technical process, update, transformation and other measures of old high energy consumption equipment. Throughout the year, 60 initiatives of energy conservation by taking technical measures have been implemented, 2,975 tons of standard coals as energy conservation by taking technical measures have been realized, and carbon emission reduction by taking technical measures exceeded 10,000 tons.

Taking technical measures have been implemented	Taking technical measures have been realized	Taking technical measures exceeded
<b>60</b> initiatives of energy conservation	<b>2,975</b> tons of standard coals	<b>1</b> tons

### Enabling low-carbon development

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

### Explore green electricity trade

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

#### CASE

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



On September 21, Tangshan LNG receiving station Phase II engineering generally contracted by COOEC is completed and put into operation 21 days in advance. The project is the largest LNG receiving station in the Circum-Bohai Sea Region. Planning and construction of **20** storage tanks of **200 thousand m<sup>3</sup>** are significant for the optimization of Beijing-Tianjin-Hebei Region energy structure. Giving play to EPC full industrial chain advantage, the Company established linkage cycle mechanism combining with R&D center, to promote the acceleration of project. The project team innovates technical process, guarantees safe construction by virtue of “Checklist” and enhances construction level with multiple automatics.

#### CASE

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

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



#### CASE

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

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



#### CASE

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



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

## Indicator and goal

As offshore oil and gas devise provider, greenhouse gas emissions of COOEC are mainly from fossil energy and power consumed during the manufacture and installation of offshore oil and gas devise, and carbon dioxide and nitric oxide generated by the combustion of diesel.

Carbon Dioxide Emission



To further promote the green low-carbon development strategy of the Company, the Company defines the low-carbon development goals in future in the 2023-2025 Low-carbon Work Scheme in Work Scenarios, and guides the Company to carry out work in future.

It promotes the low-carbon development at the manufacture site, engineering ships and offices of the Company through adopting efficient equipment and technology at the newly constructed work sites, and adopting energy-saving process technical transformation, increasing equipment and facility energy efficiency, changing energy use mode and other measures at the existing work sites.

It enhances the management basis of low-carbon development of the Company through completing the energy conservation low-carbon development system, optimizing energy conservation monitoring system, enhancing green low-carbon cultural construction and other measures.

COOEC	Unit	2023-2025 Rolling Development Prediction Goals			Goal completion
		2023	2024	2025	2024
Total energy consumption	tons of standard coal	165,542	191,378	184,738	☑ Completed
Total carbon emission	10,000 tons	430,789	488,129	455,675	☑ Completed
Comprehensive energy consumption per RMB 10,000 production value (comparable)	tons of standard coal /RMB 10,000	0.07	0.07	0.07	☑ Completed
Carbon dioxide emissions per RMB 10,000 production value (comparable)	tons/RMB 10,000	0.18	0.17	0.16	☑ Completed

## IMPROVING THE PREVENTION AND CONTROL OF POLLUTION

COOEC strictly implements the requirements of laws and regulations such as the *Environmental Protection Law*, the *Law on Prevention and Control of Water Pollution*, the *Law on Prevention and Control of Air Pollution*, the *Law on Prevention and Control of Pollution from Environmental Noise*, and the *Law on the Prevention and Control of Environmental Pollution by Solid Waste*. By strengthening source control, classified treatment, regulatory monitoring and other measures, pollution emissions can be effectively reduced, and environmental quality can be protected. In 2024, no pollutant discharge violation event occurred in the Company, and the pollutant discharge of the waste, domestic waste water and solid waste didn't adversely affect the environment and community.

The Company included the pollution prevention and control management into QHSE management system. As for content related to specific governance system, strategy and goals, see the chapter of "environment compliance management" in the report for details. As for pollutant discharge, see the relevant content in the Appendix and 2024 annual report of the Company for details.

### Strengthening Wastewater Management

COOEC generates wastewater primarily from staff domestic sewage, winter boiler blowdown, high-salinity wastewater and backwash water from deionization purification equipment, pressure test wastewater, cleaning wastewater, etc., with the main pollutants being chemical oxygen demand, ammonia nitrogen, suspended solids, etc. The wastewater generated by the Company is discharged to the sewage treatment plant through the municipal pipeline network, and the wastewater discharge meets local sewage discharge standards.



#### Domestic Wastewater Treatment

The oily wastewater from the staff canteen is treated through an oil-water separator, the wastewater from staff washing is treated through septic tank sedimentation, cleaning wastewater is treated through the sedimentation tank, and other wastewater is discharged into the local municipal sewage pipeline network through the factory area domestic sewage pipeline network for further treatment at the local sewage treatment plant.



#### Reducing Discharge of Wastewater

The Company has formulated the *Noise and Water Pollution Prevention and Control Management Regulations* to standardize pollution prevention and control management. Efforts are made to strengthen management at the source of wastewater generation, promote the optimization of production plans and fresh water consumption matching, and minimize the use of fresh water. In the newly built site in Tianjin Lingang Base, pipeline design optimization is carried out, and pressure test water is recycled. In the existing site, recycling tanks are set up to increase the recovery and reuse of pressure test water. Awareness of water conservation is enhanced among all employees to reduce water consumption in production and daily life.

### Strengthening Waste Gas Management

The waste gas generated by COOEC mainly comes from particulate dust produced during sandblasting operations, organic waste gas produced during painting operations, welding fume dust produced during welding operations, and grinding dust produced during grinding operations. The main pollutants in various waste gases are particulate matter, xylene, non-methane hydrocarbon, etc. The exhaust emissions from all production sites owned by the Company comply with local sewage discharge standards.

Category	Treatment method
Pretreatment shot blasting waste gas	"Whirlwind + filter drum" dust removal
Pretreatment paint spraying	"Dry-type filtration + activated carbon adsorption + CO/RTO" treatment
Sand blasting waste gas	"Whirlwind + filter drum dust removal" Level II dust removal treatment
Paint spraying, drying waste gas	"Dry-type filtration + zeolite runner + CO/RTO" treatment
Welding fume, polishing dust	"High negative pressure welding flue purification + filter drum dust removal" "movable welding flue purification"
Welding fume, polishing dust	Carry out dust removal by filtration by "movable welding flue purification"

## Enhancing Waste Management

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



Comprehensive utilization of General Industrial Solid Waste

38,358.12 tons



### Disposal of General Industrial Solid Waste

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



### Hazard waste disposal

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

#### CASE

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

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



## OPTIMIZING RESOURCE UTILIZATION

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



### Protecting water resource

Carry out key enterprise water balance tests, water-saving enterprise construction, save water resource with digital and intelligent system, promote water resource reutilization, such as water reuse for pressure testing, sea water desalination, and maintenance and transformation of old water supply system, and a series of water conservation management measures and technical measures, constantly reduce the total water consumption and improve the waste utilization efficiency. The annual water consumption per RMB 10,000 production value throughout the year decreases from **0.8231** in 2022 to **0.5856 m<sup>3</sup> / RMB 10,000** in 2024, the water resources utilization efficiency was improved significantly.



