



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

(Incorporated in Bermuda with limited liability)

Stock Code: 1205



Environmental, Social and
Governance (ESG) Report

2024

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Definition

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

“Australia”	refers to	The Commonwealth of Australia
“China”	refers to	The People’s Republic of China
“Hong Kong”	refers to	The Hong Kong Special Administrative Region, the People’s Republic of China
“Indonesia”	refers to	The Republic of Indonesia
“Kazakhstan”	refers to	The Republic of Kazakhstan
“Russia”	refers to	The Russian Federation
“CITIC Resources” or the “Company”	refers to	CITIC Resources Holdings Limited
“CITIC Group”	refers to	CITIC Group Corporation (中國中信集團有限公司)
“CITIC Petroleum” or “Beijing office”	refers to	CITIC Petroleum Technology Development (Beijing) Limited (中信石油技術開發(北京)有限公司)
“CITIC Seram”	refers to	CITIC Seram Energy Limited
“CRA”	refers to	CITIC Resources Australia Pty Ltd
“KBM”	refers to	JSC Karazhanbasmunai
The “Hainan-Yuedong Block”	refers to	The Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, the People’s Republic of China
The “Karazhanbas Oilfield”	refers to	The Karazhanbas Oil and Gas Field in Mangistau Oblast, the Republic of Kazakhstan
The “Seram Block”	refers to	The Seram Island Non-Bula Block, the Republic of Indonesia
The “Yuedong Oilfield”	refers to	The Yuedong oilfield, the principal field within the Hainan-Yuedong Block in the Bohai Bay Basin in Liaoning Province, the People’s Republic of China
“Tincy Group”	refers to	Tincy Group Energy Resources Limited
“The Group” or “We”	refers to	CITIC Resources Holdings Limited and its subsidiaries and joint ventures within the scope of this Report
“The Board”	refers to	The Board of Directors of CITIC Resources Holdings Limited
“SEHK”	refers to	The Stock Exchange of Hong Kong Limited
“HSE”	refers to	Health, Safety and Environment
“ESG”	refers to	Environmental, Social, and Governance

About This Report

The Group is pleased to present its 2024 Environmental, Social and Governance Report (the “**Report**”). This Report highlights the Group’s ESG strategies, performance and progress, including relevant governance frameworks and policies, enabling stakeholders to understand our sustainability approach.

The Board has full responsibility for monitoring and reporting the Company’s ESG-related strategies and has reviewed and approved this Report in March 2025. The information contained in this Report is primarily derived from the Group’s internal documents, relevant reports and public information.

Reporting Period and Scope

This Report covers the period from January 1 to December 31, 2024 (the “**Reporting Period**” or “**2024**” or “**Current Year**”), aiming to comprehensively reflect the Group’s ESG practices and achievements during this period. Unless otherwise specified, the Report content primarily focuses on ESG strategies, policies, actions, and results within the Group’s core business activities. To maintain data continuity and comparability, the Report also includes historical data from previous years and the latest information up to the publication date.

The scope of disclosure in this Report is determined by the Group’s main business operations and its operational control over entities. Therefore, businesses such as aluminum smelting, coal, bauxite mining, and alumina refining are not included in the reporting scope. The reporting scope and disclosure of environmental and social performance indicators remain consistent with previous ESG Reports, specifically including:



- Notes:
- 1. CITIC Canada Energy Limited is an investment holding company with no employees or office premises.
 - 2. CITIC Haiyue Energy Limited is an investment holding company with no employees or office premises.





CITIC Oil & Gas Holdings Limited, an indirect wholly-owned subsidiary of the Company, and JSC KazMunaiGas Exploration Production jointly own, manage, and operate KBM through CITIC Canada Energy Limited. As operational decisions by either the Company or JSC KazMunaiGas Exploration Production require consent from the other party, the Company does not have operational control over KBM. The environmental and social key performance indicators disclosed in this Report do not cover KBM’s scope and only include descriptive content regarding KBM.



Reporting Standards and Principles

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix C2 to the Rules Governing the Listing of Securities on the Main Board of the SEHK. The Report fully complies with the mandatory disclosure requirements and “comply or explain” provisions set out in the ESG Reporting Guide.

This Report has been prepared in accordance with the following principles as stipulated in the ESG Reporting Guide:

	 Materiality	 Quantitative	 Balance	 Consistency
Definition	The issues covered in the Report should reflect the Group’s significant environmental and social impacts, or areas that influence stakeholders’ assessments and decisions.	The Report should disclose key performance indicators in a measurable manner.	The Report is prepared in an objective and unbiased way to reveal the real situation of the Group’s ESG performance on its business operation within the Reporting Period.	The Group should ensure that the methodology for preparing the ESG Report is consistent with previous years, or describe any revised reporting methods, or explain other relevant factors that may affect meaningful comparisons.
Response Measures	Through collecting views from various stakeholders of the Group, we identify key ESG issues, prioritize material issues and disclose them in this Report.	Where appropriate, Key Performance Indicators (KPIs) are disclosed quantitatively and calculated according to the “Appendix 2: Reporting Guidance on Environmental KPIs” and “Appendix 3: Reporting Guidance on Social KPIs” in “How to Prepare an ESG Report” published by SEHK, which serves as a basis for setting future targets.	In addition to reporting the Group’s ESG performance and achievements, this Report also discloses our impacts and challenges in these aspects.	The Group adopts consistent statistical and disclosure methods, including data collection and calculation, to enable meaningful comparison of ESG data in the future. Any changes in reporting scope or statistical methods have been specifically explained in this Report for stakeholders’ reference.

Access to the Report

This Report is available in both Chinese and English versions. Readers and all stakeholders can access this Report at the Group’s official website (<http://resources.citic>) and the website of the SEHK (<http://www.hkexnews.hk>). In case of any discrepancy, the Chinese version shall prevail.

Feedback on this Report

The Group values stakeholders’ opinions and recognizes that their feedback can promote the Group’s sustainable development. We welcome any suggestions, comments, and questions regarding this Report and our sustainability performance. Inquiries about the Company can be sent directly to our Investor Relations team via email (ir@citicresources.com).

Additionally, a reader feedback questionnaire is attached on the last page of this Report. You are welcome to complete it and send it to the email address mentioned above.

About The Group


About CITIC Resources

CITIC Resources is a company incorporated in Bermuda in 1997 and listed on the SEHK. The Company’s business scope encompasses various sectors including crude oil, aluminium smelting, coal, bauxite mining, alumina refining, and import and export of commodities. It actively positions itself as a leading integrated supply chain enterprise providing critical and strategic natural resources. CITIC Group is the Company’s ultimate holding company, while CITIC Limited (a direct wholly-owned subsidiary of CITIC Group, incorporated in Hong Kong and listed on the Main Board of SEHK) is our intermediate holding company, owning 59.50% of our shares.

CITIC Resources’ main business activities encompass:


Oil and Gas Operations

- Oil field exploration, development and operation activities through indirect wholly-owned subsidiaries Tincy Group and CITIC Seram, located in China and Indonesia respectively; and
- Joint venture participation in oil development, production and sales in Kazakhstan.




Non-Oil and Gas Operations

- Import commodities business operated through indirect wholly-owned subsidiaries; and
- Electrolytic aluminum production, coal mining, bauxite mining and alumina refining.



CITIC Resources’ subsidiaries and joint ventures include:

Subsidiaries

Tincy Group	<ul style="list-style-type: none">CITIC Haiyue Energy Limited, an indirect wholly-owned subsidiary of the Company, owns 90% interest in Tincy Group.Tincy Group holds the right to explore, develop and produce petroleum from the Hainan-Yuedong Block (Bohai Bay Basin, Liaoning Province, China). Tincy Group operates the Hainan-Yuedong Block in cooperation with China National Petroleum Corporation, with Yuedong Oilfield being the main oilfield currently.	
CITIC Seram	<ul style="list-style-type: none">CITIC Seram is an indirect wholly-owned subsidiary of the Company, currently holding 41% participating interest in the Production Sharing Contract for the Non-Bula Block in Seram Island, Maluku Province, Indonesia, and serves as the operator of the block.	
CRA	<ul style="list-style-type: none">CRA is a direct wholly-owned office-based subsidiary of the Company, operating the Group’s import and export commodities business. Its subsidiaries engage in the investment of aluminum smelting, coal, alumina refining, and other mining projects and the import and export of commodities in Australia.	
CITIC Petroleum	<ul style="list-style-type: none">CITIC Petroleum is an indirect wholly-owned office-based subsidiary of the Company, engaging in petroleum technology development business in Beijing, China.	

Joint Venture

KBM

- CITIC Oil & Gas Holdings Limited and JSC KazMunaiGas Exploration Production jointly own, manage, and operate KBM through CITIC Canada Energy Limited (a company incorporated under the laws of Alberta, Canada with limited liability and a joint venture of the Company). The Group owns 50% of KBM's voting shares (representing 47.3% of KBM's total issued shares). KBM is engaged in oil development, production, and sales operations.



As a significant player in the natural resources industry, the Group recognizes the critical importance of balancing business development with environmental resource management and fully acknowledges its social responsibilities. As a key member of the natural resources sector, we bear important responsibilities and consider ways to minimize negative environmental impacts in every operational decision we make.

We adhere to the Group's operational management principles while implementing strict environmental protection measures. We promote harmonious development and progress between social economy and environment while meeting society's energy demands. The Group is also committed to participating in community development and public affairs, continuously creating social value and promoting social welfare.

Corporate Honors and Latest Developments

CITIC Group, in collaboration with Sina Group, hosted the 2024 ESG Global Leaders Summit, bringing together UN officials, international organizations, and business representatives to engage in in-depth discussions on sustainable development topics.



Case Study: ESG Global Leaders Conference

CITIC Resources actively participated in the ESG Global Leaders Conference hosted by CITIC Group in Shanghai from October 16-19, jointly establishing an exhibition booth with CITIC Environment to showcase environmental protection projects in Kazakhstan, sharing achievements in promoting green energy and sustainable development, and inviting Alcoa Corporation's Global Strategy Director to attend the forum. These initiatives not only enhanced CITIC Resources' visibility in green industries and financial sectors but also demonstrated its commitment and capability in implementing ESG principles.



CITIC Resources and CITIC Environment jointly set up an exhibition booth showcasing environmental protection projects in Kazakhstan. Former UN Secretary-General Ban Ki-moon visited the exhibition area and gained detailed insights into the Group's project presentations.

Case Study: Winning the "ESG Green Development and Carbon Neutrality Award"

The "ESG Green Development and Carbon Neutrality Award" is evaluated and selected by highly recognized institutions including the Institute of ESG & Benchmarking and the Institute of Financial Technologists of Asia. Award-winning enterprises demonstrate excellence in assessment criteria including management commitment, sustainability strategy, risk management, and corporate social development. This award carries high recognition and credibility.

The organizers established this award to recognize Hong Kong enterprises seizing development opportunities aligned with national and Hong Kong carbon neutrality goals. CITIC Resources' receipt of the "Outstanding Sustainable Enterprise Award – Listed Company (Energy & Resources)" affirms our outstanding contributions in innovative environmental solutions and carbon neutrality strategies in response to China's 3060 "Dual Carbon" goal. CITIC Resources' selection as an industry leader by the judging panel will inspire us to uphold higher standards and continuously explore and promote ESG development solutions in the energy and resources sector with an innovative pioneering stance. This honor not only validates the Group's efforts in sustainable development but also motivates us to strengthen industry cooperation, jointly promote industry green transformation, and make greater contributions to achieving national and Hong Kong carbon neutrality visions.



The "ESG Green Development and Carbon Neutrality Award" is jointly organized by AM730 Media Limited, Institute of ESG & Benchmarking (IESGB), and Institute of Financial Technologists of Asia (IFTA).

ESG Ratings



MSCI (formerly “Morgan Stanley Capital International”) is a US company specializing in equity funds, fixed income funds, hedge funds, stock indices, and portfolio analysis tools for equity investments. MSCI’s ESG research has extensive experience in ESG performance evaluation and model analysis.

MSCI has upgraded CITIC Resources’ ESG rating to BBB, demonstrating our relentless pursuit of ESG management excellence, particularly validating CITIC Resources’ significant progress in labor management, ranking at the highest level among peers in providing a supportive and equitable work environment. This achievement highlights our firm commitment to sustainable development and responsible business practices. We will continue to promote a corporate culture of excellence and integrity.



SynTao Green Finance International Limited is a renowned institution for ESG ratings of Chinese domestic enterprises, systematically benchmarking ESG performance across industries by using international and industry-specific benchmark systems.

SynTao Green Finance conducted a thorough assessment of our ESG performance and highly recognized our excellence in this field with a B+ rating. This rating fully demonstrates our outstanding performance in risk management capabilities and establishes a highly trustworthy corporate reputation among our peers. We take pride in this recognition and will continue to advance sustainable development and responsible business practices, striving for greater progress in all aspects. We commit to ongoing efforts to create more value for relevant stakeholders in the Chinese market.



Wind ESG ratings are used to identify companies with strong ESG practices.

The Wind ESG rating system comprehensively evaluates corporate management practices, risk management, and data transparency. CITIC Resources performed excellently in these criteria, achieving a BB rating, demonstrating our achievements in ESG management. This rating affirms our outstanding performance in the Chinese market and motivates us to continue advancing innovative sustainable development practices, further strengthening our position as an industry pioneer in sustainable development.

ESG Carbon Offset Certificate



Certificates of Certified Emission Reductions (CERs)



The Group reduced all its offices’ carbon emissions through carbon offsetting by purchasing carbon credits from Gold Standard and the United Nations Clean Development Mechanism (UNCDM), responding to China’s 3060 “Dual Carbon” goal while supporting local sustainable development projects. Our selected Gold Standard carbon offset project is part of the Million Tree Project (MTP) implemented by Shanghai Roots & Shoots in Inner Mongolia of China, and the UNCDM carbon offset project is the Hebei ChengAn Biomass Cogeneration Project (Project Number: 3797). For more details, please refer to the “Climate Change” section.



