



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

Environmental, Social and Governance Report

For the Year of 2015





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Foreword

CITIC Resources Holdings Limited (the “**Company**” or “**CITIC Resources**”), its subsidiaries and joint venture (collectively, the “**Group**”) is pleased to present its Environmental, Social and Governance Report for the year of 2015 (the “**Report**”). In the course of managing a diversified business portfolio with business activities in energy, metals and the import and export of commodities sectors, the Group persistently endeavours to operate its business in a sustainable manner. The Report hence serves as an important tool to communicate to all stakeholders the Group’s efforts to promote sustainability developments, and to demonstrate its ongoing commitment to enhance its economic, social and environmental performance.

This Report primarily presents the Group’s key initiatives and activities implemented from 1 January 2015 to 31 December 2015, and is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Guide**”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. In December 2015, a new version of

ESG Guide was published, applicable to financial years commencing on or after 1 January 2016. Taking a step forward, the Group has prepared the Report after referring to both original and new versions of the ESG Guide, which were published in 2012 and 2015 respectively. For more information on the governance section, please refer to the Group’s Annual Report for the Year 2015.

The scope of the Report covers CITIC Resources, its subsidiaries and joint venture over which CITIC Resources currently possesses either a majority or joint control on their operating policies. The companies included in the Report are as follows:

- CITIC Resources, the head office of the Group in Hong Kong;
- 中信石油技術開發（北京）有限公司(CITIC Petroleum Technology Development (Beijing) Limited) (“**CITIC Petroleum**”), an indirect wholly-owned subsidiary of the Company, engaging in oil technology developments in Beijing, China;

- CITIC Oil & Gas Holdings Limited, an indirect wholly-owned subsidiary of the Company, owning 50% voting shares of JSC Karazhanbasmunai (“**KBM**”) which engages in the development, production and sale of oil and holds the right to explore, develop, produce and sell oil from the Karazhanbas Oil and Gas Field in Mangistau Oblast, Kazakhstan (“**the Karazhanbas oilfield**”) until 2035;
- CITIC Seram Energy Limited (“**CITIC Seram**”), an indirect wholly-owned subsidiary of the Company, owning a 51% participating interest in the production sharing contract which grants the right to explore, develop and produce petroleum from the Seram Island Seram Non-Bula Block, Indonesia until 2019;
- CITIC Haiyue Energy Limited, an indirect wholly-owned subsidiary of the Company, owning a 90% interest in Tincy Group Energy Resources Limited (“**Tincy Group**”) which holds

the right to explore, develop and produce petroleum from the Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, China until 2034. Tincy Group is currently operating the Yuedong oilfield (the “**Yuedong oilfield**”), the principal field within the Hainan-Yuedong Block, jointly with China National Petroleum Corporation; and

- CITIC Australia Trading Pty Limited (“**CATL**”), an indirect wholly-owned subsidiary of the Company, which engages in the import and export of bulk commodities in Australia.

The Group may in future examine and extend the scope of the Report to cover its joint operations, associate and financial asset as appropriate.

The disclosures correspond to the indicators specified in the two versions of the ESG Guide published in 2012 and 2015, and are summarized in the following table for quick reference.

Chapter	Corresponding Aspect (per the original ESG Guide published in 2012)	Corresponding Aspect (per the new ESG Guide published in 2015)
Protecting the Environment	B. Environmental Protection: B1 Emissions B2 Use of resources B3 The environment and natural resources	A. Environmental: A1 Emissions A2 Use of resources A3 The environment and natural resources
Caring for Staff	A. Workplace Quality: A1 Working conditions A2 Health and safety A3 Development and training A4 Labour standards	B. Social: ➤ Employment and Labour Practices: B1 Employment B2 Health and safety B3 Development and training B4 Labour standards
Responsible Operating Practices	C. Operating Practices: C1 Supply chain management C2 Product responsibility C3 Anti-corruption	B. Social: ➤ Operating Practices: B5 Supply chain management B6 Product responsibility B7 Anti-corruption
Investments in the Community	D. Community Involvement: D1 Community investment	B. Social: ➤ Community: B8 Community investment



1 Protecting the Environment

The Group attaches importance to balancing the needs of business developments and environmental protection, and endeavours to make continuous improvements by a number of means. Protecting the natural environment and resources is not only a corporate-wide commitment, but also a shared value embedded in the Group's day-to-day operations.

Throughout its operations, the Group strives to assure full compliance with local environmental laws and regulations. In order to control emissions, minimise waste generation and reduce resources consumption, the Group conducts environmental impact assessments, formulates environmental

policies and guidelines, and implements a range of green measures. To support these initiatives, the Group has introduced energy-efficient equipment, streamlined operation processes, improved waste management procedures and maintained relevant records to enhance the utilisation of resources.

As an effort to monitor and control production safety and environmental risks, in 2015, the Group has introduced a staff performance appraisal scheme which includes health, safety and environmental (HSE) performance as one of the indicators evaluating the management's performance of its oilfields.