### Improving material management

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



### Reduction of General Industrial Solid Waste

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



### Hazard waste reduction

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

# Based on Quality, Uphold the Excellent Engineering Flag



47 / Innovation Empowers Quality

51 / High Quality Enables Quality

53 / Safety Safeguards Quality

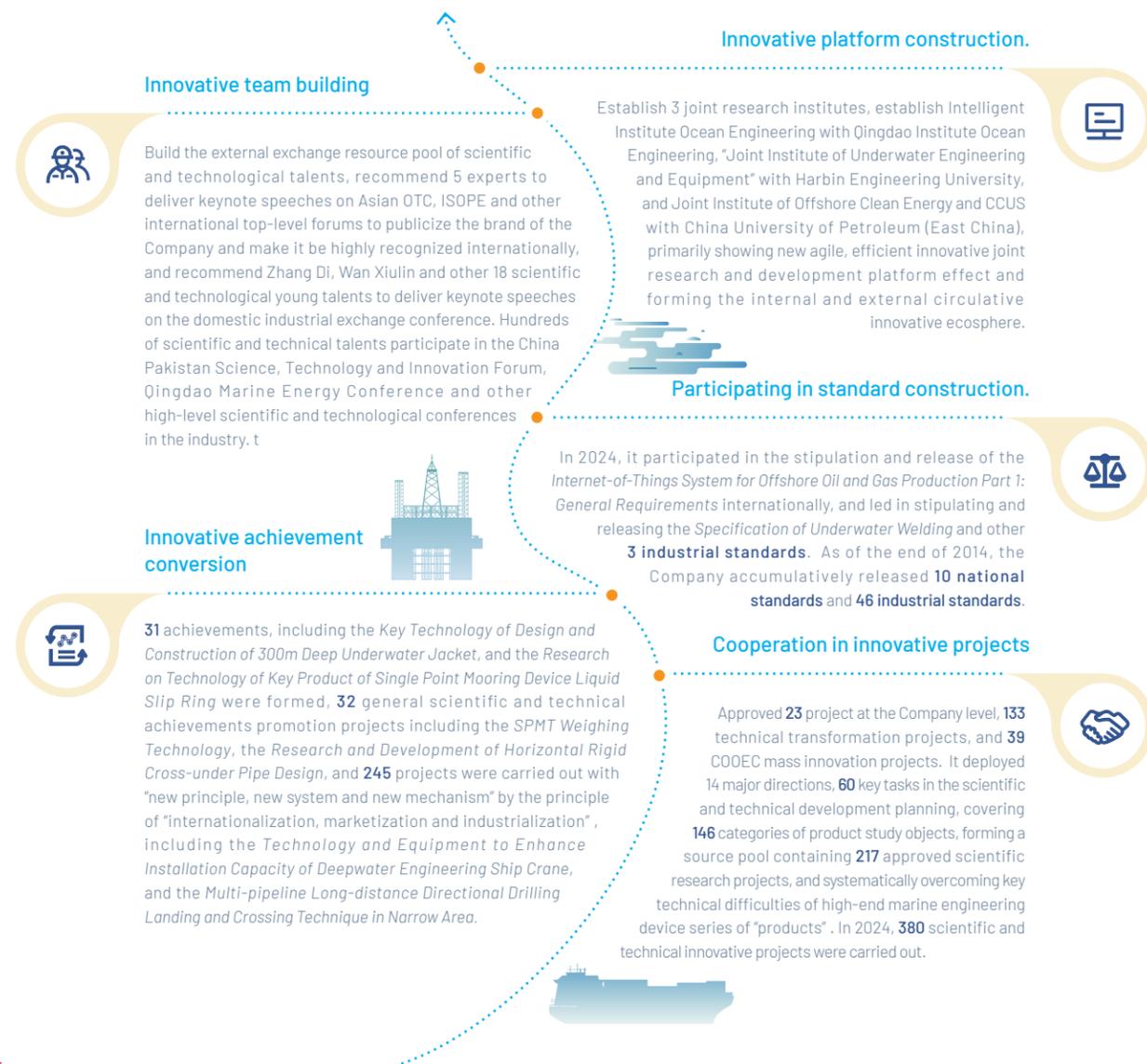
56 / Services Guarantees Quality

## INNOVATION EMPOWERS QUALITY

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

### Enhancing scientific and technological innovation

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



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

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

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

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

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

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



**CASE** Newly adding one national skillful master workshop



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

## Intellectual property protection

COOEC constantly enhances the intellectual property declaration management. To constantly improve the declaration quality of intellectual property of the Company, COOEC modifies the management rules on intellectual property of the Company, classifies and grades patents, navigates and arranges patents, separation of ownership and use right of patents and other management, constantly enhancing the intellectual property protection.



## Data security

COOEC constantly optimized the network security management system of the Company, and completed the compilation and release of the *Administrative Rules on the Computer Office Equipment of the Company* in 2024, and the upgrade of the *Management Measures for Information Security of the Company*, to improve the network security and information management level.

The Company constantly improved the network security system of the Company; promoted the network security planning rolling preparation of the Company, the construction of network security supervision platform, further enhanced the network security event monitoring and early warning ability, ensuring zero network security accident; constructed new system to carry out grade protection grading filing at the same time, to ensure test and assessment of existing system at Level II and above; and carry out network security inspection combining technical test and onsite inspection. It completed the goals of "standardizing the network security management of the Company, improving the network security management capacity and overall network security protection level of the Company, and guaranteeing the normal production and operation activities".

In 2024  
no network security accident occurred.

Network Security Organization System

	Responsibilities
Information Center of Ministry of Science and Technology	Overall planning and managing network security
Network information department of research and development center and sharing service branch	Responsible for the backbone network construction, operation and maintenance of the Company, the execution of network information planning and plan, the construction, execution, operation and maintenance of network information safety and infrastructure, assisting the information Center of Ministry of Science and Technology in network security technical and operation
Other network security practitioners of affiliated units	With mainly part-time personnel, it is responsible for the network information management and implementation, production system operation and maintenance guaranteeing, self-build software development, operation and maintenance of this unit, network information security and construction, execution, operation and maintenance of infrastructure of this unit, etc.