Board Statement



As a pioneer in corporate social responsibility within the industry, CITIC Resources continued to advance its sustainable development goals throughout the year and has established a comprehensive ESG management system with clear responsibility allocation. The Board assumes full responsibility for the Group’s ESG strategy and reporting, ensuring the establishment of appropriate and effective ESG risk management and internal control systems. The Risk Management Committee, as the core team for ESG governance, has responsibilities covering the updating and improvement of ESG policies, assessment and monitoring of related risks. The Committee meets at least once every financial year to ensure systematic management and effective implementation of ESG governance. Through these governance mechanisms, the Board fully integrates ESG principles into corporate strategy and operations, continuously promoting the Group’s sustainable development.

To further optimize the governance system and enhance governance effectiveness, the Group is committed to ensuring CITIC Resources’ robust long-term development in sustainability. The Risk Management Committee has established an ESG Working Group, fully responsible for identifying and assessing ESG risks, developing management policies, plans and targets related to the Group’s business, and effectively advancing ESG initiatives. To ensure effective oversight of ESG matters, according to the “CITIC Resources Holdings Limited ESG Management Measures”, the Group has designated ESG governance (including ESG planning and target setting, implementation and evaluation, ESG-related risk monitoring, and internal auditing of ESG matters) and ESG reporting (covering ESG data and information collection coordination, and ESG Report preparation and disclosure) as regular work of the ESG Working Group, with standardized management. Through these governance mechanisms, the Group will more effectively advance sustainable development work, enhance ESG governance levels, and create greater value for the society and environment.

In 2024, CITIC Resources continued to strengthen its ESG management system and commissioned professional ESG consultants to conduct materiality assessments, comprehensively reviewing the Company’s sustainability priorities and stakeholder opinions while conducting industry benchmarking analysis. Based on the materiality assessment questionnaire results and actual operational management conditions, the Group identified and confirmed 19 material issues, providing detailed responses to high-priority issues.

As an oil and natural gas development operator, the Group understands that **Oil Spill Prevention**² is a critical issue of concern to stakeholders. We continuously follow up and update policies regarding oil extraction, refining, and transportation at our operating locations, adopting operational standards that exceed compliance requirements to prevent environmental and safety risks from potential oil spills.

To promote energy transition, the Group continues to optimize **Energy Use** policies, actively explores new energy and clean energy applications, implements carbon emission offset programs, and actively ensures effective **Air Pollution and Greenhouse Gases Emission Management** to reduce the environmental impact of products and services, fully fulfilling corporate environmental responsibilities.

The Group’s excellence in labor management has received international recognition, achieving outstanding scores in labor management indicators in this year’s MSCI ESG rating. To create a quality workplace environment viewing talent as the core driver of enterprise development and upholding the development concept of “talent prosperity,” the Group has established a comprehensive two-way communication mechanism to ensure effective dialogue between employees and management regarding compensation and working environment issues, ensuring the **Protection of Employees’ Rights**. The Group continue to strengthen safety management systems and emergency response capabilities to ensure **Occupational Health and Safety** in production and operations. To create an excellent work environment, the Group highly values **Employee Training and Development**, assists in career planning, and enhances professional skills. Meanwhile, we practice **Diversity and Equal Opportunities**, adhering to merit-based recruitment and promotion without discrimination based on gender, race, age, cultural or educational background, and strictly prohibiting any form of workplace discrimination.

The Group consistently focuses on three core tasks: “risk mitigation, quality and efficiency improvement, and management optimization,” firmly promoting quality and efficiency improvements, implementing effective refined management measures in production and sales, and actively introducing applicable innovative technologies and processes to build a sustainable technical foundation and cost advantage. The Group highly values **Scientific Research and Technological Innovation**, following global economic trends in technological innovation and digital development. The Group continues to establish strategic

partnerships with academic institutions in operating locations to continuously improve oil and gas extraction technology levels. In the production process, the Group implements strict quality monitoring and inspection analysis of oil products to ensure **Products and Services Quality** meets customer expectations. The Group strictly adheres to relevant laws and regulations, regularly review potential operational risks and improve internal control mechanisms, with special emphasis on **Business Ethics and Anti-corruption** management. We have established a comprehensive **Supply Chain Management** system, strictly following international and domestic regulations to ensure proper **Risk Control and Compliance Operation**. This year, one of the Group’s key strategies is to continue strengthening risk control, actively exploring investment opportunities in the aluminum industry upstream and new energy sectors to cultivate a second growth curve, while the oil and gas trading business steadily advances toward an annual trading volume of tens of millions of barrels. Under the strategy of “dual driver of energy and mineral product investment and commodity trading”, the Group achieves strategic risk diversification and enhanced operational flexibility.

Under multiple challenges in the current development situation and trends in energy transition and green development, CITIC Resources will place greater emphasis on environmental protection, actively face the challenges and opportunities of energy conservation and emission reduction, assume more environmental and social responsibilities, and advance together with employees. The Group will be guided by high-quality development, adhere to scientifically set ESG goals, and bravely climb the peak of sustainable development, not disappointing the expectations of all stakeholders.

The Board expresses sincere gratitude to all shareholders, customers, suppliers, and business partners for their long-term support of CITIC Resources. At the same time, we extend our most sincere thanks to all management and employees for their persistence and efforts in supporting the Group’s sustainable development strategy.

Board of CITIC Resources
March 14, 2025

Notes:
1. Related internal policies are marked with quotation marks in the English version of this Report.
2. Bold content represents some of the high-priority material issues identified during this Reporting Period.



Our Governance

CITIC Resources deeply understands that good corporate governance is key to enhancing operational efficiency, and sound compliance operations are the cornerstone of sustainable corporate development. To this end, the Group actively pursues corporate governance standards beyond regulatory requirements while strictly adhering to the laws, regulations, and relevant regulatory requirements in its operating locations. We have established detailed internal management policies and business codes to ensure legal and compliant operations.

The Group actively adopts policy standards and systematic monitoring measures, implementing comprehensive compliance with laws and regulations from the group to subsidiary levels, ensuring business operation integrity and effective risk management while seizing opportunities. Furthermore, the Group continuously strengthens its core business through implementing diverse and multi-layered corporate governance, thereby enhancing core competitiveness and striving to achieve sustainable development goals.

For detailed information about the Group's corporate governance, please refer to the Corporate Governance Report in the 2024 Annual Report for comprehensive information.

This section addresses the key material topics:

"Risk Control" and "Compliance Operation"

Corporate Governance

Effective corporate governance helps enterprises continuously create value and give back to the Group's stakeholders. To this end, CITIC Resources is committed to complying with all laws and regulations, including the Rules Governing the Listing of Securities on SEHK and related regulatory requirements, to enhance corporate governance standards. The Group not only implements existing management policies but also continuously strengthens its governance framework and related policies consisting of the Board, Remuneration Committee, Nomination Committee, Audit Committee, Risk Management Committee, and Senior Management. These measures help enhance the Group's governance effectiveness and operational standards, ensure decision-making processes adhere to principles of trust and fairness, while maintaining disclosure with high transparency to protect the interests of all shareholders.



- Composed of 7 members: 2 Executive Directors, 1 Non-executive Director, and 4 Independent Non-executive Directors
- Directors' biographies and specific terms of reference and detailed responsibilities of each committee are clearly stated in the Company's 2024 Annual Report and website
- All directors have participated in appropriate continuous professional development training, covering ESG, legal updates, rules and regulations, and directors' duties and responsibilities

Risk Management and Internal Control

The Board assumes full responsibility for maintaining the Group's risk management and internal control systems, and commits to conducting regular annual reviews to ensure effective system operation.

Risk Management

The Group maintains risk management and internal control systems covering all business units to monitor, evaluate, and manage operational risks. The Risk Management Committee has reviewed the Group's risk management policies and regulations to ensure their quality, completeness, and effectiveness, and approved policy revisions under the Board's authorization.

The Group identifies and manages significant risks through regular risk and compliance assessments. This system aims to enhance operational effectiveness and efficiency, protect assets from unauthorized use or disposal, ensure accounting records' appropriateness and financial statements' truthfulness and fairness, and ensure compliance with relevant laws and regulations. The system provides reasonable assurance against significant risks and strives to manage rather than eliminate operational risks.

The Company has mechanisms to identify and maintain confidentiality of inside information, which is formally released through the SEHK's electronic platform. To ensure the market and shareholders are fully and timely informed of significant changes in company business, the Board has adopted an Inside Information Disclosure Policy to standardize information disclosure procedures. When employees become aware of any inside information, they must immediately report to their supervising manager for prompt submission to the Company's Chief Executive Officer and Company Secretary for evaluation and determination of announcement requirements when no viable safe harbor provisions are available. Any release of inside information requires Board approval. Employees are not authorized to disclose inside information or respond to market speculation without authorization.

The risk management and internal control system consists of five levels:

	The Board <ul style="list-style-type: none"> • Responsible for assessing and determining the nature and extent of risks willing to take in achieving the Company's strategic objectives
	The Risk Management Committee <ul style="list-style-type: none"> • Responsible for reviewing the Group's risk management
	The Management <ul style="list-style-type: none"> • Responsible for daily risk management of all departments and subsidiaries of the Company
	The Risk and Compliance Department <ul style="list-style-type: none"> • Responsible for supervising, monitoring, and centralizing the Group's risk management
	Group Member Companies <ul style="list-style-type: none"> • Responsible for executing daily risk management tasks

During the Reporting Period, the Risk Compliance Department used diverse methods to identify risks. Risks were categorized as normal, significant, and critical risks, and managed according to the Group’s risk management system. The Department controlled subsidiary risks through monthly risk management reports and regular risk assessments while monitoring major projects and business operations. The Risk Compliance Department submitted annual review reports and recommendations to the Risk Management Committee and the Board regarding various risks (including strategic investment, health, safety, environment, asset impairment, market, liquidity, and litigation risks).

The Board received confirmation from management regarding the effectiveness of risk management and internal control systems. Based on experience, the Group considers existing risk management and internal control systems effective and appropriate.

Additionally, the Group has purchased the Directors and officers liability insurance for Directors and senior management to protect against potential third-party legal liabilities arising from their duties.

Internal Audit

The Group’s Internal Audit Department evaluates and reviews the adequacy and effectiveness of the Group’s risk management and internal control systems, conducting continuous independent audits of business units and functional departments systematically. Under its charter, the Department has unrestricted access to review any business aspect and can communicate directly with management at all levels, including the Company Chairman and Audit Committee Chairman.

As an independent oversight unit, the Internal Audit Department regularly reviews and evaluates the effectiveness of the Group’s risk management and internal control systems. The Audit Committee reviews the findings and opinions of the Internal Audit Department on the effectiveness of the system, and reports to the Board if any major issues are found.

During the year, the Internal Audit Department developed its audit plan based on the risk assessment methodology. In accordance with the annual internal audit plan approved by the Audit Committee, a detailed audit plan is developed for each audit, on-site audit work is carried out, and discussions are held with the management of the Company and its subsidiaries. Special audits will be conducted at the request of the Board and senior management. Upon completion of the audit, the Department will prepare an internal audit report and report the identified control deficiencies to the Company’s management and subsidiaries and recommend immediate rectification. Management has followed up on the issues raised in the Internal Audit Department’s report in real time and taken appropriate corrective and remedial actions. The internal audit report, including audit findings and follow-up results, was also summarized and communicated to the Audit Committee during the Reporting Period.

ESG Risks

The Group conducts ESG risk identification and assessment following global sustainability trends and industry focus areas. Climate change-related risks have been integrated into the ESG risk management system, incorporating potential climate change impacts into daily operational considerations.

During the Reporting Period, given increasing stakeholder attention to ESG and climate-related risks, CITIC Resources appointed independent consultants to conduct ESG and climate change risk assessments, referencing:

- Global sustainability trends;
- Peer companies’ key risks;
- World Economic Forum Global Risks Report 2024;
- Sustainability Accounting Standards Board (SASB) Standards; and
- MSCI ESG Industry Materiality Map.

Through this year’s assessment, the Group identified “management risks related to ESG matters” as significant ESG risks for the year. Future ESG management strategies will be developed around these findings for proper risk management. The Group continues monitoring other ESG risks to ensure they remain controllable.

Aspect	Governance Risk
Material ESG Risks	Management Risks related to ESG Matters
Risk Trend Analysis and Potential Impacts	Regulatory authorities are implementing increasingly stringent requirements for corporate ESG-related disclosures, with continuous updates to relevant disclosure requirements and regulations. International risk reports indicate growing attention and escalating global regulatory and disclosure requirements driven by “net-zero emissions” targets. Failure to effectively manage and oversee ESG matters could expose the Company to multiple risks.
	SEHK has issued new ESG reporting requirements mandating listed companies to disclose climate change-related information and Scope 3 greenhouse gas emissions (“GHG”) starting from 2025. The updated disclosure requirements necessitate cooperation and input from various stakeholders, including suppliers. Companies must maintain close communication with suppliers and establish and refine data collection processes and requirements to fulfill Scope 3 disclosure obligations. In December 2024, SEHK further published enhancements to the Corporate Governance Code, with multiple optimizations and updates to corporate governance requirements within two years, reflecting regulators’ commitment to elevating corporate sustainability and governance standards.
Risk Response Measures	Inadequate management in these areas, such as workplace safety, may result in direct and indirect property losses, including equipment and facility damage, personnel injuries, administrative penalties, and environmental pollution. In recent years, various banks and financial institutions have implemented ESG performance scoring systems for companies. Insufficient ESG management leading to compromised ESG ratings could adversely impact business operations and management, resulting in reduced cooperation opportunities and lower credit limits. Therefore, the oversight and management of ESG matters are critically important to the Company. Deficiencies in this area could lead to significant information disclosure gaps, negatively affecting the Company’s reputation and image, resulting in regulatory accountability, and diminishing public trust and assessment of the Company.
	<ul style="list-style-type: none">• Conduct comprehensive assessments of significant ESG risks to identify key focus areas and vulnerabilities, implementing corrective measures through increased investment and enhanced management practices;• Strengthen governance and oversight of ESG matters, ensuring timely disclosure of material issues as per regulatory requirements;• Implement regular environmental audits and assessments to promptly identify and rectify issues;• Establish a systematic employee training framework to enhance ESG awareness and develop professional competencies; and• Deploy an environmental management system to systematically address environmental concerns, enhance company’s green credentials, and strengthen long-term competitiveness.