The Yuedong oilfield

The Yuedong oilfield has established comprehensive procedures and instructions to standardise environmental practices under its HSE systems, placing a significant emphasis on preventing environmental pollution and controlling energy consumption. Procedures for handling emergencies that involve production safety, natural disasters and public health have also been developed in the past few years. Prior to the commencement of pilot production, the Yuedong oilfield conducted an environmental impact assessment and approval of which was obtained from the Chinese government in the second quarter of 2010. It is expected that an environment consultant is to be commissioned to re-evaluate the environmental impact every five years during the operating period. In addition, emissions from the boilers of the onshore central processing plant have also been assessed by regional authorities and the assessment results have passed local environmental requirements.

In accordance with the environmental regulations in Indonesia, CITIC Seram regularly measures and reports data related to air emissions. Every six months, CITIC Seram assesses the air quality at the locations of near exhaust fans, flare stacks, workplaces and the surrounding community areas. It also evaluates, on a semi-annual basis, the impacts of its operations on the environment, whereby air emissions, water quality, ground discharge and

socio-economic influence to nearby villages are monitored. With various environmental initiatives in place, CITIC Seram received the Environmental Award (PROPER BLUE) from the Government of Indonesia during the reporting year, meaning CITIC Seram has complied with all major environmental regulations in Indonesia.

To monitor its compliance status, the Karazhanbas oilfield has, on an annual basis, implemented the state-authority-approved Programme of Production Environmental Control (PPEC), assessing the impacts of its production processes on the environment (e.g. water, air, soil, flora and fauna) with the assistance of an accredited laboratory. Company policies and guidelines have also been developed, with the aim of reserving resources such as electricity, gas, fuel and water. In addition to obtaining regulatory permits by type and by volume of oil production, the Karazhanbas oilfield actively measures major types of emissions and strictly controls the total amount of emissions.

Environmental protection shapes activities and operations at the Group's oilfields. Suitable techniques have been employed to promote clean production and alleviate as far as possible the impact of the Group's operations on the environment. Some of the major environmental initiatives implemented at the Group's oilfields are highlighted as below.

Case 1: Prevention of Pollution and Hazardous Emissions

CITIC Seram observes relevant laws and regulations and manages its wastewater and airborne emissions in a responsible manner. Using a comprehensive environmental monitoring system supplemented by third-party testing services, CITIC Seram performs periodic reviews and results of which are reported to local authorities. To reduce wastewater to surrounding areas, a new programme to close the non-production wells with high water content was successfully launched by the end of 2015.

The Hydrogen Sulfide (H_2S) measurement devices are important to help detect and alarm any leakage of hazardous gas during drilling operations. These devices used to be operated and maintained by sub-contractors in the past. In order to strengthen the control on hazardous gas emissions, in 2015, CITIC Seram has started to install its own measurement devices across all operational sites and manages these devices by internal technicians.



H_2S control unit and measurement devices

Case 2: Protection of the Marine Environment

The Yuedong oilfield strives to minimise its environmental impacts throughout its operations. It has engaged the National Marine (Da Lian) Environmental Monitoring Centre to carry out an environmental assessment during the operating period and to provide data for identifying room for improvement with regard to environmental management and pollution controls. In observation of the National 13th Five-Year Plan, the Yuedong oilfield has been increasing clean energy application, upgrading production technologies and reducing waste discharge. In order to prevent oil contamination to the surrounding areas, a closed drain tank together with an open drain pit, and a well flushing and sewage discharge system were installed at the oilfield. All wastewater was collected in the closed drain tank and open drain pit first before being transferred with crude oil through underwater pipelines to the land for oil-filtering.



Closed drain tank and pumps on the artificial island



Open drain pit and pumps on the artificial island

In consideration of their high biodegradability and low toxicity characteristics, water-based eco polymer fluids, instead of oil-based fluids, were applied during the drilling process so as to protect the nearby water body, sea sediment and marine biodiversity. The environmentally friendly polymer fluids provide good resistance to contamination, and as a result have a longer life span than traditional fluids. In addition, the Yuedong oilfield, as far as possible, reused the drilling fluids during the oilfield development process to minimise total consumption of drilling fluids. The remaining rock fragments and waste fluids were sent to the land for proper handling by a qualified waste management contractor.



Case 3: Carbon Reduction

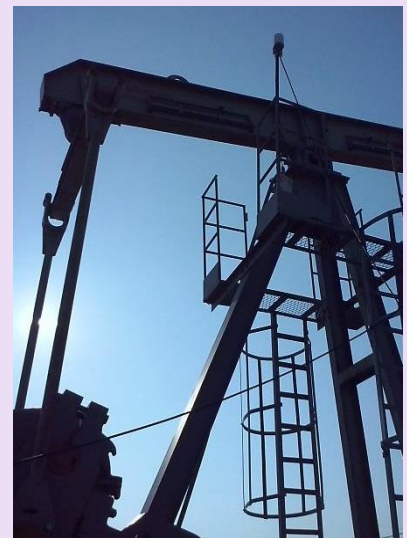
A large amount of the greenhouse gas emissions from CITIC Seram was caused by electricity production. Since 2006, a Fuel Gas Utilisation Programme has been implemented to convert the otherwise-burnt associated natural gas from wells to power up electricity generation equipment such as gas turbines and the re-boiler unit. The programme has not only significantly lowered consumption of fuel, diesel fuel in particular, for the said purpose; it has also considerably reduced excessive gas being burnt at flare stacks. In 2015, a notable amount of associated natural gas from wells was collected for electricity generation at the oilfield.