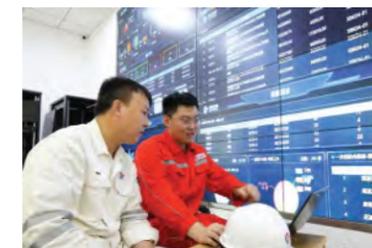
## Digital Transformation

COOEC stipulates digital transformation top-level design, systematically paints the overall blueprint of "1832", promotes and launches all the 40 planned tasks until 2024, forming collaborative design, digital procedure, intelligent manufacture, pipe-laying and installation, digital dual delivery and digital twin, engineering project management and other digital transformation scenarios along the full-service chain centering on the "intelligent engineering", and meanwhile promoting the market exploration, QHSE and other operation and management digital construction. The Company has obtained good effect in terms of digital transformation, collaborative design platform is comprehensively applied in projects in 12 systems newly started in 2024, with design management efficiency up by 18%, and the prefabricated efficiency of intelligent manufacture up by more than 20%.



### CASE The first digital streaming platform launches

In March, the first digital streaming platform of COOEC started officially, which marks that the digital management schedule of the Company is sped up and promoted. The platform integrates process planning, design, execution and other functions into one. Through convenient operation, originally complicated business submission steps are simplified from over 10 to 3-5, significantly improving business approval and completion efficiency. Upon the launching of platform, the average duration of business approval is shortened by 40%, and the completion efficiency is increased by 50%. It breaks the data islet, improving the data flow rate by 70%, promoting the digital capacity of employees, and starting an era of paperless office.



### CASE The digital integrated transformation technology improves work efficiency



In the EPC of Enping Oil Field Group, the platform transformers of COOEC Subsea Technology Co., Ltd. promoted the offshore platform transformation with the "Magic Flute system" based on digital integrated transformation technology. The system collects data rapidly and accurately with 3D laser scanner, averagely improving the data accuracy by 20% compared with that of the manual investigation and survey; verifies the feasibility of construction scheme through constructing superelevation 3D models with data, increasing the land prefabrication rate from 60% to 85% and reducing offshore construction costs; and realizes centimeter-level positioning through AR false and true overlaying, supporting the transformation operation throughout the process. Currently, it has been applied in many engineerings, and COOEC will deepen digital technical application, and promote the intelligent transformation of oil and gas field development.

## HIGH QUALITY ENABLES QUALITY

COOEC implements the decision-making and deployment of the *Outline for Building a Powerful Quality Country* of the State Council, preforms the concept of "taking quality as the development foundation of the Company", and deeply promotes the comprehensive quality management.

### Governance

The Company included the quality management into QHSE management system. As for content related to specific governance system, see the chapter of "environment compliance management" in the report for details.

In 2024

no engineering/product recalling/withdrawing or other situations occurred in the Company due to quality problem.

### Strategy

The Company stipulates the *Quality Risk Management Procedures*, defines division of functions and responsibilities, regularly organizes the recognition and analysis of quality risks, and stipulates risk solutions, which recognizes **1,093 quality risks**.

Quality Risk Recognition and Solutions

Risks	Risk description	Solutions
Onshore construction quality risks	Major construction quality defects due to personnel skill and process execution issues, insufficient implementation of quality management responsibilities, or poor risk control, causes quality events/accidents.	<ol style="list-style-type: none"> <li>Enhance the qualification management of constructors, prevent unqualified constructors or constructors qualified in other fields from construction, constantly carry out qualification investigation for constructors, the professional quality process control investigation and personal quality violation investigation.</li> <li>Enhance the quality awareness popularization and skill training, and improve the quality and ability of constructors.</li> <li>Strictly execute the <i>Quality Risk Management Procedures</i>, and regularly carry out quality risk identification and assessment.</li> </ol>
Offshore ship operation quality risks	The main and auxiliary engine systems of cabin, torque converter, brake system, crane operating system, lever, amplitude of variation system, hook-headed steel wire rope and pulley block system don't meet the operating conditions.	<ol style="list-style-type: none"> <li>Before the operation of offshore ships, organize technical disclosure and keep relevant records</li> <li>Organize the investigation into the affiliated equipment of main operation ships, barge, tugboat and other all ships, ensuring to be in good status.</li> </ol>
Underwater operation quality risks	<ol style="list-style-type: none"> <li>Deviation and interruption occur along the underwater structure laying routes.</li> <li>Bumping and twist occur during the subsea pipe-laying.</li> </ol>	<ol style="list-style-type: none"> <li>Deviation and interruption occur along the underwater structure laying routes.                             <ol style="list-style-type: none"> <li>Laying with special tools.</li> <li>Checking the laying routes according to the construction scheme.</li> <li>Strictly monitoring the readings of tensioners and meter counters.</li> <li>The owners and the parties of the project group shall sign for confirmation before laying.</li> <li>The routes shall be as far as possible from other underwater facility.</li> </ol> </li> <li>Bumping and twist occur during the subsea pipe-laying.                             <ol style="list-style-type: none"> <li>Carry out detailed disclosure before operation.</li> <li>Operate in strict accordance with the construction procedures.</li> <li>Check the sea cable routs in advance, treat sharp corner or sundries, and put rubber or foam board on the routes.</li> <li>Special person shall be responsible for observing the sea cable situation at important phases and position, timely halt and report once abnormal friction, cornering or bumping occurs.</li> <li>Dispatch engineers of the factory to go aboard for guidance.</li> <li>The main workboat and local vessels shall enhance communication, to ensure mutual coordination and operation at even speed during the collection and distribution of submarine cables, and prevent submarine cables from being extensively pulled.</li> <li>Special person shall guard key routes and spots.</li> </ol> </li> </ol>

## Influence, risk and opportunity management

Based on the quality management, the Company keeps improving. Combining with risk list, it enhances quality management, prudently controls each production detail, and comprehensively enhances the quality foundation.

### Improve the quality management system

Taking improving quality management system as the key work of quality control in this year, the Company focuses on carrying out the second sorting and improvement of business process classification structure, key quality risk control point and quality entity responsibility interfaces, recognizing system improve demands, system document preparation and modification and other key work, to ensure complete system of the Company and clear control functions and responsibilities.