Sustainability Development Management

CITIC Resources recognizes the crucial importance of corporate sustainability in ensuring long-term stable operations and promoting harmonious coexistence between the environment and humanity. Accordingly, the Group actively promotes economic and social development while adhering to the highest ESG standards in its operations. Concurrently, members of the Board engage in ESG-related professional training to stay abreast of the latest ESG developments and context.

The Group has established a comprehensive ESG management framework in accordance with sustainability principles to drive effective implementation of sustainability strategies. The Group's ESG governance structure is detailed in the diagram below:



CITIC Resources has established and implemented the "CITIC Resources Holdings Limited ESG Management Measures" (the "ESG Management Regulation") to strengthen ESG governance and enhance related reporting and information management standards, while effectively managing sustainability risks. These management measures clearly define the governance duties and responsibilities at each level within the management structure, as well as specific processes for ESG reporting and data collection.

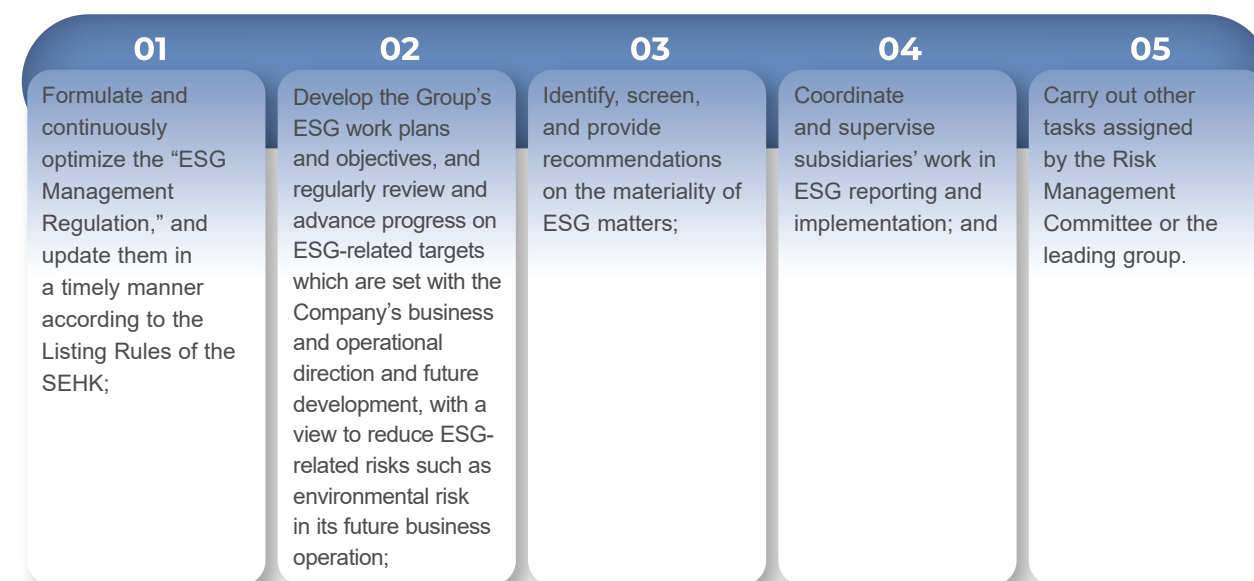
The Board of CITIC Resources, as the highest governance body, maintains comprehensive oversight of the Group's ESG strategy formulation and reporting matters. The Board is responsible for assessing and confirming ESG risks relevant to the Group and must ensure the establishment of appropriate and effective ESG risk management and internal control systems. The Risk Management Committee carries significant responsibilities in ESG governance, with duties encompassing:

- Identifying ESG-related matters that may significantly impact the Group's operations or the interests of other key stakeholders;
- Revising policies governing production safety, environmental protection, social responsibility management, and corporate governance when appropriate;
- Monitoring the Group's performance in health, safety, environmental protection, and community responsibility, including organizational structure, incentive mechanisms, employee training, and corporate governance;
- Reviewing the annual ESG Report and providing recommendations to the Board for consideration;
- Overseeing responsibilities delegated by the Board in areas of health, safety, environment, social responsibility, and corporate governance; and
- Complying with any regulations, guidelines, and standards periodically established by the Board, as well as requirements stipulated in the Group's constitutional documents or laws and regulations.

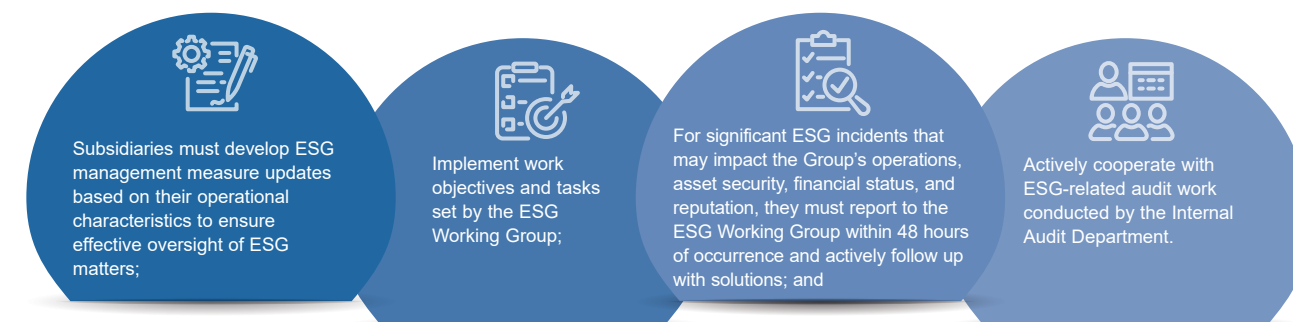
The ESG Working Group serves as the Group's ESG governance executive body, with main responsibilities including identifying and raising major ESG risks faced by the Group, formulating ESG management policies, plans and objectives, coordinating internal and external ESG work, and coordinating ESG reporting and implementation matters of subsidiaries. The ESG Working Group is managed at two levels: the leading group and the execution group.

CITIC Resources' leading group is the core force in ESG governance. The Chief Executive Officer, as the team leader, bears the highest decision-making responsibility for overall ESG governance, coordinating and supervising the advancement of various ESG matters; the Vice President, as deputy leader, is specifically responsible for supervising the detailed planning and comprehensive implementation of ESG governance strategies. Other team members include the Chief Financial Officer, Legal Director, Company Secretary and heads of various subsidiaries, working together to implement ESG policies and ensure the Group's full compliance with relevant SEHK requirements in ESG governance.

The execution group is led by the head of the Investor Relations Department, shouldering the specific operational and implementation responsibilities for ESG matters. Core team members include the head of the Risk Management Department, head of Human Resources and Administration Department, and ESG coordinators from various subsidiaries, who collectively bear the following main responsibilities:



As implementing entities of ESG governance, subsidiaries bear their own ESG governance and reporting responsibilities. Specific responsibilities are as follows:



Additionally, we have appointed Riskory Consultancy Limited as professional consultant to provide consulting services in ESG, carbon neutrality, and sustainability to assist in promoting sustainable development.

For information about the Group's corporate governance structure and other related information, or for a more comprehensive understanding of the Company's corporate governance performance, please refer to the Corporate Governance Report in the Company's 2024 Annual Report.



Our Communication










Regular communication with stakeholders is key to balanced corporate development across different aspects. CITIC Resources highly values the opinions of all stakeholders and regularly collects stakeholder thoughts and feedback through internal and external channels. The Group conducts materiality assessments and stakeholder issue surveys annually to comprehensively identify and understand the issues most important to stakeholders and business operations.

We are committed to actively responding to stakeholders' expectations and suggestions, demonstrating our commitment to sustainable development. To appreciate stakeholders' trust and support, we pledge to continuously implement effective measures to meet their needs and work together towards achieving common sustainable development goals.

Channels of Communication

CITIC Resources is committed to maintaining active communication with stakeholders, deeply understanding their views and expectations to safeguard the Group's stable development and effectively implement sustainability strategies. We continuously engage in dialogue with stakeholders who influence the Group's strategy, including non-governmental organizations, media organizations, and industry associations, to understand various parties' ESG concerns and expectations. Through stakeholder communication and consultation, the Group can more actively contribute to sustainable social development while fulfilling its responsibilities to various sectors of society.

Below are the communication channels, purposes, and expectations of key stakeholders with CITIC Resources' subsidiaries and joint ventures:

Stakeholder Groups	 Customers	 Employees	 Shareholders/Investors	 Government & Regulators		 Suppliers & Contractors	 Business Partners	 Industry Peers	 Potential Investors & Financial Institutions	 Communities & Public
Stakeholder Categories	<ul style="list-style-type: none"> Oil customers Import/export trade customers 	<ul style="list-style-type: none"> All staff 	<ul style="list-style-type: none"> Major shareholders Public investors 	<ul style="list-style-type: none"> Government agencies Industry regulators 		<ul style="list-style-type: none"> Raw material suppliers Equipment suppliers Fleet managers Professional services Catering services Security services 	<ul style="list-style-type: none"> Joint venture companies 	<ul style="list-style-type: none"> Oil and gas companies 	<ul style="list-style-type: none"> Investment institutions 	<ul style="list-style-type: none"> Communities around oilfields
Communication Purpose	To maintain long-term relationships by understanding shared sustainable development values to ensure products and services meet expectations.	Understanding employee concerns on sustainable development issues, especially labor and occupational safety matters.	Explain Group's commitment to long-term financial returns and sustainable development reporting, and address investor sustainability concerns.	Maintain close contact to ensure thorough understanding of relevant policies and regulations.		The suppliers' and contractors' sustainability performance directly impacts the Group's performance. Suppliers are only involved in providing services, materials, and equipment, without participating in direct oilfield operations of the Group. However, suppliers' environmental and social performance affects the Group's operations and reputation, thus the Group must maintain communication with suppliers to ensure their compliant operations. Since contractors face the same health and safety risks as Group employees when working at various operation sites, contractors must accept management, constraints, and protection under the Group's HSE policies and systems to ensure contractor personnel safety and prevent injuries to themselves and Group employees due to improper operations.	The Group is committed to maintaining positive cooperative relationships with all partners, actively engaging in ongoing communication to understand shared sustainable development values and facilitate project implementation and execution.	By maintaining connections with industry peers, the Group can more accurately grasp sustainable development trends and respond quickly.	Since the Group may need to seek external funding during operations, it must ensure compliance with requirements from various asset management companies and investment institutions.	The Group must actively maintain close ties with communities where it operates to ensure its business brings social benefits to these communities. The Group respects local elements such as culture and beliefs in its operating locations and continuously strives to enhance localization value.
Communication Channels	<ul style="list-style-type: none"> Business communication Customer feedback 	<ul style="list-style-type: none"> Employee representative meetings Performance evaluations Meetings Employee satisfaction surveys Suggestion boxes Team building activities 	<ul style="list-style-type: none"> Shareholder meetings Listed company disclosures Site visits 	<ul style="list-style-type: none"> Regular reporting Regulatory meetings Conference participation Annual environmental performance reviews 		<ul style="list-style-type: none"> Business communication Tendering Seminars Forums Qualification & assessment Site visits 	<ul style="list-style-type: none"> Annual meetings Executive visits Special inspections Regular reporting system 	<ul style="list-style-type: none"> Communication with local labor departments Industry forums Exchange visits 	<ul style="list-style-type: none"> Information disclosure Investor presentations Roadshows Analyst briefings 	<ul style="list-style-type: none"> Public welfare activities Stakeholder engagement
Expectations & Demands	<ul style="list-style-type: none"> Improve quality assurance systems Provide quality services and products 	<ul style="list-style-type: none"> Ensure occupational health and safety Improve compensation and benefits Promote professional development Humanitarian care 	<ul style="list-style-type: none"> Protect shareholder rights Improve corporate governance Enhance business performance 	<ul style="list-style-type: none"> Legal compliance Drive local economy Promote employment Safe production operations 		<ul style="list-style-type: none"> Access management Continuous evaluation 	<ul style="list-style-type: none"> Mutually beneficial partnerships 	<ul style="list-style-type: none"> Promote industry development 	<ul style="list-style-type: none"> Timely and accurate information disclosure 	<ul style="list-style-type: none"> Improve community environment Support community welfare

Materiality Assessment

CITIC Resources firmly believes that understanding and appropriately responding to stakeholders' expectations is crucial for achieving robust sustainable development. To more effectively identify and evaluate potential ESG material issues that significantly impact both the Group and its stakeholders, CITIC Resources has specially commissioned a professional independent third-party ESG consulting team to conduct materiality assessments. This helps to gain deep insights into stakeholder concerns and determine the Group's core material issues.