At the Yuedong oilfield, a number of low carbon measures have been adopted to minimise direct greenhouse gas emissions due to fuel combustion. The installation of new boiler burners helps to increase fuel efficiency and reduce exhaust. The enhanced thermal insulation over the heating pipeline lowered heat dissipation to the surrounding areas, thus saving fuel consumption and associated airborne emissions. Moreover, the oilfield has completely phased out traditional terminal heating boilers, after applying steam as a cleaner energy source for heating crude-oil.

Case 4: Electricity Saving Measures

Since 2011, an improvement initiative has been made at the Yuedong oilfield in which a power compensation device (無功補償裝置) was applied to the 35 kV bus line of a substation. During the reporting year, this power compensation device has further been enhanced, whereby its balance mechanism was redesigned and changed from dual to single mode, leading to greater operating flexibility and an increased power factor from 0.93 to 0.975. Compared to traditional devices, the use of this power compensation device helped minimise electricity consumption and saved over RMB 1.3 million annually on electricity bill.

In addition, frequency conversion technology (變頻節能技術) is widely adopted to enhance electricity efficiency of production equipment such as efflux pumps, pumping units, nitrogen generator and well flushing equipment. The frequency conversion technology helps realise closed-loop controls on the applicable equipment based on real-time parameters such as pressure and fluid flow. In addition to preventing overflow due to excessive pressure or fluid flow and ensuring stability and reliability of drilling, the new technology also allows flexible power supply to equipment depending on different working modes and actual demands, resulting in energy saving. Combining the utilisation of the frequency conversion technology with rotary equipment (旋轉設備), pumping efficiency can be enhanced and it is estimated that the consumption of electricity can be lowered by at least 15%.

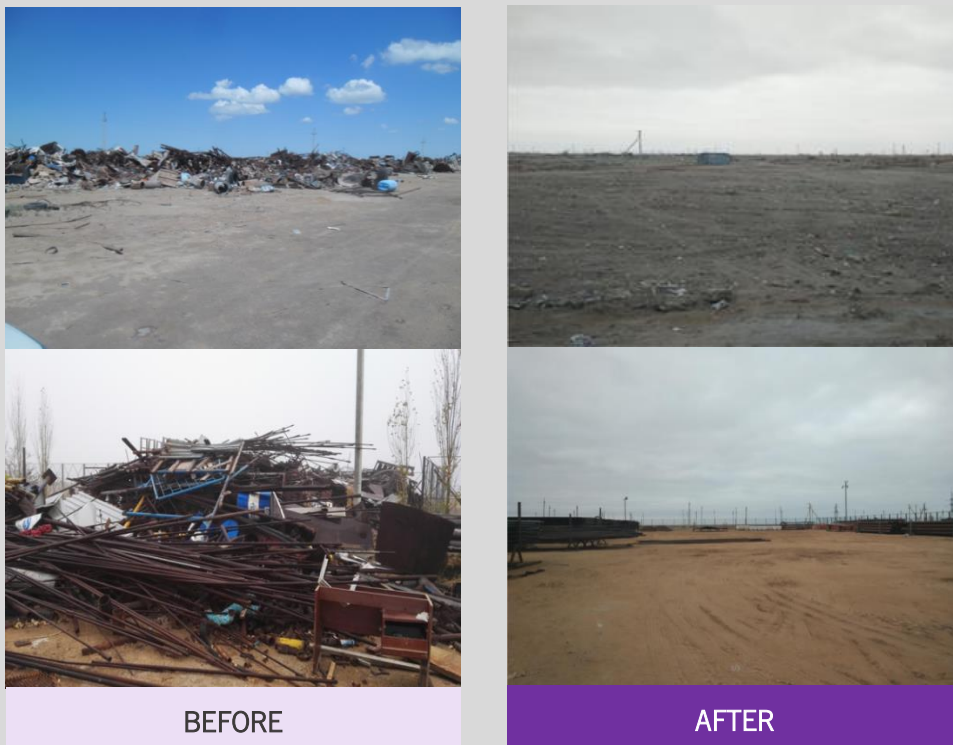


The antenna of a frequency conversion control unit
(變頻控制櫃天線)

Case 5: Waste Management

To tackle the challenges of metallic waste resulting from oilfield equipment replacement and deterioration, the Karazhanbas oilfield set up a special task force in October 2014. Led by the task force, existing metallic waste was grouped under over ten categories for careful sorting, recycling and disposal by contractors. Between November 2014 and December 2015, 980 times of clean-up were arranged and 15,600 tonnes of metallic waste were removed from the oilfield.