### Enhancing product quality control.

The Company standardizes the entity quality control documents on eight types of typical products such as routine jackets, sea base series of jackets, upper blocking, underwater production system, subsea pipelines, submarine cable, flexible pipes, and digital twin, covering the procedures, schemes, plans, reports and records of various construction.

### Improving coating quality

Focusing on the tackling key problems of coating quality, the Company promotes the effective improvement of coating quality throughout the process of design, procurement, construction, installation and delivery, summarizes and stipulates the *Guidelines of Construction and Coating Integrated Standard Operation of a Series of Product*, and the *List of On-site Welding and Weld Pass Coating Quality Management Measures*, compiles the *Prevention Measures for the Main Structures and High-pressure lines*, the *Quality Management of Out-field Construction Coating*, the *Quality Management of Purchased Equipment Coating* and a series of guidelines, records video courses of training on coating quality, and carries out the appraisal of best operation practice of coating quality management.

### Improving purchase material quality

Centering on the key materials such as main structural steel, **48** equipment undertakings purchased by Party A, equipment, valves, stainless steel pipeline flanges, the Company carries out actions to improve the quality of the material purchased, establishing the *Engineering Material Procurement Quality Management Procedures*, the *Stipulations on the Engineering Material Procurement Quality Control*, the *Management Stipulations on Engineering Material procurement Classification and Grading Inspection* and other control stipulations on purchased material quality; improving the terms related to the supplier quality management requirements in the material procurement contracts; carrying out quality system review for suppliers, supervising the manufacture on site of key materials, with the acceptance qualification rate at one arrival of materials reaching **96.65%**.

### Carrying out special quality training and study

The Company organizes the off-job training on full-time quality personnel, international quality talent practice training, a series of quality lecture room and quality trainings in many other forms and containing various content, and invites Yangtze River Scholars and other famous experts at home and abroad to deliver courses to quality personnel.

### Improving product accessibility

The engineering and products provided by the Company are produced in the standard and customized integrated modes: the engineering and product costs are reduced, production cycle is shortened through standardization; and specific demands of owners are met through customization.

### Product recalling/withdrawing mechanism

As required by the Contract with the owner, the Company carries out after-sales maintenance services for engineering/products.

## Indicator and goal

The Company strictly performs the quality entity responsibility, improve quality management level. In 2024, all the quality management goals and indicators had been completed.

Quality Management Goals and Completion

Indicator	Goals	Completion in 2024
Major defects in design achievements	0	✔ Completed
Major quality responsible accidents of engineering	0	✔ Completed
Machine completion acceptance qualification rate	100%	✔ Completed
Repeated customer visit	Over 95%	✔ Completed
Customer satisfaction	Over 85%	✔ Completed

## SAFETY SAFEGUARDS QUALITY

Adhering to the safe development baseline, COOEC performs social responsibilities of central enterprises, sticks to systematic management, and forms a set of safety Management System featured by "enhanced top-level design, outstanding professional management, and guaranteeing risk control" by adopting PDCA (plan-do-check action) operational mode, benchmarking international ISO 45001 management standard and domestic enterprise safe production standard basic stipulations, and centering on QHSE policy, target and core value concept while pursuing the goals of "zero quality defect, zero personal injury, zero safety accident and zero environmental pollution". In 2024, no major security accident occurred.

Safe Production Management Goals and Completion

Indicator	Goals	Completion in 2024
Personnel injury	0	✔ Completed
Security incidents	0	✔ Completed

## Governance

As required by the laws and regulations, COOEC constructed and set up two-level safe management structures, namely, setting up two-level safe production committees, two-level Chief Safety Officer, and two-level safety management institutions, and prepared institutional documents such as the *Management Procedures of Safe Production* and the *Management Procedures of Health and Safe Environment Risks*. See the chapter of "Environment Compliance Management" for details.

## Strategy

According to the development strategy, and based on national and industrial laws and regulations, standards, specifications and relevant safety management requirements, the Company recognized the safety management risks during the management of businesses, established and improved the corresponding management requirements of safety management of the Company, regularly carried out safety risk identification and stipulated solutions.

## Influence, risk and opportunity management

Taking safe production as the core value of the enterprise, the Company implements it in various respects and links of production operation, and actively promotes the long-acting mechanism construction of safe production.

The Company strictly executes stipulations of relevant national laws and regulations, timely and faithfully reports the safe production accidents, surveys and treats the accidents in principal of "four holding-on", with lessons learned from accidents to prevent repeated accidents. And meanwhile, it performs the concept of caring for employees, strictly implements requirements such as occupational injury and safety liability insurance, and actively carries out training on occupational injury knowledge, publicizes and implements occupational injury treatment and other relevant knowledge, providing occupational injury identification, authentication and other business consultation for employees to guarantee the rights and interests of employees.

### Preventing security incidents.

### Defining safety responsibilities

Combining with its own actuality, the Company established relatively complete staff safe production responsibility system, including "Responsibility System Measures", "Letter of Responsibilities", "List of Responsibilities", "One card for One Person", with responsibilities passing on level by level in "six responsibility meshing matrix". Ensure safe production investment, safety training, basic management and emergency rescue in place.

### Guaranteeing occupational health

Adhering to the concept of "great health and well-being", the Company fully implements promoting occupational disease prevention and control and labor protection and supervision, training on occupational disease prevention and other precautionary measures, constantly improves the occupational Health Management level and guarantees the power of staff. The Company strictly controls occupational hazards, regularly carries out occupational health hazard factor monitoring at workplace, and regular physical examination for personnel exposed to hazard factors of occupational disease, and establishes occupational health archives. The Company constantly improves the occupational health management system, and obtains ISO 45001 certification. In 2024, the Company has not experienced any occupational disease incidents, group food safety incidents, or infectious disease incidents throughout the year.