The assessment process takes multiple dimensions into consideration, including:

- Continuous collection of feedback through in-depth stakeholder dialogue mechanisms;
- Integration of the Group's actual business operations characteristics and industry development trends;
- Reference to the SASB Standards and MSCI industry materiality issue classification guidelines;
- Analysis of peer disclosure practices; and
- Close attention to national macro policy directions and capital market dynamics.

Based on this foundation, we regularly optimize and update our materiality issue database and design professional assessment questionnaires. We invite representatives from various departments and key stakeholders to participate in the survey to ensure comprehensive and accurate understanding of all parties' needs.

01 Materiality Issue Database and List

- The potential materiality issue database and list are compiled based on the following criteria:
 - ESG Reporting Guidelines of SEHK;
 - Material ESG issues identified by the SASB Standards;
 - MSCI ESG Industry Materiality Map;
 - Industry peer benchmarking and Group corporate characteristics; and
 - Key focus areas from the Task Force on Climate-related Financial Disclosures (TCFD) framework recommendations.
- The process involves reviewing and refining the existing materiality issue database and confirming the materiality issue list.

02 Internal and External Stakeholder Engagement

- Prepared proposals for engaging internal and external stakeholders through research and analysis; and
- Confirmed stakeholders participating and the format of the questionnaire according to the actual business operation.

04 Materiality Assessment Results and Report

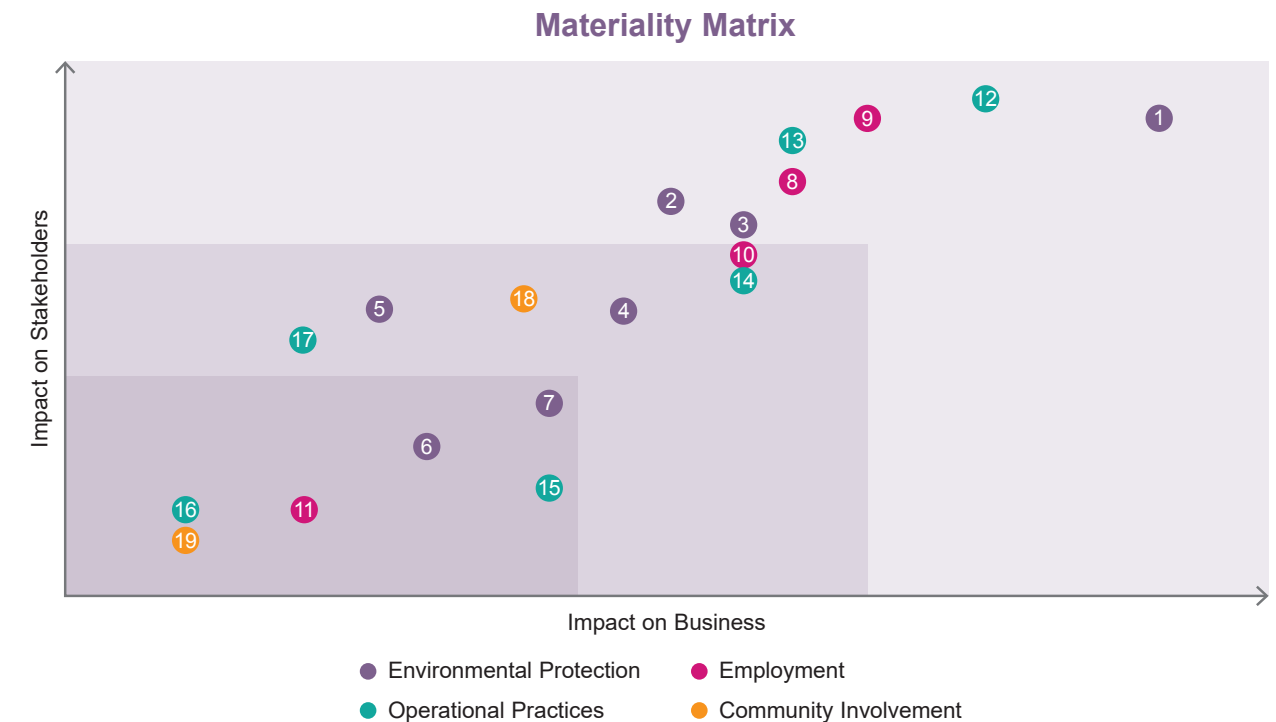
- Obtained the materiality assessment questionnaire results;
- The materiality ranking of the ESG issues was analyzed from two dimensions including "Impact on Business" and "Impact on Stakeholders" after obtaining the assessment results;
- Report the assessment results to the management;
- Approve the results of the materiality assessment;
- Form a matrix according to the confirmed materiality assessment results; and
- Material issues identified are disclosed in this Report in a focused manner.

03 Materiality Assessment Questionnaire

- Prepared the materiality assessment questionnaire based on the confirmed ESG materiality list;
- Stakeholders were invited to rate the materiality of the corresponding ESG issues; and
- Collected feedback and suggestions from stakeholders on our sustainability practices and their views on our future sustainability strategies.

Materiality Issues

During the Reporting Period, we identified 19 core materiality issues of stakeholder concern. Below is the list of materiality issues and their corresponding sections in this Report:



Subject Area	Material Issues	Sections for Responses
Environmental Protection	1 Risks related to Climate Change (e.g. Typhoons, Floods)	Climate Change
	2 Waste Management	Environmental Impact and Management
	3 Energy Usage (Including New Energy, Clean Energy, and Water Resources)	Resources Usage
	4 Air Pollution and Greenhouse Gases Emission Management	Environmental Impact and Management
	5 Biodiversity and Land Use	Environmental Impact and Management
	6 Oil Spill Prevention	Oil Spill Prevention
	7 Natural Disasters (Such as Earthquakes, Mudslides)	Climate Change
Employment	8 Protection of Employees' Rights	Respecting Rights
	9 Diversity and Equal Opportunities	Respecting Rights
	10 Employee Training and Development	Training and Development
	11 Occupational Health and Safety	Health and Safety
Operational Practices	12 Business Ethics and Anti-corruption	Integrity in Business
	13 Compliance Operation	Risk Management and Compliance Operation
	14 Scientific Research and Technological Innovation	Supply Chain and Product Quality Management
	15 Products and Services Quality	Supply Chain and Product Quality Management
	16 Supply Chain Management	Supply Chain and Product Quality Management
	17 Risk Control (Such as Import-Export Maritime Transportation Risks and Intellectual Property Risks)	Supply Chain and Product Quality Management
Community Involvement	18 Community Development Contribution	Our Community
	19 Community Service Engagement	Our Community





Our Environment

As a member of the natural resources industry, CITIC Resources deeply implements green and low-carbon concepts, integrating them into every aspect from oilfield exploration to development and production. We strictly comply with local environmental protection laws and regulations and have established comprehensive environmental management systems to ensure sustainable environmental development. Through the adoption of innovative green and low-carbon technologies and the implementation of carbon reduction programs, we are committed to improving resource utilization efficiency, reducing energy and resource consumption, and minimizing impacts on air, soil, and water resources. We continuously track and evaluate environmental performance indicators to ensure the achievement of various sustainable development goals, contributing to the harmonious development of the economy, society, and environment.

This section addresses the key material topics:

“Risks related to Climate Change (e.g. Typhoons, Floods)”, “Waste Management”, “Energy Usage (including New Energy, Clean Energy, and Water Resources)”, “Air Pollution and Greenhouse Gases Emission Management”, “Biodiversity and Land Use”, “Oil Spill Prevention”, and “Natural Disasters (such as Earthquakes, Mudslides)”.





Environmental Impact and Management

- CITIC Resources fully understands the environmental impact of its business operations and is committed to incorporating environmental protection concepts into daily operations. Through comprehensive environmental management measures, we continuously work to reduce negative impacts on the surrounding environment.



Resources Usage

- CITIC Resources fully understands the importance of energy and water resources to the Group. Since oilfields are often located in remote or offshore areas, the supply of energy and water resources is one of the operational challenges. In addition to ensuring a stable supply, we continue to enhance the efficiency of energy and water resources utilization through technological innovations, equipment upgrades, and the strengthening of precise management in production operations.



Oil Spill Prevention

- CITIC Resources recognizes that oil spills can have significant impacts on both the ecological environment and socio-economic conditions, while also endangering employee and community safety. To address this, we invest substantial resources in planning and implementing oil spill prevention measures, while also enhancing the effectiveness and responsiveness of emergency response mechanisms.



Climate Change

- CITIC Resources is highly attentive to the impacts and opportunities that climate change brings to the Group's business operations, and actively keeps track of the industry's development of low-carbon technologies and energy-saving devices. We aim to continually enhance our capability to respond and address climate change issues and to strive to reduce greenhouse gas emissions.

Environmental Impact and Management

CITIC Resources values harmonious coexistence with the natural environment. Throughout our production processes, we integrate environmental protection into our operational management system, implement clean production practices, actively respond to climate change, and strictly control pollutant emissions. Through specific measures, we promote emission reduction, and low-carbon environmental protection, and preserve the natural environment in operational areas and communities, striving to achieve a balance between business development and environmental protection. We also require all subsidiaries and joint ventures to comply with local environmental laws and regulations while maintaining good interaction and communication with government departments.



Air Emissions

- During the operation of offshore platforms, diesel generating units, construction machinery, and various fueled vehicles, our consumption of fossil fuels leads to the emission of air pollutants such as Nitrogen Oxides, Sulfur Dioxide, and Particulate Matter.



GHG Emissions

- In our operations, we inevitably generate direct and indirect greenhouse gas emissions. Direct emissions primarily come from fossil fuel-driven equipment operation and flaring, while indirect emissions result from electricity and steam usage.



Waste Generation

- In the process of exploring and developing oilfields, the Group generates pollutants such as oil sludge and oil sand, while drilling activities also produce waste such as drill cuttings and drilling fluids. Non-hazardous waste like domestic waste and waste paper are mainly from the staff's dormitories and offices.



Discharges into Water and Land

- All production and domestic wastewater discharged into the environment undergoes proper treatment, and wastes are stored in appropriate locations according to regulations.



Water Usage

- Since most oilfields are located in remote areas or far offshore, the Group needs to extract freshwater from the natural environment to meet the production and domestic needs during business operations of the oilfields.



Changes to the Natural Environment Around the Operating Locations

- While the various facilities established by the Group to maintain operations impact the natural environment to a certain extent, we are committed to minimizing these effects to the greatest extent possible.



CITIC Resources believes that efficient ecological environmental protection and the Company's high-quality development are mutually reinforcing. CITIC Resources has incorporated concepts relating to ecological protection into the Company's daily operations.

CITIC Resources, through its focus and efforts in ESG green development and carbon neutrality in its business operations, was honoured with the "Outstanding Sustainable Enterprise Award – Listed Company (Energy and Resources)" (傑出可持續企業大獎 – 上市公司(能源與資源)) in the "ESG Green Development and Carbon Neutrality Awards" (ESG綠色發展及碳中和大獎) organized by prominent Hong Kong media AM730 Media Limited, demonstrating its commitment to building a carbon-neutral future for Hong Kong. This award aims to recognize organizations that have achieved excellence in ESG areas, encouraging and leading more enterprises and projects to participate in Hong Kong's green development and carbon neutrality practices, addressing climate change challenges and promoting sustainable development.



CITIC Resources actively participated in CITIC Group's "ESG Global Leaders Conference" (ESG全球領導者大會) held in Shanghai from October 16-19, 2024, where it set up a joint exhibition booth with CITIC Environment to showcase environmental protection projects in Kazakhstan. The Company shared its achievements in promoting green energy and sustainable development, and invited our cooperation partner Mr. Andrew Estel, Senior Vice President of Strategy of Alcoa Corporation, to attend the forum. These initiatives not only enhanced CITIC Resources' visibility in the green industry and finance sector but also demonstrated its determination and capability in implementing ESG principles.



Tincy Group – Yuedong Oilfield

Environmental Impacts

Tincy Group follows national laws and regulations governing the control of exhaust gas, sewage, and land discharge emissions, incorporating these environmental protection standards into the company's HSE management system documents and regulations:

- Tincy Group Energy Resources Limited Ecological Environmental Protection Management Measures;
- Tincy Group Energy Resources Limited Hazardous Waste Management Measures;
- Tincy Group Energy Resources Limited Environmental Monitoring and Environmental Information Management Measures;
- Regulations on Pollution Prevention Reporting Management;
- Sewage Treatment and Discharge Management Regulations;
- Domestic Sewage Treatment Plant Management Regulations;
- Regulations on Power Saving Management;
- Test Report; and
- Tincy Group Energy Resources Limited Onshore Centralized Heavy Pollution Treatment Station One Plant One Policy Implementation Plan.