CLEANING UP THE OLD METALLIC WASTE STORAGE AREA BEFORE AND AFTER SITE VIEWS



Meanwhile, a new designated area was set up in compliance with local regulatory requirements to provide temporary on-site storage for metallic waste. As of December 2015, more than 2,000 tonnes of such waste were stored in the new designated area.



A new metallic waste storage area designated by the Karazhanbas oilfield in 2015



2 Caring for Staff

Being a multi-cultural organisation with staff working in a number of regions and countries (including Hong Kong, mainland China, Indonesia, Kazakhstan and Australia), the Group regards people as its most important asset. Over the years, the Group has put great efforts to provide a safe and healthy staff environment for its employees. Supported by a well-established training system, the Group provides a variety of opportunities for employees to foster their professional developments in different areas. The Group also offers a comprehensive and competitive package of benefits to attract and retain talents.

2.1 Workplace Health and Safety

The Group realises that Health, Safety and Environment (“HSE”) is a core element of staff welfare and has been placing a strong emphasis on workplace safety. With various HSE measures in

place, the Group obtained a low accident rate during the reporting year.

The Group has been proactively taking steps to better the management of HSE and has made several enhancements over the years. To facilitate centralised planning, in 2015, the Group introduced a corporate-level Safety Committee chaired by the Chief Executive Officer of the Group. The committee comprises representatives from the Company, members from the senior management of the oilfields and their respective production supervisors, providing an internal communication platform for HSE knowledge exchange. Together with the HSE departments already established at individual oilfields, the two-tier safety management system has further strengthened production safety at the workplace.



Emergency drills performed by the Yuedong oilfield

In addition, oilfields have also formulated a systematic HSE approach and safety guidelines to enhance occupational safety relating to exploration and production activities. HSE manuals, procedures and instructions are in place to promote and enhance the culture of workplace health and safety as well as environmental protection. To manage and prevent any potential workplace hazards due to fire or operational spills, working guidelines, warning instructions and training courses are provided for relevant staff to enhance their safety awareness and competence.

The Group has also taken timely actions in response to changing working environment and HSE standards. For instance, as a follow-up action to the safety inspection in 2014, the Yuedong oilfield

devised an action plan in 2015 to strengthen the maintenance of underwater pipelines and cables. The plan has put forward a number of suggestions including regular investigations and inspections on the durability of pipelines and cables. These recommendations helped to ensure proper alignment and usability of pipelines and cables, and to prevent any environmental or safety incidents from occurring due to physical damage.

In order to enhance staff's operational preparedness and readiness to environmental or safety incidents, and reduce the impacts of such cases on the marine environment, the Yuedong oilfield, on an annual basis, organises a comprehensive offshore emergency drill for its managerial and operational staff.

The Group has not only proactively stepped up efforts to enhance workplace safety; it has also kept

a close eye to the safety of its surrounding environment.

Case 1: Navigation Lights Installed to Guard Maritime Safety

The pipelines and cables of the Yuedong oilfield were built near the fish harbour located in Er Jie Gou in Panjin in the Liaoning Province, with busy sea traffic of fishing boats and vessels. In order to protect these facilities and strengthen maritime safety, the Yuedong Oilfield has commissioned Dalian Maritime University to design two navigation lights and installed them in the vicinity of the eastern side of the Gaizhou Beach. The solution was found effective and commended by local maritime authorities.



Navigation lights marked with “underwater pipelines and cables, no navigation during low tides” (海管海纜 低潮禁航)

In addition to workplace safety, the Group has paid significant attention to promoting health consciousness among its staff. Take CITIC Seram as an example, bi-monthly health bulletins have been prepared by the internal medical team and health posters have been posted in common areas to help

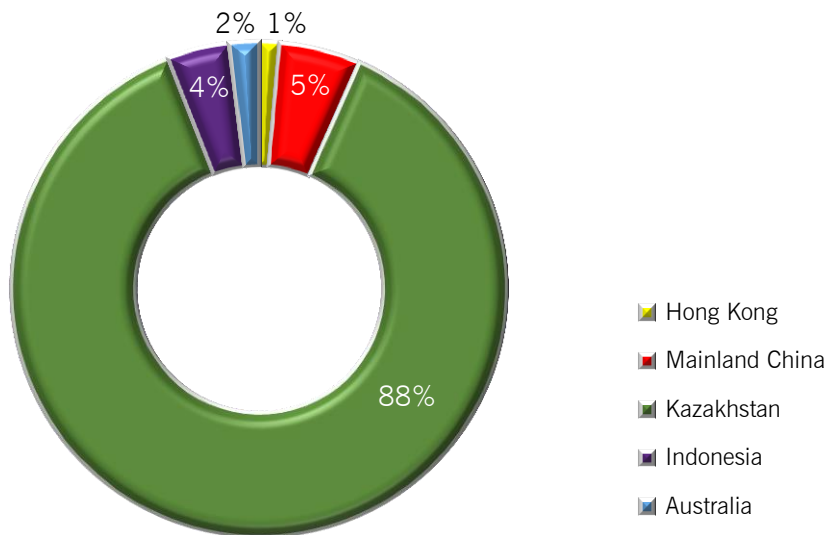
reinforce occupational health awareness. It has also arranged regular occupational health medical examinations, and the results of which are evaluated by the medical team for follow-up and remedial actions.