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

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



**Case** Organizing the safety emergency competition



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

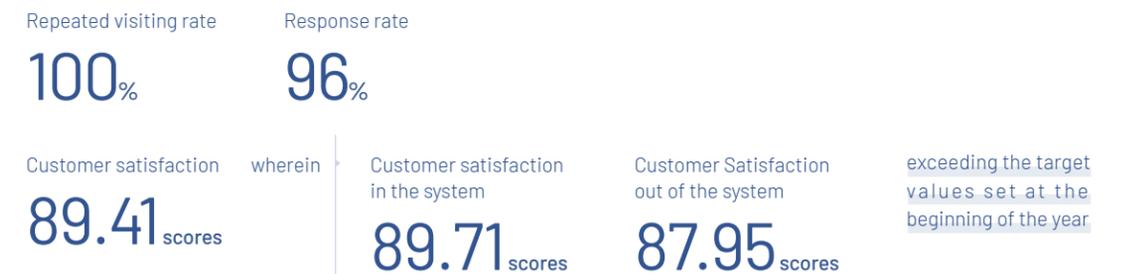
## SERVICES GUARANTEES QUALITY

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

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

During the reporting period

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



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



# 科普海洋知识 传播海油文化

海洋石油工程（青岛）有限公司数字化中心



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

59 / Practicing People-oriented Philosophy

63 / Collaborating with Partners for Mutual Success

64 / Bearing Social Responsibilities

64 / Promote Regional Development

# PRACTICING PEOPLE-ORIENTED PHILOSOPHY

## Equal employment

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

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

### In the respect of recruitment management



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

### In the respect of employment management



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

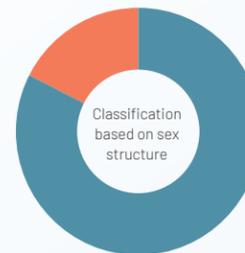
The labor contract signing rate of the Company  
**100%**

### In the respect of equal opportunity



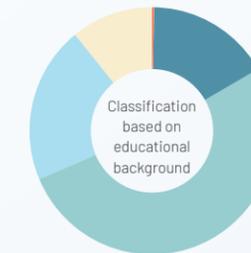
Adhering to principle of diversification and anti-discrimination, the Company treats employees with different nationalities, countries, religions, sexes, marriage status and special legal protection equally, provides equal opportunities for employees in links such as recruitment, employment, remuneration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

Total of employees within  
**9,824** persons



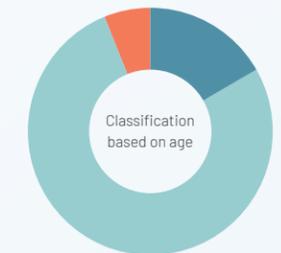
Male 8,123 persons  
Female 1,701 persons

Employees from national minority  
**341** persons



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

Disabled employees  
**30** persons



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

## Remuneration and benefits

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

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

## Democratic management

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



## Occupational promotion

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

## Broad development platform

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

## Employee training

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

Total training participants

**9,824** sessions

Employee training coverage

**100%**

Annual training sessions

**12,135** sessions

Annual training expenditures

**33,938,300** RMB

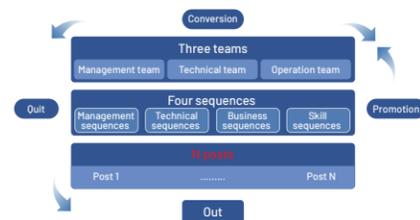
Annual total training duration

**2,141,931** hours



### CASE The Employee Team Management Measures is released officially

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



### CASE Holding the occupational skill competition of ship sailors and motormen

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



### CASE Excellent Performance in the 2024 national industrial vocational skills competition



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

## Caring for employees

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



## COLLABORATING WITH PARTNERS FOR MUTUAL SUCCESS

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

### Supplier management

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

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



### Equally treat small and medium-size enterprises

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

### Payment of taxes and expenses

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

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

## BEARING SOCIAL RESPONSIBILITIES

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

<b>Rural revitalization</b>	From 2021 to 2024, it invested <b>RMB 4.5 million</b> in assisting two villages in Baodi District, Tianjin City, and <b>RMB 1.5 million</b> in 2024. The cadres in villages promoted the development of the two villages, such as hardening roads, paving bricks to form a square. In 2024, the collective operational revenues of the two villages reached <b>RMB 200 thousand</b> , the growth of per capita disposable income exceeded the average level of Tianjin, and the villages were rated at star levels.
<b>Pairing assistance in Tibet</b>	The Company donated <b>RMB 150,000</b> to improve the children education resources in Nima County, organized to donate computers, and carried out consumption assistance of <b>RMB 285,000</b> and employment assistance recruitment for <b>9 persons</b> , receiving appreciation from the local educational department.
<b>Public benefit charity</b>	The Company donated <b>RMB 150,000</b> for upgrade, transformation and rewarding teachers and students. The Youth League Committee organized pairing assistance, carried out League Day events. The lessons delivered by the volunteers enriched the experience of students. The per capita consumption assistance amount of the members of the labor union is increased to <b>RMB 600/person</b> , the Company spent <b>RMB 300 thousand</b> in the purchase of conference water from Tibet, connected the material donation channel in Tibetan areas, assisted in Hope Primary Schools for a long term, and carried out mountain and sea area coordination, volunteer service, volunteer blood donation and other activities.
<b>Volunteer service</b>	The Company insists on paying back the society, implements village environmental engineering, and builds "green corridor". It focuses on education poverty alleviation, continuously assists in and condole children in demand, to promote their health growth. It extensively carries out Volunteer Services learning from Lei Feng, public benefit activities such as volunteer tree planting, National Oceans Day, and organizes vehicle transport safe knowledge popularization public benefit activity, to build social civilization new trend.



## PROMOTE REGIONAL DEVELOPMENT

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

<b>Synergetic development in Beijing-Tianjin-Hebei Region</b> The Company integrates the synergetic development strategy in Beijing-Tianjin-Hebei Region, resulting in outstanding operation performance. It spares no effort to guarantee the launching of Bohai Oilfield, and promotes the business transformation of clean energy, for example, Tianjin LNG, Tangshan LNG projects were put into operation. It increases the investment in key industries, upgrades Tianjin Lingang Intelligent Manufacture Base, and improves the capacity. It actively drives the industrial alliance construction, sticks to scientific and technological innovation, and deepens the integration of industries and universities, driving the regional development.	<b>Construction in Guangdong-Hong Kong-Macao Greater Bay Area</b> Realize operational revenue increase in the Greater Bay Area, guarantee the regional energy supply, and promote many projects delivery and construction. Strive to explore the overseas market, enhance the permeation of new energy industry, and create good international reputation. Promote the progress of enterprise "scientific reform", establish supporting policy, approve and initiate the project, and realize domestication of some devices. Increase investment in key equipment, complete upgrade and transformation of devices, and support the increase of industrial chain.	<b>Integrated development in the Yangtze River Delta</b> Lead the work in Yangtze River Delta with EPC, undertake many design projects and promote the cost decrease and benefit increase of subsea pipelines. Actively follow up LNG projects under construction, which service was highly praised by owners, and constantly follow up many potential LNG projects.	<b>The eastern regions develop first</b> Enrich the category of engineering projects undertaken, complete several major projects delivery at home and abroad, and realize key technical breakthrough. Constantly increase upgrade and transformation investment, improve production and manufacture capacity, and guarantee development in eastern regions.
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# CONCLUDING REMARKS