Tincy Group established detailed provisions on all aspects of work, from the "Environmental Protection Three Simultaneities" of engineering construction to the discharge and recycling of pollutants such as gas/water/slag generated during the construction, production, and operation stages, data recording/statistics and reporting, problem inspection and solutions, environmental tracking and monitoring, emergency response and drills for environmental emergencies and other aspects. The Group also implements automatic online monitoring of wastewater and conducts regular monitoring of pollutant emissions including air and noise. Through the establishment and implementation of environmental protection systems, we ensure immediate reporting of exhaust gas emissions, wastewater discharge meets standards, compliant disposal and recycling of solid waste, and the establishment of complete data recording and reporting mechanisms. Relevant implemented measures are:

1. Declaration of the amount of pollutants in the discharge of air and domestic sewage from offshore platforms and payment of Environmental Protection Tax to the Fourth Branch of the Tianjin Tax Bureau of the State Administration of Taxation every quarter;
2. After the expansion and transformation of the sewage treatment system of the onshore terminal processing station in 2022, all wastewater generated in the production process could now be fully treated and meet the standards. All sewage produced on the offshore platform is collected into the onshore terminal processing station in the system and is discharged into the Liaodong Bay after the standard pre-treatment (real-time monitoring by online monitoring equipment, and the indicators comply with DB21/1627-2008 "Integrated Wastewater Discharge Standard" of Liaoning Province, regulating that the standards of chemical oxygen demand $\leq 300\text{mg/L}$, ammonia nitrogen $\leq 30\text{mg/L}$ and petroleum $\leq 20\text{mg/L}$);
3. The domestic sewage of the platform is discharged after being treated and qualified (monthly sampling is commissioned to the qualified contractor for testing, and the actual discharge of COD in the GB4914-2008 "Emission Concentration Limit of Pollutants for Offshore Petroleum Exploration and Development" is $\leq 300\text{mg/L}$);
4. All solid waste generated from offshore platforms is uniformly collected and transported to land for compliant treatment; and
5. Daily production and pollution emission data from offshore production platforms are recorded in the "Offshore Oil Exploration and Development Pollution Prevention Statistics System" online, with regular reviews conducted by the company's HSE department.



CITIC Resources has signed the Food Wise Charter of the Hong Kong Environmental Protection Department to support and pledge to reduce food waste since 2023. We are committed to taking a range of measures to reduce food waste, including raising awareness among our employees and working together to reduce the level of food waste. As a participant in the Food Wise campaign, CITIC Resources will continue to put more effort into

promoting food waste reduction and contributing to a sustainable future. During the Reporting Period, we also participated in the "Food Wise Volunteer Day" (惜食義工活動日) organized by the charitable organization Food Angel. For more details, please refer to the "Our Community" section.

In line with the actual conditions of the operating locations, Tincy Group, CITIC Seram, and KBM have established and implemented different environmental management policies in their respective oilfields. We have formulated specific management strategies targeting the unique environmental characteristics of each oilfield, striving to minimize impacts on local ecosystems. During the Reporting Period, Tincy Group, CITIC Seram, and KBM have reviewed their existing environmental objectives and action plans. We regularly examine implementation results and make timely adjustments based on actual effectiveness to ensure environmental protection measures continue to achieve optimal performance.

To protect and improve the natural ecological environment of local water resources and to conserve and sustainably utilize marine resources, Tincy Group conducted marine environmental tracking and monitoring of surrounding waters during the completion inspection of Island D's environmental protection facilities construction. This ensures zero discharge of offshore production wastewater and protects marine ecology and biodiversity. Additionally, Tincy Group published its regional ecological civilization construction achievements in prose form titled "Poems Written for You" (為你寫的詩) which was included in the Liaoning Provincial People's Political Consultative Conference's (遼寧省政協) book "Moving Towards Green, Born Anew" (向綠而行 向新而生). This publication helps promote environmental protection concepts and raises public environmental awareness.



Tincy Group has set a series of environmental objectives and action plans, established specific indicators and divided them into specific departments, regularly reviewed relevant goals, and improved management systems and work plans.

Environmental targets and action plans set by Tincy Group:

Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
Air Pollutant Emission	Take measures to reduce emissions while maintaining compliance standards	Not to exceed applicable limits specified in the "Integrated Emission Standard of Air Pollutants" (GB16297) and "Emission Standard of Air Pollutant for Bulk Petroleum Terminals" (GB20950)	Implement regular monitoring of concentrated and fugitive emissions. Execute natural gas utilization projects to reduce dissolved gas content in crude oil at source. Repair hazardous waste storage areas to reduce fugitive emissions	2024	HSE Department	Completed. According to monitoring results:
						1. Organized NMHC emissions peaked at 3.39mg/m³, below the 120 mg/m³ standard limit. 2. Fugitive NMHC emissions peaked at 0.94mg/m³, below the 4 mg/m³ standard limit.
GHG Emissions	Vehicle exhaust emissions compliance	Company vehicles to meet National Stage V Emission Standard for heavy-duty vehicles. 15% reduction in gasoline consumption, diesel consumption increase not to exceed 10% year-on-year	Maintain regular vehicle maintenance. Promote the use of public transport for business travel	2024	Production and Operation Department	Completed

Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
Waste generation	Improve the waste resource utilization rate	10% reduction in drilling mud treatment through recycling and reuse compared to last year	Refined management of drilling mud through physical and chemical treatment methods to achieve recycling indicator systems	2024	Drilling Department and HSE Department	Completed
		40% conversion rate for drilling cuttings recycling as road-paving material after pressing treatment	Strengthen process management to achieve complete solid-liquid phase separation and enhance resource recycling	2024		Completed
	Reduce non-hazardous waste	Promote paperless office, reduce paper waste and disposal, 5% reduction in paper use	Promote simplified office operations, ensure concise materials and summaries to improve office efficiency, strengthen inter-departmental collaboration, and reduce material duplication	2024	Comprehensive Management Department of Office Building of the company	Completed
	Reduce hazardous waste	Oil-contaminated pollutants increase not to exceed 10%	Due to increased operations and producing wells, oil-contaminated pollutants have increased. Strengthen the reuse of tools and materials during operations, and reduce the use of disposable products	2024	Oil Production and Transportation Department	Completed
		10% reduction in oil sludge treatment	Enhance well sand control measures to reduce formation sand production	2024	Oil Production and Transportation Department	Completed
	Increase food waste recycling	5% reduction in food waste generation	Company-wide implementation of the "Clean Plate" campaign, promoting healthy eating and rational meal preparation based on personnel dynamics. Initiative to meet four health indicators including blood pressure, blood glucose, blood lipids, and BMI. Control cardiovascular disease risk factors through proper diet and scientific exercise to reduce employees' cardiovascular disease risks	2024	Offshore Platform Production and Operation Department, and Comprehensive Management Department of Canteen	Completed

Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
Energy use	Improve energy use efficiency	Save 50 tonnes of diesel fuel consumption (equivalent to saving 72.85 tonnes of standard coal)	Coordinate vessel operations, implement vessel resource sharing with contractors, arrange rational inter-island transport, reduce inefficient shuttle trips, set economical sailing speeds, and reduce fuel consumption. Use shore power during vessel berthing to reduce emissions	2024	Production and Operation Department, and Oil Production and Transportation Department	Completed
		Save 11.15 million kilowatt-hours of electricity (equivalent to saving 1,371.45 tonnes of standard coal)	Promote coaxial dual hollow rod hot water circulation heating and wellbore chemical viscosity reduction technologies, conduct microbial viscosity reduction research, balance resource consumption and production, and implement peak-shifting power usage to maximize electricity savings. Refined management of electric heating processes, adopting intermittent operation and improved winding methods to enhance electric heat tracing efficiency and minimize heat loss	2024		Completed
		Save 1,000 tonnes of purchased steam	Increase terminal crude oil temperature through measures such as raising island export temperature by 3 degrees, selecting efficient crude oil dehydration agents at terminals, controlling first/second stage settling dehydration temperatures and tank temperature maintenance, and utilizing waste production water heat for winter heating, thereby reducing purchased steam consumption	2024		Completed
Use of water resources	Appropriate water usage	No year-on-year increase in water consumption	Implement clean production and preventive maintenance, ensure proper process management, reduce the probability of leaks and spills, and reduce deck washing water usage	2024	Oil Production and Transportation Department	Completed

Greenhouse Gas and Air Pollutant Emissions

To address the work of greenhouse gas emission reduction and the “Dual Carbon” goal, Tincy Group has established and strictly complied with internal systems, including “Regulations on Power Saving Management”, “Yuedong Oilfield Power Limit Plan”, and “Daily Management System for Gas Wells”, and implemented the following measures:

- Promote the knowledge of the 3060 “Dual Carbon” goal and raise employees’ awareness of energy saving and carbon emission reduction;
- Adopt various measures to save purchased electricity;
- Strengthen the management of fuel consumption for boiler operation. According to the operation of high and low pressure boilers in B and C islands, dynamically regulate the gas supply of gas wells in C island to meet the operation needs of the boiler to the greatest extent;
- Implementing the D island natural gas utilization project, aiming to comprehensively utilize energy and reduce emissions;
- For the onshore centralized processing station, in response to heavy pollution weather, an access control system has been installed and “Tincy Group Energy Resources Limited Onshore Centralized Heavy Pollution Treatment Station One Plant One Policy Implementation Plan” has been established. Following the requirements of the Ministry of Ecology and Environment of the People’s Republic of China, a three-level response mechanism has been implemented to control the movement of oil trucks;
- Following the local Ministry of Ecology and Environment of the People’s Republic of China’s requirements, the oil sludge drying plant at the onshore centralized processing station adopts fully enclosed management. All exhaust gas must pass through recycling device for filtration and adsorption treatment before being discharged; and
- The electricity governance project team, established in 2020, has improved the electricity management system through forming the project team and the establishment of regulations. Advanced the application of dual hollow rod circulation heating technology and wellbore chemical viscosity reduction technology; optimized tubing design; and refined node management to achieve energy saving and consumption reduction.

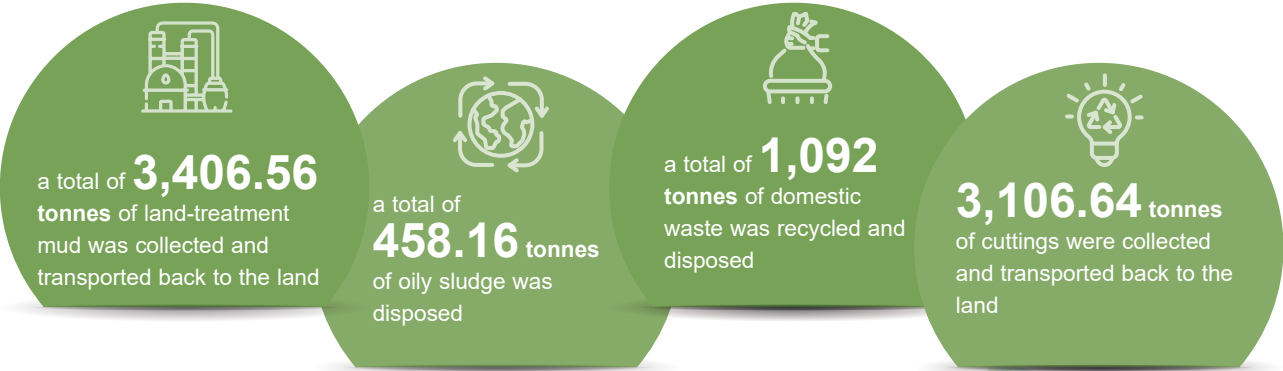
Sewage Treatment

In crude oil production, sewage after oil separation is one of the major pollutants. The Yuedong Oilfield uses its sewage transportation system to filter and treat oily sewage, ensuring it meets export requirement standards before being transported. After system upgrades and enhancements, the external pumps and external transmission tanks have been discontinued, reducing both electricity consumption and greenhouse gas emissions.



Waste Management

During the Reporting Period,



Tincy Group prepares and strictly abides by the “Hazardous Waste Management System” and takes various effective measures.

The waste drilling mud and cuttings generated from drilling operations are collected in cutting boxes by qualified companies commissioned by the drilling contractor and transported to land for centralized compliant treatment, ensuring that drilling fluid and cuttings do not pollute the environment. They are also committed to implementing mud reuse to reduce waste generation. During the Reporting Period, a total of 3,406.56 tonnes of land treatment mud and 3,106.64 tonnes of cuttings were collected and transported back to the land.



Oily sludge generated from the sewage treatment process in the onshore terminal processing station is entrusted to a company with hazardous waste treatment qualifications for compliance disposal. A total of 458.16 tonnes of oily sludge were disposed of during the Reporting Period.

All oily waste produced from offshore platforms is uniformly collected in dedicated containers and transported to land, where qualified hazardous waste treatment companies properly and compliantly handle the waste.



Domestic waste generated from offshore platforms is collected and transported to land by special containers, and entrusted to qualified service providers for unified recycling and disposal. During the Reporting Period, a total of 1,092 tonnes of domestic waste was recycled and disposed of.



CITIC Seram – Seram Block

CITIC Seram strictly complies with the environmental laws and regulations of the places where it operates and has established internal systems including:

- Environmental Management;
- Incident Reporting and Investigation;
- HSE Policy; and
- Management of Changes.



Environmental Impacts

To minimize the negative environmental impact of operations and effectively control exhaust and greenhouse gas emissions, manage water and land discharge, and control the generation of various hazardous and non-hazardous waste, CITIC Seram has implemented the following measures:

- Implementing the reduce, reuse, and recycle 3R principle;
- Handling hazardous waste in accordance with applicable laws and regulations;
- Changing the turbine's fuel source from solar fuel to gas;
- Properly treat the produced wastewater before discharge into the sea;
- Regularly conduct environmental monitoring, sample plankton and benthos samples, monitor and assess the environmental impacts on surrounding areas.



CITIC Seram has also implemented numerous policies, including conducting routine environmental monitoring (air, water, soil, and community) to comply with government regulatory requirements during production phases, reducing plastic waste generation through measures such as avoiding the purchase of plastic water bottles, conserving electricity, conserving water, reducing fuel consumption, implementing wastewater management, and implementing waste management, including sorting and reusing still-usable waste materials.

CITIC Seram has also established environmental objectives and action plans, setting specific indicators and allocating them to specific departments, regularly reviewing related targets, and improving management systems and work plans.