2.2 People Development and Training

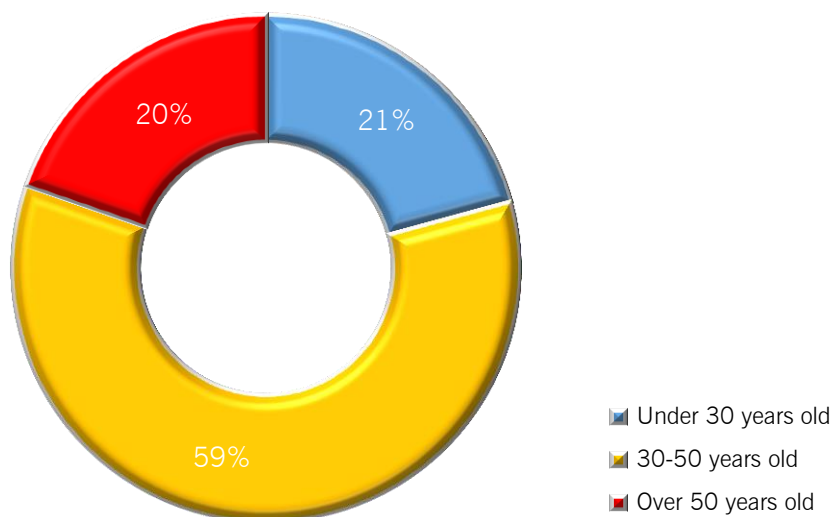
It has always been the Group’s belief that staff is its most valuable asset of and it has been investing considerable amount of resources to promote long-term career and personal development of employees. Over the years, the Group has nurtured a rich pool of professionals and talented individuals,

who constitute a reliable task force to help the Group achieve sustainable developments. As at 31 December 2015, there were more than 2,700 staff members within the Group. The compositions of the total workforce are illustrated as follows:

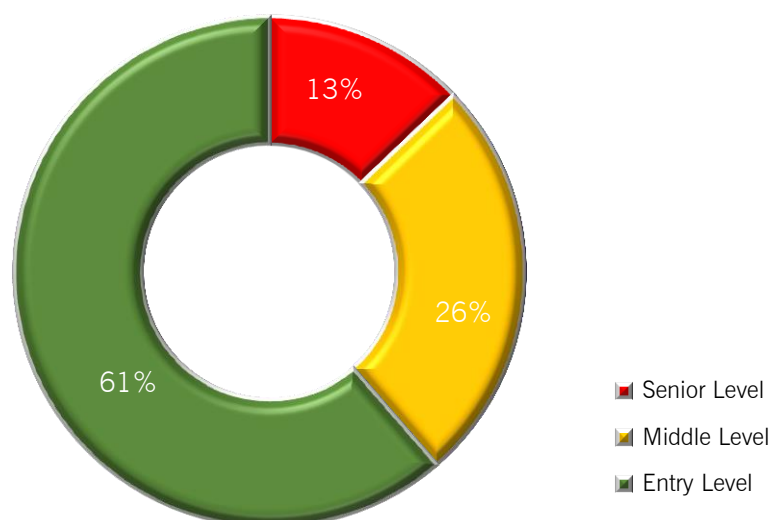
Percentage of workforce by location



Percentage of workforce by age group



Percentage of workforce by employment category



To encourage and support employees to participate in various training opportunities, the Group has organised multifarious staff development programmes in forms of training courses, seminars, vocational skills competition, team building activities, and sports competitions. Through these programmes, employees have developed their skills and knowledge, enhanced professionalism, and cultivated a stronger sense of belonging.

During the reporting year, the Group arranged a wide array of training sessions to develop staff competency and maximise staff potentials via both external and internal channels. For the technical aspects in relation to oilfield operations, various HSE training sessions, such as well operations control and safety management, were arranged. Taking the Yuedong oilfield as an example, the following training activities were organised in 2015:

Types of training	Number of participants
Safety qualification training for major officers-in-charge and safety management staff	16
Training on offshore oil operations safety and rescue	34
Training on well operation control	34
Training on hydrogen sulfide control	34
Training on steam thermal recovery and risk identification	39

For the business knowledge and soft skills aspects, training programmes and seminars on topics such as facility agreement, risk management and accounting information systems and leadership skills were

organised for relevant staff members. Overall, the Group has spent around 89,000 hours on staff training as at 31 December 2015.

Case 2: Vocational Skills Competition at the Karazhanbas Oilfield

The management of the Karazhanbas oilfield has pledged their commitment to develop staff competency by applying a systematic approach through various engagement activities. In 2015, the Karazhanbas oilfield organised a vocational skills competition, which was participated by workers representing 18 different areas of expertise. The competition attracted more than 250 technical experts, among which 30 received accolades to commend their performances. The award ceremony was held on the Oil Workers Day (石油工人節) to recognise and showcase their skills and expertise. In addition to engaging the workers in a proactive way, this competition provided a platform for the exchange of professional knowledge and the creation of a harmonious work environment.