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

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

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

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

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

## APPENDIX | KEY PERFORMANCE INDICATORS

### Environment scope

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024
Resource consumption	Water resource	Total water consumption	10,000 tons	168.38
		Fresh water usage	10,000 tons	168.38
		Diesel consumption	tons of standard coal	151,164.70
		Natural consumption	tons of standard coal	2,790.69
		Other fossil energy consumption	tons of standard coal	10,040.30
		Outsourced electricity	tons of standard coal	17,546.45
		Outsourced heating power	tons of standard coal	1,006.37
		Fossil energy consumption	tons of standard coal	163,995.69
		Non-fossil energy consumption	tons of standard coal	1,402.42
		Outsourced energy consumption	tons of standard coal	18,552.83
		Total energy consumption	tons of standard coal	182,640.43
		Comprehensive energy consumption per RMB 10,000 production value (comparable)	tons of standard coal /RMB 10,000	0.0635
		Clean energy consumption	tons of standard coal	4,193.11
		Renewable energy consumption	tons of standard coal	1,402.42
		Non-fossil energy consumption percentage	%	0.77
The Pollution Prevention and Control	Wastewater	Wastewater discharge	tons	111,843.50
		Domestic Wastewater discharge	tons	111,843.50
	Solid waste disposal	Total of solid waste disposal	tons	19,324.21
		Generation of General Industrial Solid Waste	tons	54,825.61
		Disposal of General Industrial Solid Waste	tons	16,467.49

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024
The Pollution Prevention and Control	Solid waste disposal	Density of Generated General Industrial Solid Waste	tons/RMB 1 million	1.91
		Comprehensive utilization of General Industrial Solid Waste	tons	38,358.12
		Rate of comprehensive utilization of General Industrial Solid Waste	%	69.96
		Hazardous waste generation	tons	2,856.72
		Hazard waste disposal	tons	2,856.72
Climate change	GHG Emissions	Density of generated hazardous waste	tons/RMB 1 million	0.0993
		Total of GHG Emissions	tons of carbon dioxide equivalence	488,002.84
		Emission in Scope I	tons of carbon dioxide equivalence	371,385.02
		Emission in Scope II	tons of carbon dioxide equivalence	116,617.82
		Reduction of GHG Emissions	tons of carbon dioxide equivalence	10,120.17
Environment management	Environmental protection investment	GHG emission intension (1+2)	tons of carbon dioxide equivalence/RMB 10,000	0.1697
		Total investment in environmental protection	RMB 10,000	4,170.99
		Percentage of total investment in environmental protection to operational income	%	0.14

### Social scope

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024	
Employee	Employee structure	Total of employees	persons	9,824	
		Employees from national minority	persons	341	
		Disabled employees	persons	30	
		Classification based on sex structure:			
		Male	persons	8,123	
		Female	persons	1,701	

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024
Employee	Employee structure	Classification based on educational background		
		Doctor	persons	52
		Master	persons	1,606
		Bachelor	persons	5,095
		Junior college	persons	2,020
		Under junior college	persons	1,051
		Classification based on age:		
		Under 30 years old (inclusive)	persons	1,655
		30 years old - 50 years old (inclusive)	persons	7,548
		Above 50 years old	persons	597
		Classification based on region:		
		Employees from China Mainland	persons	9,807
		Employees from Hong Kong, Macao and Taiwan	persons	0
		Overseas employees	persons	17
		Classification based on major constitution		
		Production personnel	persons	3,050
		Technicians	persons	4,786
		Financial personnel	persons	109
		Administrative staff	persons	1,879
		New comers	persons	325
		Classification based on sex structure		
		Male	persons	261
		Female	persons	63

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024	
Employee	Employee structure	Classification based on recruitment channel	persons		
		Fresh graduates	persons	272	
		Social recruitment	persons	49	
		Others (if any)	persons	3	
		The labor contract signing rate	%	100	
	Remuneration and benefits	Social security payment rate	%	100	
		Occupational injury and occupational disease frequency	persons	2	
	Occupational health safety management of employees	Security training coverage	%	100	
		Investment in safety production liability insurance	RMB 10,000	116.43	
		Coverage of personnel covered by safety production liability insurance	%	100	
		Quantity of accidents of employees at work site	Cases	2	
		Rate of lost working days due to accidents (200 thousand man-hours)	-	0	
		Rate of accidents to be recorded (200 thousand man-hours)	-	0.0039	
		Change in accidents of employees at work site	%	-33.33	
		Number of work-related deaths	persons	0	
		Rate of work-related deaths	%	0	
		Man-hours lost due to work-related injury	hours	0	
		Occurrence rate of occupational diseases	%	0	
		Number of work-related deaths	persons	0	
		Caring and assistance	Investment in the employee assistance	RMB 10,000	207
			Development and training	Annual training sessions	Times
		Annual training expenditures		RMB 10,000	3,393.83
	Annual total training duration	hours		2,141,931	

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024
Employee	Development and training	Total training participants	persons	9,824
		Employee training coverage	%	100
		Percentage of trained male employees	%	100
		Percentage of trained female employees	%	100
		Percentage of trained senior management	%	100
		Percentage of trained medium management	%	100
		Percentage of trained employees at the basic level	%	100
		Average Length of Training per Employee	hours	256
		Average Length of Training per Male Employee	hours	142
		Average Length of Training per female Employee	hours	114
		Average Length of Training per senior manager	hours	261
		Average Length of Training per medium manager	hours	242
		Average Length of Training per employee at the basic level	hours	231
	Labor dispute settlement mechanism	Quantity of labor dispute cases	Cases	1
	Employee turnover	Employee turnover rate	%	1.6
		Classification based on sex structure		
		Male	%	1.6
		Female	%	1.6
		Classification based on age structure		
		Under 30 years old (inclusive)	%	4.2
30 years old - 50 years old (inclusive)		%	1.1	
Above 50 years old		%	0.8	