Environmental targets and action plans set by CITIC Seram:

Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
Air Pollution Emission	Reduce air pollutant emission	The ambient air quality standards have complied with regulation standards from the Ministry of Environment & Forestry	1. The plantation of 13 hectares for DAS rehabilitation as a fulfilment of IPPKH obligations 2. Conduct air pollution monitoring (ambient) (every 3 months) 3. Conduct air emission monitoring (every 6 months)	2024	HSE Department and Formality Department	Completed
	Reduce CO ₂ emissions in 2024	1. The amount of CO ₂ emissions produced has decreased compared to 2023 2. The emission air quality standards have complied with regulation standards from the Ministry of Environment & Forestry	4. Perform turbine maintenance every 8000 hours 5. Change the turbine's fuel source from solar fuel to gas	During the production process	Operation Department and HSE Department	Completed
Waste Generation	Improve the utilization rate of waste resources	1. Reduce solid waste by 5% through a reuse program 2. The results of the produced water monitoring meet the regulatory standards	1. Use recycled paper 2. Document digitization 3. Use used drums as trash cans 4. Treatment of produced water before discharge into the sea 5. CSEL already use SPARING (continuous monitoring system) for monitoring produced water quality (since 2023)	During the production process	HSE Department	Completed
Energy Use	Reduce fuel consumption	Reduce fuel consumption (diesel)	Change the turbine's fuel source from diesel fuel to gas	During the production process	Operation Department and HSE Department	Completed

Greenhouse Gas and Air Pollutant Emissions

CITIC Seram strictly adheres to regulations on reducing emissions in the regions where it operates. To reduce air emissions, CITIC Seram’s turbine generators in major production facilities use natural gas to replace diesel as the primary fuel. To further reduce and control exhaust gases and greenhouse gas emissions, the company has implemented preventive maintenance measures and uses natural gas as efficiently as possible to reduce the demand for gas. The company also regularly monitors and measures the emissions of the turbine generators.

To align with China’s 3060 “Dual Carbon” goal, CITIC Seram has implemented a series of emission reduction measures. Associated natural gas is used as fuel for turbine generators in oilfield facilities to achieve low-carbon production operations. Wellhead gas is also utilized as fuel and fully employed in industrial activities, effectively reducing greenhouse gas emissions. In accordance with environmental regulations, CITIC Seram continuously monitors environmental parameters including gas emissions during operations, with emission values currently maintained within recommended quality standard ranges. To ensure professional management, CITIC Seram assigns government-certified personnel to handle air pollution control. Additionally, CITIC Seram has added gas compression and filtration equipment to supply processed gas to turbine generators, continuing to promote low-carbon transformation development.

Wastewater and Waste Management

According to its internal wastewater management system, CITIC Seram uses a treatment process to remove wastewater pollutants, including domestic sewage and the wastewater it generates, before discharging wastewater into the ocean or river. CITIC Seram ensures every indicator of the wastewater meets the discharge standards, and regularly monitors the wastewater discharge to ensure it meets the environmental standards. The water required by the facilities is limited to sanitation and fire service systems.

CITIC Seram is committed to waste reduction through comprehensive assessment, identification, and analysis of waste types generated during operations. The company implements minimization programs focusing on source reduction and collaborates with suppliers and contractors to promote the use of recycled materials. Regarding hazardous waste treatment, the company strictly complies with regulatory requirements, establishing standard operating procedures for proper handling and disposal of hazardous waste. To strengthen waste management, the company not only provides regular training for employees on proper handling, sorting, and disposal methods but also invests resources in introducing advanced waste treatment and disposal technologies. Through regular audit and inspection mechanisms, the company continuously monitors compliance with management practices and identifies areas for improvement.



KBM – Karazhanbas Oilfield

Environmental Impact

Safety and environmental protection are core themes in KBM's development and fundamental to its development strategy. Since beginning oilfield operations, KBM has strictly adhered to local safety and environmental protection laws and regulations. KBM is committed to integrating environmental protection into its daily production operations. Through conducting regular safety inspections and training, continuously updating the safety protection systems, optimizing the safety protection facility equipment, testing and monitoring of groundwater and surrounding ecological environment as required, and actively researching and developing innovative technologies and processes to advance safety and environmental protection upgrades, KBM ensures operational safety and environmental protection, and has formulated relevant policies and frameworks to regulate and comply with:

- "Environmental Monitoring and Control System";
- "Annual Environmental Protection Work Plan";
- "Production Environmental Management Plan";
- "Emergency Plans";
- "Accident Reporting Procedure and Crisis Management Code";
- "Associated Gas Application Plan";
- "Wastewater Resource Utilization Plan";
- "Annual Oil Well Holes Inspection Plan";
- "Annual Valves and Process Pipelines Inspection Plan"; and
- "Annual Process Equipment Flaw Detection and Inspection Plan".



Actual measures KBM took to reduce its impact on the environment:

1. Regularly monitors air, soil, and drinking water quality in the oilfield area as planned, while also paying attention to flora and fauna ecology, Caspian Sea seawater conditions, and radiation levels;
2. Immediate and proper disposal of oily sludge, domestic waste, construction waste, and electronic chemical waste generated during production operations; and
3. Treatment of historical oilfield waste and pit oil. In 2024, KBM completed all remaining work of 156,889 tonnes through biological methods.

KBM has also set environmental targets and action plans, established specific indicators for different departments, regularly reviewed relevant targets, and improved management systems and work plans.

Environmental targets and action plan KBM set:

Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
Air Pollutant Emission	Reduce air pollutant emissions	Addition of exhaust gas treatment devices	It is planned to apply flue gas recycling devices.	Long-term	Production Department, Drilling and Maintenance Department, Safety and Environmental Protection Department	In progress
		Regular overhaul and maintenance of the pressure control system	The well control devices are regularly tested to avoid incidents such as blowouts that affect the environment.			
GHG Emissions	Reduce GHG emissions from vehicles	The overall fuel consumption or usage of official vehicles	Strengthen the management of official vehicles for official use, record the fuel consumption of official vehicles, regularly repair official vehicles, and reduce the fuel consumption per km of vehicles.	Long-term	Vehicle Transportation Department	In progress
	Reduce GHG emissions during production	Percentage of renewable energy	Study the application of solar power in oilfields.	Before 2026	Production Department	In progress
	Greening	Area greening rate, number of trees planted	Encourage employees to participate in tree-planting activities.	Long-term	Social Department	In progress
Waste Generation	Improve the utilization rate of waste resources	Oilfield area, dormitory, and office for waste classification	Waste separation is implemented in the office, and paper is especially recycled.	Long-term	Administration Department	In progress
		Penetration rate of waste classification	Promote waste recycling in all oilfields and offices, regularly carry out publicity activities and education on waste sorting, and encourage employees to participate in waste sorting at the source.	Long-term		
	Reduce non-hazardous waste	Reduce the use of disposable items	The canteen does not actively provide plastic bags and disposable tableware.	Long-term	Administration Department	In progress
		Implement paperless office	Actively promote paperless office.	Long-term		

Target Areas	Environmental Targets	Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
Waste Generation	Reduce hazardous waste	Drilling waste disposal rate	The newly produced drilling waste is handed over to professional waste handlers for treatment every year.	Long-term	Safety and Environmental Protection Department and Drilling and Maintenance Department	In progress
		Oily sludge treatment rate	At present, the company is engaging a third-party professional treatment agency to treat historical oil pollution and oily sludge and treat the waste for laying the road surface for recycling.	2024		Completed
	Increase food waste recycling	Promotion of “Clean Plate” campaigns (e.g. promotion participation)	We promote “Clean Plate” campaigns and post promotional materials in the canteen to remind employees not to waste food.	Long-term	Administration Department	In progress
Energy Use	Improve energy efficiency	Energy consumption of energy-consuming equipment	Formulate maintenance plans, regularly inspect energy-consuming equipment, and regularly repair and upgrade electronic equipment in offices and oilfields to optimize energy efficiency.	Long-term	Production Department	In progress
		Penetration rate of low-energy consuming equipment	Replace and phase out high energy-consuming equipment and formulate a schedule for equipment replacement.	Long-term		
		Electricity Consumption	Formulate sound energy conservation management work plans and measures.	Long-term		
Use of Water Resources	Reduce water consumption	Water Consumption	Formulate water-saving measures. For example, water-saving signs are posted in places such as washrooms.	Long-term	Administration Department	In progress

Wastewater and Waste Management

From July 1, 2022 to the last day of the Reporting Period, “Karazhanbas Oilfield Water Treatment Plant” has produced 7.81 million tonnes of clean water. The water treatment plant utilizes membrane filtration technology for deep purification of wastewater required to be reinjected underground. The purified water serves as a water source for the oilfield’s steam extraction operations, alleviating water supply pressure for surrounding residents while significantly reducing environmental pollution risks and realising the resource utilization of oilfield extracted water.

According to the memorandum of cooperation signed with the Ministry of Environmental Protection of Kazakhstan in August 2019, KBM was required to complete the treatment of historical oilfield waste and pit oil within 5 years. In 2024, KBM completed the treatment of all remaining 156,889 tonnes using biological methods, bringing this environmental issue to a satisfactory conclusion.



Ecological Protection

KBM embraces the belief of “Creating a Green Future Together” (綠色未來，你我共創) and therefore conducts tree planting activities with employees every Spring. Furthermore, to reduce negative environmental impacts and minimize damage to the Caspian Sea ecosystem while considering the company’s future development, KBM has signed agreements with Samruk Innovation Center (薩穆魯克科創中心), Kazakhstan Institute of Oil and Gas, and Azimut Energy Services Holdings Company to invest in non-explosive seismic source technology for underground oil reservoir detection projects. KBM also organizes voluntary labor activities to contribute to environmental protection. These include organizing voluntary Saturday clean-up events to remove coastal waste and creating a clean living and recreational environment for local residents. On June 5, 2024, the World Environment Day, KBM recognized employees who contributed significantly to



the company’s environmental protection efforts, encouraging staff to put environmental protection into practice.

Resource Usage

While ensuring stable production operations, CITIC Resources continues to fulfil its sustainable development commitments by actively implementing effective resource conservation initiatives and continuously improving resource utilization efficiency.

The Group integrates environmental protection concepts into its technical services and regulatory processes, striving to minimize the negative environmental impact of its business operations. We strictly follow the concept of green, low-carbon, and circular development, and spare no effort to implement and promote these principles. Environmental protection is of paramount importance to the sustainable development of the Group, we continue to explore innovative ways and measures to achieve our sustainable development goals.

During the Reporting Period, CITIC Resources' Hong Kong office implemented environmental protection measures including switching off lights during lunch breaks and setting up waste paper recycling bins to conserve energy and reduce waste. The Hong Kong office also participated in "Earth Hour 2024" organized by World Wide Fund Hong Kong, demonstrating our commitment to reducing energy consumption and carbon footprint, as well as our determination to address climate change. During Earth Hour 2024, we turned off all non-essential lighting and electronic equipment, while fostering environmental awareness among employees and stakeholders to build a green culture.

During the Reporting Period, we remained committed to promoting energy conservation, improving energy use efficiency, and reducing carbon emissions while enhancing energy performance. To demonstrate our commitment to sustainable development, we signed the Energy Saving Charter jointly launched by the Environment and Ecology Bureau of Hong Kong and the Electrical and Mechanical Services Department to encourage our staff to actively participate in energy conservation practices and make positive contributions to environmental protection and climate change.



CITIC Resources has formulated comprehensive environmental protection strategies covering the control of exhaust and greenhouse gas emissions, management of hazardous and non-hazardous waste, enhancement of resource and energy efficiency, water conservation measures, strengthening of environmental investments, and optimization of production processes. Meanwhile, the Group has fully integrated environmental protection and green office concepts into its daily operations.

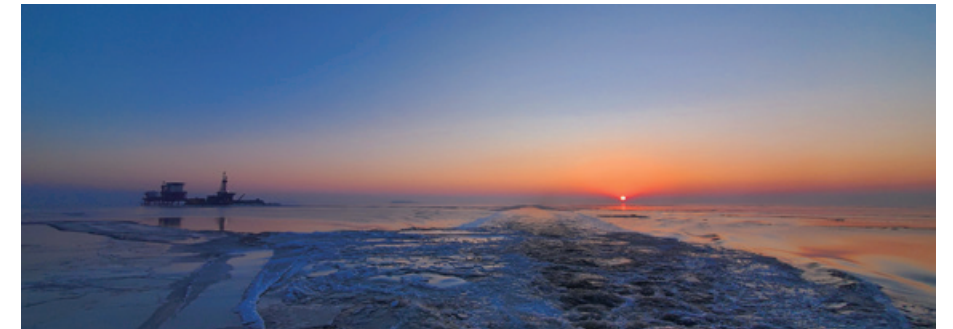


Tincy Group – Yuedong Oilfield

In view of energy conservation and emission reduction, Tincy Group has the following measures in place:

Greenhouse Gas Reduction Programs

- Take various measures to save the use of purchased electricity.
- Promote the implementation of Island D natural gas utilization project, rational and efficient use of natural gas and reduce the use of crude oil, to achieve comprehensive energy utilization and emission reduction.
- In 2023, B and C Islands used grid-powered workover rigs for workover operations throughout the year, using electric and hydraulic drives, which avoided a large number of air pollutants and greenhouse gases generated by diesel-driven workover rigs during use.



Effectively Conserve Resources and Improve Energy Efficiency

Drilling Department:

- Optimize diesel engine equipment parameters to achieve optimal operating conditions.
- Reasonably control drilling rig lighting based on seasons and periods.
- Select appropriate drilling parameters based on actual conditions, strengthened coordination among professional construction works and island well maintenance, oil production and other operations, and effectively shortened construction cycles to achieve energy conservation and emission reduction.
- Properly store drilling mud materials.
- Optimize the perforation return scheme so that the returned oil-containing fluids directly enter the onshore production process and are exported back to the onshore terminal together with the island's production liquids for unified treatment and utilization.
- Adopt batched drilling of 4-5 wells, maximize the reuse of drilling fluids for each drilling batch, conserve water resources, and reduce drilling fluid material consumption, as well as significantly reduce the generation of drilling cuttings waste. Each well reuses approximately 120 cubic meters of old mud, which not only reduces the pressure on drilling cuttings recovery but also contributes to energy conservation, emissions reduction, cost reduction, and efficiency improvement.