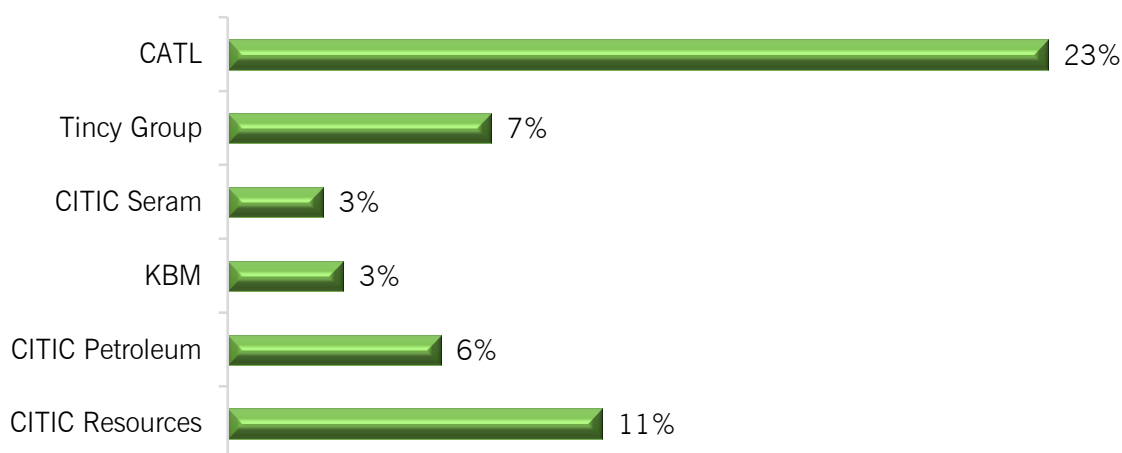
Winners receiving accolades during the Vocational Skills Competition

2.3 Policy and Benefits

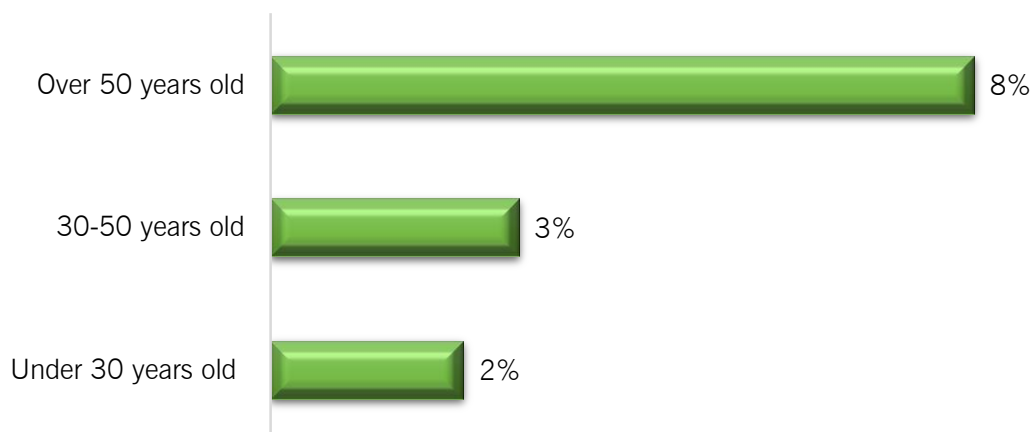
The Group offers comprehensive and competitive remuneration and welfare packages to attract and retain talents. Promotion opportunities and salary adjustments are benchmarked against individual performance. Taking care of employees' needs, various fringe benefits such as annual leave, marriage leave, compassionate leave, maternity leave, paternity leave, jury leave and medical

coverage in accordance with local regulations are provided. With every effort made, the Group has demonstrated its care for employees and beyond, which helped maintain its overall employee turnover rate at a low level of 4%. Figures of the Group's employee turnover rate as at 31 December 2015 are listed as follows:

Employee turnover rate by company



Employee turnover rate by age group



Promoting a healthy and interactive workplace, the Group places a strong emphasis on work-life balance and organises different staff activities to strengthen staff's sense of belonging. Taking the Company as an example, annual dinner, Christmas party and

birthday lunch are arranged for employees. Periodic team-building exercises are also organised at some operational locations for employees to enhance internal communication and team spirit.



3 Responsible Operating Practices

The Group upholds a high standard of business integrity throughout its operations. All staff members are required to observe a set of corporate policies and procedures when conducting business activities. While remaining a trustworthy partner to customers and suppliers, the Group understands the importance of supply chain to its overall sustainability performance. We therefore have engaged their participation through various channels.