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024
Employee	Employee turnover	Classification based on region	%	
		Employees from China Mainland	%	1.6
		Employees from Hong Kong, Macao and Taiwan	%	0
		Overseas employees	%	0
Product and service management	Data security	Quantity of network security accidents	Cases	0
	Customer service and rights & interests	Customer satisfaction survey participants	persons	125
	Innovative development	Amount invested in research and development	RMB 10,000	120,228.92
		Percentage of investment in research and development to operational income	%	4.01
		Quantity of research and development personnel	persons	1,878
		Percentage of research and development personnel	%	22.4
	Intellectual property protection	Quantity of applied patents	Piece	386
		Quantity of authorized patents	piece	110
		Effective patent quantity	piece	1,591
		Quantity of patents for invention	piece	19
		Quantity of patents for utility models	piece	91
		Quantity of appearance patents	piece	0
		Quantity of effective patents creating RMB1 million and more operational revenues	piece/RMB 10,000	0.0517
		Quantity of trademark rights	piece	13
		Quantity of copyrights	piece	108
		Quantity of software copyrights creating RMB 1 million operational revenues	piece/RMB 10,000	0.0035
Supply chain security and management	Supplier management	Quantity of suppliers	Enterprises	1,133
		Quantity of suppliers from China Mainland	Enterprises	956
		Quantity of suppliers from Hong Kong, Macao and Taiwan	Enterprises	177

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024
Supply chain security and management	Supplier management	Quantity of suppliers to be investigated	Enterprises	696
		Quantity of suppliers obsoleted due to incompliance	Enterprises	42
		Quantity of potential suppliers denied due to incompliance	Enterprises	30
		Quantity of suppliers with relevant sustainable certificates	Enterprises	497
		Signing situation of integrity agreements	Enterprises	1,133
	Supply chain link management	Quantity of major risks and influence events on the supply chain	Cases	0
Social contribution	Tax management	Amount of payment of taxes and expenses	RMB 10,000	151,909.61
	Public benefit charity	Investment in public benefit charity	RMB 10,000	47.1
		Quantity of volunteers	persons	2,675
		Person-times participating the volunteer activity	Person-times	962
		Total duration of volunteer service	hours	3,946
	Rural revitalization	Investment in rural revitalization	RMB 10,000	178.5
		Number of persons benefiting from the rural revitalization	persons	500
		Number of rural revitalization projects	piece	22

### Corporate governance scope

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024
Governance Strategy and Organizational Structure	Organizational Constitution and Functions	Number of members of the Board of Directors	persons	6
		Percentage of doctors in the Board of Directors	%	33.33
		Percentage of masters in the Board of Directors	%	50.00
		Percentage of bachelor or below in the Board of Directors	%	16.67
		Percentage of male members in the Board of Directors	%	100.00
		Percentage of female members in the Board of Directors	%	0
		Independent director percentage	%	50.00

Level I Indicator	Level II Indicator	Level III Indicator	Unit	2024
Governance Strategy and Organizational Structure	Organizational Constitution and Functions	Independent director percentage	%	50.00
		Number of meetings of the Board of Directors	Times	5
		Average office duration of members of the Board of Directors	Years	2.5
		Percentage of external supervisors	%	33.33
		Number of meetings of the Board of Supervisors	Times	4
		Average office duration of members of the Board of Supervisors	Years	2
		Number of members of the senior management	persons	4
		Percentage of doctors in the senior management	%	25.00
		Percentage of masters in the senior management	%	50.00
		Percentage of bachelor or below in the senior management	%	25.00
		Percentage of male members in the senior management	%	100.00
		Percentage of female members in the senior management	%	0
		Average office duration of members of the senior management	Years	1.75
	Strict internal control	Quantity of major or important internal control defects	piece	0
	Commercial activity	Anti-corruption training duration	hours	42
		Number of participants in anti-corruption	Person-times	3,300
	Investor relation and stockholders' equity management	Number of General Meetings of Shareholders	Number of investment relation events	Times
Number of investor exchange meetings			Times	55
Cumulative number of investors received			Person-times	598
Attendance of directors at the General Meeting of Shareholders		Number of General Meetings of Shareholders	Times	2
		Attendance of directors at the General Meeting of Shareholders	%	58
Investor relation management		Prepared and disclosed regular reports	piece	4
	Disclosed regular report quantity	piece	4	
	Released temporary announcement	piece	33	

## POLLUTANT DISCHARGE INFORMATION

Company Name	Category of key environment supervision units			
	Water environment key pollutant discharging units	Atmospheric environment key pollutant discharging units	Soil contamination key supervision units	Environmental risk key supervision units
Tianjin Intelligent Manufacture Branch	No	No	No	Yes
Offshore Oil Engineering (Qingdao) Co., Ltd.	No	Yes	Yes	No
CNOOC Fulu Heavy Industry Co., Ltd.	No	Yes	No	Yes

	Water pollutant	Air pollutant	Noise
Execution standards	Wastewater quality standards for discharge to municipal sewers (GB/T31962-2015)	Emission standard of volatile organic compounds Part 5: Industrial surface coating (DB37/2801.5-2018), Integrated emission standard of air pollutants (GB16297-1996)	Emission standard for industrial enterprises noise at boundary (GB12348-2008)
Management system	<p>The domestic sewage of CNOOC Fulu Heavy Industry Co., Ltd. is treated through septic tank sedimentation, and then discharged into the local municipal sewage pipeline network through the factory area domestic sewage pipeline network for further treatment at the sewage treatment plant. The canteen sewage is treated in terms of oil and slag removal, and then discharged into the local municipal sewage pipeline network through the factory area domestic sewage pipeline network. Initial rainwater is treated in the oil removal settling basin, and then discharged into the sea through the rainwater pipelines in the factory.</p> <p>After the domestic wastewater generated by Qingdao subsidiary reached Level B standard of the Wastewater quality standards for discharge to municipal sewers (GB/T31962-2015) upon pretreatment by integrated sewage treatment equipment in the factory, it will be discharged to the municipal sewage pipelines to enter the Nibu Bay sewage treatment plant. Sewage online monitoring system was installed in the factory of Qingdao subsidiary, and realized 24-hour networking with local environmental protection agency.</p>	<p>The discharged organized and unorganized waste gas was discharged after reaching the standard upon treatment by treatment device. Processing and polishing dust generated by the cutting, prefabricated production, is discharged in an unorganized manner upon the capture at the movable exhaust inlets and the treatment by the filter drum dust remover. The welding dust generated in the prefabricated production adopts high vacuum welding dust clarification system for capture and filter dust removal. Pretreatment of shot blasting waste gas adopts "whirlwind + filter drum" mode for dust removal, and the waste gas reaching the standard upon treatment is discharged through exhaust funnel 30m tall. Pretreatment of paint spraying and drying solidification waste gas adopts "adsorption and desorption + catalysis combustion" methods for disposal, and discharge the purified waste gas reaching the standard through exhaust funnel 30m tall. At some places in the sand-blast shop, vacuum sand suction dust removal waste gas adopts the "whirlwind + filter drum" dust removal treatment method, and the waste gas reaching the standard upon treatment is discharged through exhaust funnel 20m tall. The sand-blast shop dust removal waste gas adopts the "whirlwind + filter drum" dust removal treatment method, and the waste gas reaching the standard upon treatment is discharged through exhaust funnel 30m tall. Carry out the adsorption and purification treatment for the paint spraying and solidification waste gas generated in the paint spraying plants through "adsorption and desorption + catalysis combustion", "zeolite runner + regenerative catalytic combustion (RTO)", and discharge the purified waste gas through exhaust funnel 30m tall.</p> <p>As for the welding fume and polishing dust generated during the production of Qingdao subsidiary, adopt flue gas capture and storage arm movable welding purification units and self-circulation filter drum filter dust-extraction units to carry out dust removal by filtration. The metallic oxide dust generated from shot blasting adopts "whirlwind + filter drum" mode for dust removal at Level II, and the dust reaching the standard upon treatment is discharged through exhaust funnel 25m tall. Carry out the adsorption and purification treatment for the paint fog dust generated from paint spraying through zeolite runner absorption device, and carry out regenerative catalytic combustion (RTO) for organic waste gas. The purified waste gas will be discharged through exhaust funnel 25m tall. VOCs online monitoring system was installed in the factory of Qingdao subsidiary, and realized 24-hour networking with local environmental protection agency.</p>	<p>Purchase and use low-noise equipment, to carry out noise reduction after the noise reduction from noise source at noisy places, use of walls and windows absorbing noises for noise reduction, and the test in factory.</p>