Well Workover:

- The workover site is paved with impermeable membranes to prevent oil spills from contaminating the ground and polluting the island's surface. Strict implementation of waste sorting measures to reduce pollution and waste disposal costs.
- According to the volume and leakage of the wellbore, calculate and control the amount of well washing fluid, improve the efficiency of well washing, and reduce the well washing fluid usage.
- Optimize the scheme design, strengthen the operation management, improve the operation efficiency, and save the electricity and fuel consumption of equipment operation.
- Insulate wellhead tanks properly to reduce heat loss.

**Oil Production & Gathering & Transportation Department:**

- Carefully select sewage treatment agents at onshore centralized treatment stations.
- Conserve steam by increasing offshore transport temperature, selecting efficient crude oil dehydration agents, controlling first and second stages settling dehydration temperatures, and maintaining storage tank temperature.
- Implement chemical viscosity reduction for oil wells, reduce medium-frequency heating and pumping unit load, adjust heating zones and lighting operations according to weather and seasonal changes, and properly manage staggered operations during the State Grid Corporation of China's peak hours (17:00-19:00).
- Turn off the faucet after use to avoid the occurrence of long-term running water. Use cameras to monitor water wells in real time for any leakage and repair in a timely manner. Regularly inspect water source wells for any leakage and repair promptly to prevent water leakage.
- Ensure minimum water usage while maintaining safety.

**Production & Operation Department:**

- To minimize the generation of oily hazardous waste on offshore platforms as much as possible, the Production and Operation Department has strictly regulated the classification and storage of domestic waste and oily hazardous waste on the offshore production platforms and strengthened supervision and management by labelling, tagging and tracking the garbage bins of each platform in the daily production process, to reduce the amount of oily hazardous waste.
- Coordinate vessel resources to reduce inefficient voyages and develop advance plans based on task urgency. Strictly implement the "Regulations on the Management of Vessel Island Shuttle" and reasonably arrange inter-island transport routes. Promote economical sailing speeds, emphasize wheel use over rudder use, rely on driving techniques to save diesel, and use shore power supply when berthing. Additionally, implement the "lights out" principle to ensure electricity conservation.
- For water conservation, prohibit the use of freshwater to wash decks on vessels, eliminate leakage, and conserve water use at docks.

**Strengthen the management of fuel consumption in boiler operation:**

- To meet the needs of boiler operation to the greatest extent with natural gas. Only switch boilers to burn self-used oil when natural gas volume is insufficient, to reduce self-used oil consumption.
- Use recyclable packaging materials for chemical agents such as corrosion inhibitors and viscosity reducers.

Packaging
Material Consumption
Reduction

Green Office

- Minimize paper usage.
- Promote electronic office practices within the company.
- Advocate healthy and good dining habits, and promote avoiding group dining.

Cleantech

- Conduct research on Volatile Organic Compounds (VOC) recovery and treatment.
- Plan to conduct saturated vapour pressure testing for crude oil storage tanks.

Case Study: Participation in Two Key Municipal Chinese People's Political Consultative Conference (CPPCC) Consultation Topics

On June 27, the Municipal CPPCC held a special consultation meeting on “Enhancing Wetland Ecological Functions to Promote Ecological Civilization Construction”. Through supporting its CPPCC member's participation, Tincy Group contributed to local economic and social development by engaging in two key Municipal CPPCC consultation topics, producing two consultation reports in the areas of wetland ecological value enhancement and marine energy resource development. Additionally, Tincy Group's HSE head also presented a report at the key consultation meeting on the marine economy. These recommendations not only demonstrated the company's attention and contribution to local development, but the two consultation reports also reflected our focus on environmental protection and resource development, providing valuable reference for local decision-making while demonstrating our deep understanding and emphasis on ESG principles and sustainable development.



CITIC Seram – Seram Block

To save energy and reduce emissions, CITIC Seram has formulated relevant measures:

Greenhouse Gas Reduction Programs

- Using associated gas into fuel gas to drive turbines to reduce emissions in production operations. In this way, emissions from gas combustion can be minimized and high efficiency can be achieved.

Waste Reduction

- Replace plastic bottled beverages with thermos cups and stop distributing plastic water bottles.

Energy Saving

- Properly manage air conditioning usage, and turn it off promptly when not in use.
- Turn off all non-essential electrical equipment, especially lighting facilities, and make good use of natural daylight to reduce daytime lighting usage.

Green Office, Water and Resources Conservation

- Create green open spaces around the office and educate and socialize with all employees related to the green office.
- Declare a zero-waste policy in the office and conserve the use of water and electricity.
- Minimize printing, optimize digital files to implement paperless documents, print only when needed, encourage double-sided printing, and reuse paper documents that are no longer in use.

Cleantech

- Conduct in-depth analysis of clean technology trends, relevant government and clean energy policies, and market demands.
- Establish a clean technology development vision and mission, demonstrating commitment to a sustainable future.
- Set specific innovation goals to promote research and development of more efficient clean technologies.
- Identify risks that may arise during clean technology development and develop appropriate mitigation plans.
- Upgrade or improve the technology system used today by focusing on energy efficiency and technology that produces low emissions.
- Looking at the possibility of developing technology related to efforts to capture emissions in the air.

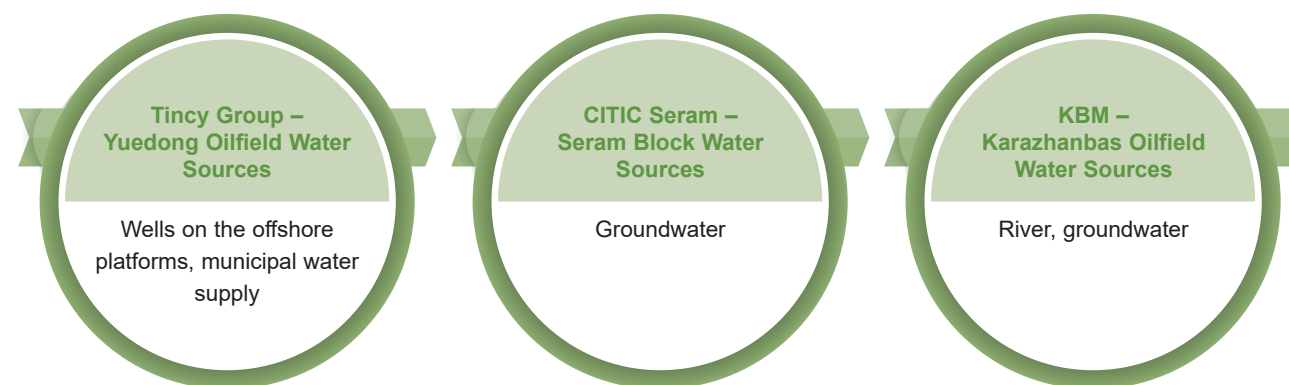
KBM – Karazhanbas Oilfield

KBM implements “Green Office” initiatives in both city offices and oilfield sites, implementing a series of environmental protection measures, including rational use and conservation of electricity, adoption of safe energy-saving lighting fixtures, waste sorting, and resource recycling. Through the installation of paper recycling collection boxes, it is estimated that 5-10 tonnes of wastepaper and newspapers can be collected annually, equivalent to saving 10 large trees, 1,000 kilowatts of electricity, and 20,000 litres of water resources.

On July 1, 2022, the “Karazhanbas Oilfield Water Treatment Plant” project, jointly invested in and constructed by KBM and CITIC Envirotech Co., Ltd., was officially put into trial operation. The project is designed to process 42,500 tonnes of reclaimed water per day and produce 17,000 tonnes of purified water daily. As of the last day of the Reporting Period, 7.81 million tonnes of clean water had been produced. Through membrane treatment technology at the water treatment plant, KBM deeply processes the extracted water from oilfields and converts it into boiler-feed water needed for oilfield steam extraction. This technology not only reduces the risk of large-scale water breakthroughs and environmental pollution that could be caused by the recovery of the extracted water but also achieves the goal of resource recycling. This action has reduced KBM’s dependence on Volga River water, releasing more water resources to support local industrial and agricultural development. At the same time, the implementation of the project can not only reduce the return of oil-extracted water from the oilfield but also increase crude oil production, save energy, and reduce oil production costs. In addition, more than 50 job opportunities were created at the project site.



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



During the Reporting Period, KBM, Tincy Group and CITIC Seram did not encounter any issues in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them as set out in this Report.

Oil Spill Prevention

CITIC Resources fully understands that crude oil spills can cause irreversible long-term impacts on the ecological environment. Therefore, the Group has integrated crude oil spill prevention measures into the core of its operational management and ensures strict implementation. The Group also requires all its subsidiaries and joint ventures to develop comprehensive prevention and response plans to fundamentally control and manage potential risks and prevent spill incidents. In case of accidents, the Group will immediately activate its emergency response mechanism to minimize impacts on personnel, environment, and communities while actively assuming appropriate responsibilities.

Tincy Group – Yuedong Oilfield

Precautionary Measures

- Preventive measures for workover operations: Equipped with well control equipment that meets the requirements of well control specifications for offshore workover operations, the qualified testing unit conducts semi-annual testing on the anti-fountain group, while conducting annual testing on the supporting well control equipment. Based on the actual situation of Yuedong Oilfield, formulating well control rules and special emergency plans for blowout emergencies, and regularly carrying out on-site well-control risk hazard investigations and drills.
- Preventive measures for oil production and gathering:
 - Carrying out inspection, monitoring, and maintenance of offshore oil and gas production facilities in a timely manner: conducting annual certification inspection on artificial islands and upper production facilities, and professional inspection and inspection on oil and gas storage devices such as oil storage tanks, separators and various boilers, and pressure vessels. Ensuring each production facility has a four-level emergency shutdown system of ESD-0, ESD-1, PSD, and USD.
 - Regularly inspect crude oil pipelines on the islands and measure pipeline wall thickness, replacing any pipelines identified as high-risk for leakage.
 - Develop comprehensive emergency response plans and continuously conduct drills to effectively handle various emergencies.
 - Conduct balloon operations at least twice a year for sea pipelines between islands and from the main island to the landing point. Detailed plans are developed for each operation, followed by a comprehensive evaluation and summary upon completion to ensure the safe and stable operation of submarine oil pipelines.
- Preventive measures of the Engineering Department: Entrusting qualified units to carry out inspections on the road condition and buried depth of the whole road of sea pipeline and submarine cables every 2 years, to solve the problem of bare vacancy of sea pipeline and submarine cables.

Real-time Monitoring

1. The on-site personnel will conduct the patrol inspection every 4 hours strictly in accordance with the inspection system, and conduct the patrol inspection every 2 hours on important areas to ensure production safety.
2. The offshore production platform and terminal arrange personnel to inspect, look out for, and keep records of the sea pipeline daily. The Production Department also regularly sends vessels to carry out inspections according to the sea pipeline path to ensure the safety of the sea pipeline.

Oil Spill Management

1. Tincy Group formulated the “Tincy Group Energy Resources Limited Emergency Plan” and the “Yuedong Oilfield Offshore Oil Spill Emergency Plan” to support emergency management from the policy documents and procedure response perspectives, ensuring that emergency management is scientific and effective.
2. Tincy Group has also signed the agreement, “Emergency Rescue Procedures between PetroChina Liaohe Oilfield Company and Tincy Group Energy Resources Limited” with Liaohe Jinma Oilfield Co., Ltd.
3. Tincy Group annually signs oil spill emergency rescue agreements with units capable of offshore oil incident emergency rescue, ensuring prompt rescue operations at Yuedong Oilfield in case of emergencies.
4. Tincy Group equips all production facilities with comprehensive oil spill emergency response equipment.
5. Tincy Group has established long-term cooperation with Offshore Oil Engineering Company, signing long-term agreements for sea pipeline emergency closure and repairs, enabling timely maintenance in case of extreme sea pipeline damage.



CITIC Seram – Seram Block

Precautionary Measures

The crude oil storage tanks in the Seram Block are built according to the plan to prevent crude oil spills. The outer walls of these tanks are designed to prevent leaked crude oil spills from flowing out of the crude oil storage area.

CITIC Seram currently uses oil tankers for crude oil transportation. To prevent oil spill incidents, CITIC Seram implements a series of preventive measures, including stress-testing of loading hoses, inspection of safety device pipelines, deployment of oil spill response equipment, and requiring operational personnel to conduct tests on the UPS measurement system and backup generators.

Oil Spill Management

CITIC Seram has set up a dedicated crude oil spill emergency response team to directly deal with any environmental incidents. The emergency response team is made up of personnel from the Production, Maintenance, and HSE Departments. The crude oil spill emergency response team conducts annual drills to train personnel and monitor the operational status of equipment. In addition, all emergency team members have been certified by the International Maritime Organization (IMO) for first- and second-level certifications in accordance with the requirements of the Marine Transport Department.

CITIC Seram has established a dedicated crude oil spill emergency equipment building in the port cargo area, specifically for storing and maintaining emergency equipment. CITIC Seram has also installed guardrails and safety protection systems in crude oil processing and storage areas. Dedicated personnel conduct weekly inspections of crude oil spill emergency equipment to ensure equipment is maintained in optimal condition.



KBM – Karazhanbas Oilfield

Precautionary Measures

KBM annually approves and implements multiple inspection programs, including the “Annual Oil Well Holes Inspection Plan,” “Annual Valves and Process Pipelines Inspection Plan,” “Annual Process Equipment Flaw Detection and Inspection Plan,” and “Annual Crude Oil Processing and Processing Workshops”, to prevent oil leakage risks in crude oil exploration, centralized transportation, and processing facilities. Each workshop implements crude oil spill prevention measures according to the annual work plan and relevant operating procedures.