3.1 Market Practice

Along with developing staff professionalism and competency, the Group continues to build up its workforce with a high level of business ethics and integrity. All staff members are reminded to avoid any conflict of interests. In particular, a code of conduct has been developed at CATL and staff members are

required to behave and conduct their duties accordingly. Whistle blowing procedures are in place across all business units. The management will follow relevant procedures to handle any suspected unethical behaviors reported by internal and external parties.

Corruption, bribery or fraud in any form is strictly prohibited. During the reporting year, no incidents of corruption were identified.

The Group has operations across different geographical regions and in the course of conducting business, it has strictly complied with applicable local laws and regulations on sales and credit control, oil production and quality control, information protection and security, as well as trademarks, license, patent and intellectual property.

Regarding the sales and transportation of crude oil, a confidentiality agreement is signed among involved parties to protect confidential data and proprietary information. Disclosure of such information is not permitted unless written consent is obtained from the counter party.

The Group places a strong emphasis on delivering quality products and services to customers. During 2015, no recall cases or complaints were reported. Some examples of quality control measures taken by the Group are shown as below:



Oil Product Quality Assurance

In order to monitor oil quality, a robust quality assurance process has been adopted at the Yuedong oilfield.

As an internal quality control measure, samples are taken for internal tests before engaging third-parties for further quality inspection. Subject to contractual requirements, the China Certification & Inspection Group (中國檢驗認證集團公司; CCIC) and a third-party inspection company are engaged to jointly examine oil quality before delivery. Defect rate is closely monitored against the standard agreed with the buyer and a thorough follow-up investigation, if needed, is conducted to timely rectify and resolve any abnormality without affecting the overall delivery schedule.

Commitment on Quality Trading

Being a responsible trader, CATL is committed to delivering quality products and services to customers. CATL has established a Quality Assurance Programme to minimise product defects at the time of supply. For instance, all tyres imported to Australia must be accredited in advance by international accepted organisations such as the National Highway Traffic Safety Administration of the United States Department of Transportation (DOT) for the accreditation to use DOT Code, or have met other standards acceptable in Australia such as the United Nations Economic Commission for Europe (UNECE) Standards.

CATL also seeks confirmation and details from suppliers for the coverage of insurance for product liability by obtaining copies of testing reports, certificates of Quality Management Systems issued by International Organisation for Standardisation (ISO) or other accredited certification bodies. For example, during the reporting year, a new building material supplier of CATL has provided testing results and quality certificates issued by an independent organisation, showing that its product quality has met the required standard.

3.2 Supply Chain Management

The Group has stringently monitored its operations to avoid any negative impact on the environment and society. Accordingly, the Group has established internal measures to manage its operations, and joined hands with suppliers and contractors to improve its sustainability performance.

The Group has stepped up efforts to ensure that all supply chain management practices are fully complied with local laws and regulations. A systematic supplier management system has been adopted to monitor and review the operations of suppliers and contractors. Depending on the types of services or products to be purchased, reviews are conducted to ensure compliance with local regulations and industrial norms with regard to HSE standards. Following established guidelines,

suppliers and contractors are evaluated carefully during the tendering and quotation process. In addition, the Group tries to maintain close contacts with its suppliers and contractors in order to more effectively monitor their work progress, with business reviews and audits carried out as and when appropriate. For instance, CATL assesses its suppliers through external credit research organisations and close market news monitoring. It also visits its suppliers from time to time to observe their operations.

A database has also been developed to help keep track of suppliers' performance. It serves as an effective tool in monitoring the regulatory compliance status of suppliers and the quality of services or products delivered.



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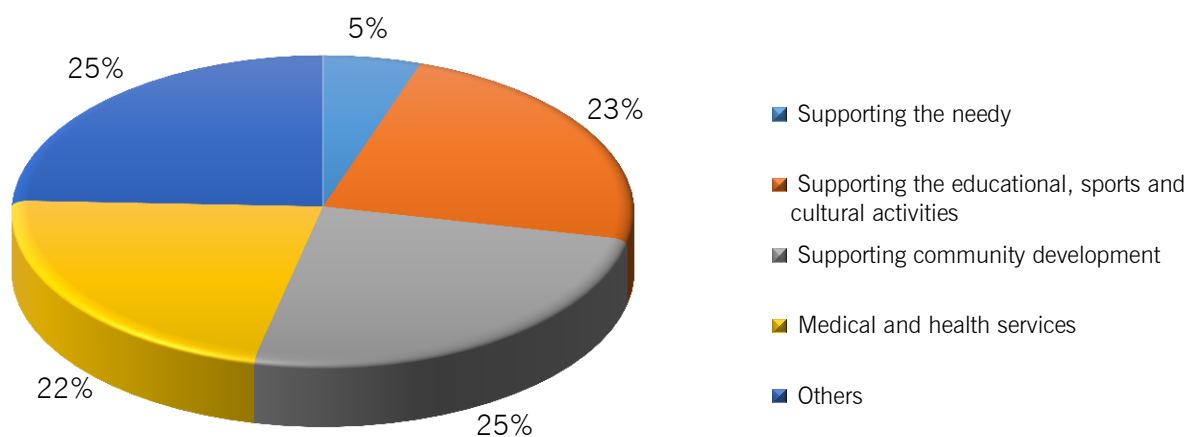
Investments in the Community

As a responsible corporate citizen, the Group has been devoting considerable efforts and resources to community engagement and regional prosperity along with its business developments at its major operational sites. On top of charity donations, a variety of community-associated programmes and activities were held in 2015 to promote two-way communications and harmony in the community, offer care to the disadvantaged, support education

and foster community spirit through a number of cultural and sports activities.