	Water pollutant	Air pollutant	Noise
Emission category	The sewage pipe network at the site is connected to the municipal sewage pipe network	Organized emission + unorganized emission	Unorganized emission
Test indicator	COD, NH3-N, BOD5, PH	Benzene, methylbenzene, xylene, VOCs	Equivalent sound level
Test frequency	Once/quarter + online monitoring	Once/quarter + online monitoring	Once/quarter
The Prevention and Control Measures of Pollution	Integrated sewage treatment equipment	Organic waste gas governance facilities	Basic vibration attenuation + factory sound insulation
Treatment technology/treatment method	Comprehensive adjustment + anoxia MBBR sediment	Zeolite runner + RCO	Vibration and noise reduction technology
Operation situation	Normal operation	Normal operation	Normal operation

## INDICATOR REFERENCE

### SSC Guidelines Benchmarking

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

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

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

## WORD SUBSTITUTION

Unless the context herein indicates otherwise, the following words in the report have the following meanings:

Definitions of common phrases		
CSRC	refers to	China Securities Regulatory Commission
SASAC	refers to	State-owned Assets Supervision and Administration
SSC	refers to	Shanghai Stock Exchange
Guidelines	refers to	Guidelines 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)
CNOOC	refers to	China National Offshore Oil Corporation
Qingdao Company	refers to	Offshore Oil Engineering (Qingdao) Co., Ltd., a wholly-owned subsidiary of Offshore Oil Engineering Co., Ltd.
Zhuhai Company	refers to	Offshore Oil Engineering (Zhuhai) Co., Ltd., a wholly-owned subsidiary of Offshore Oil Engineering Co., Ltd.
CNOOC Fulu	refers to	CNOOC Fulu Heavy Industry Co., Ltd., a subsidiary controlled by Offshore Oil Engineering Co., Ltd.
Lingang Base	refers to	The intelligent manufacture base under Tianjin Intelligent Manufacture Branch
LNG	refers to	Liquefied Natural Gas

## FEEDBACK FORM

Dear stakeholders,

Greetings! Thank you for taking your time to read our 2024 Environmental, Social and Governance Report. In order to constantly improve our report preparation, and our capacity and level to bear responsibilities, we earnestly hope to receive your valuable opinions and suggestions on this report, helping us make progress continuously.

Address: No. 199, Haibin 15th Road, Tianjin Port Free Trade Zone  
Email: tijing@cooec.com.cn

1.As for COOEC, what type of stakeholders do you belong to?

- Stockholders and Investors   
  Customers   
  Employees   
  Government and Regulatory Authorities  
 Suppliers and Partners   
  Communities   
  The Public and Media   
  Others

2.Your overall comment on this report:

- Excellent   
  Good   
  Average   
  Bad   
  Terrible

3.What do you think of the structural arrangement of this report:

- Very reasonable   
  Reasonable   
  Average   
  Poor   
  Very poor

4.What do you think of the format design of this report:

- Very reasonable   
  Reasonable   
  Average   
  Poor   
  Very poor

5.What do you think of the readability of this report:

- Very reasonable   
  Reasonable   
  Average   
  Poor   
  Very poor

6.Do you think this report can reflect the significant impact of the Company on the economy, society and environment:

- Yes   
  Average   
  Unknown

7.Do you think the information, data and indicators disclosed in this report are clear, accurate and complete:

- High   
  Relatively high   
  Average   
  Relatively low   
  Low

8.What do you think of the performance of the Company in terms of customer services and stakeholders protection?

- Good   
  Average   
  Poor   
  Unknown

9.Do you have any other precious opinions or suggestions for COOEC's report preparation and fulfillment of corporate responsibility:

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## ASSURANCE STATEMENT CN25/00001477

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

#### NATURE OF THE ASSURANCE/VERIFICATION

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

#### INTENDED USERS OF THIS ASSURANCE STATEMENT

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

#### RESPONSIBILITIES

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

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

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

#### ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

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

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

Assurance Standard Options	Level of Assurance
AA1000AS v3 Type 1	Moderate

#### SCOPE OF ASSURANCE AND REPORTING CRITERIA

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

#### ASSURANCE METHODOLOGY

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

#### LIMITATIONS AND MITIGATION

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



#### STATEMENT OF INDEPENDENCE AND COMPETENCE

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

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

#### FINDINGS AND CONCLUSIONS

##### ASSURANCE/VERIFICATION OPINION

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

##### INCLUSIVITY

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

##### MATERIALITY

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

##### RESPONSIVENESS

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

##### IMPACT

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

#### FINDINGS AND RECOMMENDATIONS

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

Signed:

For and on behalf of SGS-CSTC

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

Mar. 12<sup>th</sup>, 2025  
WWW.SGS.COM



## DISCLAIMER

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

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

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