Over the years, the Group has remained socially conscious and actively made a number of direct social investments through various channels. During the reporting period, such contributions accumulated to a sum of over HK\$1.2 million.

Distribution of charity donations by category



4.1 Providing Assistance to the Community and People in Need

CITIC Seram has collaborated closely with the local government for the long-term prosperity of the community. Every year, it formulates a community development programme which is submitted to Special Task Force for Upstream Oil and Gas Business Activities (“**SKK Migas**”), an institution established by the Indonesian government, for approval. In 2015, CITIC Seram, with the approval

from SKK Migas, has implemented a wide range of community engagement and corporate social responsibility activities which have significantly helped foster its media relations, institutional relations and public communications. In addition, during the reporting year, CITIC Seram assisted the local community in recovering from the impact from a natural disaster.

Case 1: Bridge Repaired at a Flood-devastated Area

The Bula Air Bridge, which is situated near the CITIC Seram oilfield, was greatly damaged as a result of a flood in 2014, causing disruptions to transportation and communication in the surrounding areas. In view of the significance of the bridge to the local community, CITIC Seram initiated a bridge-repairing project: not only has it made direct monetary contribution, it has also provided technical expertise and advice. The project served as a new initiative to cooperate with the local government, engage the local community, and improve local transport infrastructure.



The Bula Air Bridge under re-construction



KBM organised an outdoor activity for teenagers

During the reporting year, KBM supported community developments through a number of activities such as:

- Rendering aid to low income families in Munaily District near Aktau
- Participating in the “Road to School” charity campaign to procure study supplies for 13 orphanage disciples and children from low income families
- Contributing to the Mangistau Affiliate of the Republican Anti-criminal Fund
- Donating to the Charter Compliance Actions “Munaishi” Public Fund
- Offering to the Charter Compliance actions of “Union of Judges” Republican Association

Case 2: Supporting socially disadvantaged families and children

Situated near Aktau City in the west of Mangystau region in Kazakhstan, the Munaily District was established by the government in 2007 to host repatriated Kazakh people. To provide care and financial support to low income families of the district, the Kazakhstan oilfield organised a charity donation to 20 households in the Munaily District on the eve of the Nauryz Holiday.

Special care has also been devoted to young children. During the reporting period, KBM participated in the “Road to school” charity campaign, in which a heart-warming gift delivery consisting of schoolbags, colour pencils, paper, glue sticks and other stationeries was arranged for 13 children from low income families and orphanages in Aktau City before the commencement of 2015/16 school year.

4.2 Community Engagement through Social Initiatives

The Group's care for society has also taken forms in supporting social initiatives for educational developments, sports and cultural events, as well as activities promoted by the government or held by non-governmental organisations.

During the reporting period, the Company sponsored the 10th Taiwan-Hong Kong Symposium organised by the Asia Pacific Taiwan Federation of Industry and Commerce, and the grand exhibition cum cocktail reception to commemorate the 70th Anniversary of Victory in War of Resistance against Japan in Hong Kong.

Some of the major social initiatives taken by KBM in 2015 are listed as follows:

- Sponsoring the events in celebration of the 20 years anniversary of the Mangistau Maslikhat, a local elected body in Mangistau
- Supporting the celebration of Nauryz Holiday in the Tupkaragan district
- Supporting the activities to commemorate the 550th anniversary of Kazakh khanate in Astana
- Providing assistance to decorate the choreography room and gym in the Nazarbayev Intellectual School for Biology & Chemistry in Akatau

Case 3: Contributing to youth development

In consideration of the health and well-being of the youth, CITIC Seram collaborated with the regional branch of Indonesian Soccer Association to sponsor two young soccer teams in 2015. A total of 36 students aged from 12 to 15 who come from the Eastern Seram Regency played in the teams. A series of social activities were also co-organised by CITIC Seram in February 2015 to celebrate the 2015 Aquadnc Cup Soccer Tournament, attracting a number of local participants and bringing the community closer.



Young soccer players sponsored by CITIC Seram

Case 4: Public Health Care

CITIC Seram continues to maintain and operate a full-service clinic in Wayhul, offering professional, reliable and high-quality medical diagnoses and treatment services to staff members, their families and other local people. Open for 24 hours a day and seven days a week, the clinic treated more than 800 medical cases in 2015. To commemorate the anniversary of Regency of Seram Bagian Timur in February 2015, the medical staff of the clinic disseminated commonly-used vitamins and medicines to local residents in the Bula Exhibition Area, and provided them with basic medical check-up.



Local patients attended by medical staff of CITIC Seram