Oil Spill Management

KBM implements the “Regulations on Temporary Stacking, Storage, Counting, and Clearance of Production Waste in KBM Oilfield”. The requirements for crude oil spills and response are as follows:

- Employees and their leaders at the scene of crude oil spills and land contamination accidents are responsible for handling the crude oil spill incident;
- Corresponding disciplinary actions are taken against the personnel responsible for causing the oil spill;
- All crude oil and oil product spill incidents must be recorded and signed for confirmation in accordance with the established format;
- In the event of a crude oil spill incident, KBM immediately implements emergency response measures and maintains detailed records of waste generated from the incident, which is transferred to the Environmental Protection Department for disposal, while simultaneously conducting land restoration work at the incident site; and
- KBM's incident registration officers must submit crude oil spill incident-related information to the Environmental Protection Department at the beginning of each month.



Climate Change

Climate change has become one of the most pressing environmental and social challenges today, with impacts spanning across business operations, supply chain resilience, and business sustainability. CITIC Resources fully understands the impact of climate change on oilfield operations and society, including the potential risks and opportunities it brings. CITIC Resources identifies and assesses the physical and transition risks related to climate change, identifies the risks closely related to CITIC Resources' oilfield operations, and formulates response strategies and measures accordingly to enhance its ability to cope with climate change. The Board and management also regularly identify and assess climate change risks and monitor the actual implementation of relevant measures and response actions.

CITIC Resources strictly adheres to the latest climate-related disclosure requirements of the SEHK and closely follows the International Financial Reporting Standard (IFRS) S2 Climate-related Disclosures released by the International Sustainability Standards Board (ISSB). Additionally, we reference the latest version of recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to ensure the transparency, comparability, and verifiability of climate-related information disclosures. We disclose information about climate-related risks and opportunities based on four core elements – governance, strategy, risk management, and metrics and targets.



Governance

The Board oversees climate-related risks, opportunities, and other relevant issues during the Board meetings to ensure relevant risks are incorporated into the corporate strategy annually. The Board is responsible for appointing the ESG Working Group to establish and monitor the policies, programs, and performance related to climate change. We hold meetings annually to communicate with the Board and the Risk Management Committee regarding the latest climate-related issues affecting the Company. We also set annual climate-related performance targets to help the Board assess and monitor the effectiveness of the climate strategy. During the Reporting Period, the Company has not considered including climate-related performance metrics in the remuneration policies.

To ensure the Board's competence to oversee climate-related strategies, the Board consists of members with ESG expertise. Regular climate-competence training will be provided to ensure the Board keeps up with the latest trends in climate-related issues. The Company has appointed Riskory Consultancy Limited as a professional consultant to provide professional advice on material decision-making when necessary.

Strategy

With reference to the financial planning timeframe, we have defined the time horizons that the effects of each climate-related risk could reasonably be expected to occur:

Short-term: 0-<2years

Medium-term: 2-<10years

Long-term: 10-30years

The significant climate change risks and actions are as follows:

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Strategy and Decision-making
Transition Risk: Implementation of low-carbon policies or regulatory requirements, transition to a low-carbon economy, market volatility, peer competition			
CITIC Resources	Medium-long term	<ul style="list-style-type: none">The domestic carbon trading market is gradually standardized, and carbon trading is getting more mature. As the government becomes more stringent in managing the carbon emissions of enterprises, policies of carbon rights may have an impact on the companies' costs and profits.At the same time, governments around the world are increasingly strengthening climate-related regulations and monitoring, which may require companies to adjust their business models to adapt to these regulatory changes.If a company fails to adequately address climate issues and develop appropriate responses, it can lead to reputational impacts when extreme weather impacts the Company's normal operations.	<ul style="list-style-type: none">Works to address risks including climate risks are carried out under the framework of the "CITIC Resources Holdings Limited Comprehensive Risk Management Measures".The Company's risk management organizational structure is based on the corporate governance and control structures, including "four levels" and "three lines of defense".The "four levels" refer to the Board and its Risk Management Committee, the management, the leading Risk Compliance Department, and its various risk management departments and subsidiaries.The "three lines of defense" refers to the various risk management departments and their subsidiaries are the first line of defense for risk management, and bear the first responsibility for the risks arising from their operation and management activities and risk disposal and resolution; The Risk Compliance Department acts as the second line of defense for risk management by formulating policies, standards, methods and mechanisms to oversee risk management. It supervises and guides the first line of defense to fulfil its responsibilities in identifying, assessing, measuring, monitoring, early warning, controlling, and mitigating risks. This prevents and controls major risks; The Audit Department is the third line of defense for risk management and supervises the risk management work in accordance with its responsibilities.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Strategy and Decision-making
			<ul style="list-style-type: none">Assess significant ESG risks, identify areas that need to be addressed and weakened, and correct them through increased investment and strengthened management.Strengthen effective governance and oversight of ESG matters, and disclose relevant material matters as required.Conduct regular environmental audits and assessments to identify and correct problems in a timely manner.Establish an employee training system to raise employees' awareness of ESG issues and enhance their professional skills.Implement an environmental management system to systematically manage environmental issues and enhance the Company's green image and long-term competitiveness.
Tincy Group	Medium-long term	In response to climate change, the state is constantly updating or issuing more stringent laws, regulations, standards, and requirements.	The company's management and HSE Department always pay attention to the laws, regulations, standards, and requirements continuously updated or issued by the national government authorities in response to climate change, and urge all departments of the company to formulate or improve the company's management system and methods in response to the updated laws and regulations, and strictly abide by and implement them in the process of production and operation. If there are non-compliances caused by updated regulations, standards, and requirements, the company's management will increase budgets to rectify non-conforming items and ensure the company's operations comply with national regulations, standards, and requirements.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Strategy and Decision-making
CITIC Seram	Medium-long term	<ul style="list-style-type: none"> Changing regulatory requirements: Evolving environmental regulations and policies aimed at reducing greenhouse gas emissions can increase compliance costs and impact operational costs. Market volatility: Fluctuation in demand for oil and gas due to climate policies, technological advancement, or changes in consumer behaviour can lead to market volatility. Increasing operational cost: Adapting infrastructure and operations to meet climate-related challenges such as extreme weather events or stricter environmental standards can lead to increasing operational costs. 	<ul style="list-style-type: none"> Obtain third-party professional advice, such as consulting a relevant advisor. Communicate with different stakeholders, including the government, the community, and non-governmental organizations. We are committed to ensuring our business meets environmental compliance, promoting green and low-carbon transformation, and focusing on energy-saving equipment and green-related qualifications in the industry. Establish a climate risk database, requiring each oilfield to identify climate risks and formulate corresponding countermeasures.
Acute Physical Risk: Extreme weather events and natural disasters are more frequent and more intense			
CITIC Resources	Short-medium term	Extreme weather caused by climate change can pose dangers to oilfields, factories, or other property assets, affecting companies' operations. It can lead to reputational impacts when extreme weather impacts the Company's normal operations.	<ul style="list-style-type: none"> Strengthen effective governance and oversight of ESG matters, and disclose relevant material matters as required. Conduct regular environmental audits and assessments to identify and correct problems in a timely manner. Establish an employee training system to raise employees' awareness of ESG issues and enhance their professional skills. Implement an environmental management system to systematically manage environmental issues and enhance the Company's green image and long-term competitiveness.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Strategy and Decision-making
Yuedong Oilfield	Short-medium term	Frequent extreme weather events cause significant damage to oil wells and supporting production facilities in offshore oilfields, which could result in environmental pollution incidents.	<ul style="list-style-type: none"> Cooperate with the meteorological department to predict the weather conditions in the production area in advance, take corresponding countermeasures for extreme weather, and be well prepared to prevent strong winds and heavy rains to avoid major damage or environmental pollution accidents. Implement a comprehensive health, safety, and environmental program to ensure the health and safety of employees and protect the environment.
Seram Block	Short-medium term	<ul style="list-style-type: none"> Heavy rainfall can cause pipeline landslides in production facility areas. Prolonged heavy rainfall can lead to flooding and oil spills, affecting production facilities. Strong winds can cause long-term physical damage to jetties. 	<ul style="list-style-type: none"> Conduct regular inspections to identify potential damage. Regular maintenance of pipelines, drainage, and access road facilities. Installation of additional fixing systems for pipes and utility poles at sites with a high potential danger of landslide slope during the rainy season. Analyze the company's vulnerability and dependence on climatic factors such as floods and droughts. Adopt risk mapping, and cover physical environments and supply chains to understand the risks of the most remote locations. Develop an emergency response plan, and conduct training and drills to ensure a rapid and effective response in the event of an emergency.

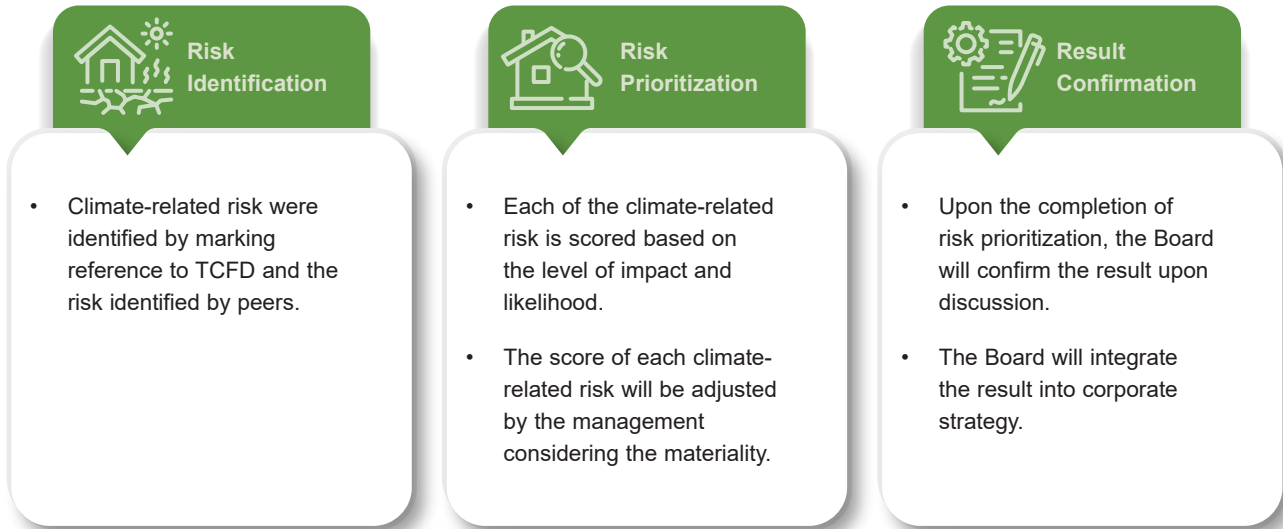
Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Strategy and Decision-making
Chronic Physical Risk: Increase in average temperature/change in rainfall patterns			
Yuedong Oilfield	Long term	<ul style="list-style-type: none">Continuous high temperatures may cause the working hours and work capacity of frontline operators to drop.Frequent rainfall can affect the safety of the working environment and cause the working time of personnel to drop.	Given the high-temperature weather, each production facility prepares mung bean soup, cool drinks, and other heatstroke prevention and cooling drinks for the staff, arranges lunch breaks for the staff to avoid the high-temperature period of the day; conducts inspection and rain prevention work on the equipment before entering the raining season, arrange and complete urgent tasks in advance before the rain according to the weather forecast, and minimize the non-essential operation of employees under the rain to ensure their safety.
Karazhanbas Oilfield	Long term	High temperatures in summer and cold waves in winter can affect site safety and production.	Strictly implement the operation process to ensure production safety under bad weather.

Affected Business	Time Horizon	Climate-related Opportunities	Impacts on Business
Opportunities: Resources efficiency			
All Business Operations	Short-medium term	<ul style="list-style-type: none">Recycling and reuseReduce water usage and consumptionAdopt more efficient transportation methods	<ul style="list-style-type: none">Improve efficiencyReduce expenses



Risk Management

Our Risk Management Committee has embedded climate-related risk into our risk management processes.



Metrics and Targets

During the Reporting Period, our greenhouse gas emissions mainly came from direct greenhouse gas emissions from stationary combustion sources, vehicle use, and flaring. Energy indirect emissions (Scope 2) were attributed to the purchased electricity and purchased steam. In accordance with the guidance of the “Greenhouse Gas Protocol”, the emission data is as follows:

Greenhouse Gas Emissions	Unit	2024	2023
Direct GHG Emission (Scope 1)	tonnes of CO ₂ e	80,764.70	80,511.30
Energy Indirect Emission (Scope 2)	tonnes of CO ₂ e	34,888.29	14,648.76
Total GHG Emission	tonnes of CO ₂ e	115,652.29	95,160.06
GHG Emission Intensity	tonnes of CO ₂ e per barrel of crude oil	0.03 ²	0.03 ¹

Note:

1. In 2023, the Group has consumed 3,351,895 barrels of crude oil.

2. In 2024, the Group has consumed 3,628,030 barrels of crude oil.





Our Employees

CITIC Resources deeply understands the importance of talented individuals to the sustainable development of the Company. Adhering to the principle of "a company thrives with people and falters without them", we regard employees as valuable assets and wealth. The Group is committed to continuously optimizing human resource policies to create a more competitive working environment and remuneration system. To ensure a safe and harmonious workplace, the Group regularly organizes employee activities and team-building events to foster cohesion among employees at all levels, while also paying attention to their mental well-being. In addition, the Group places great emphasis on employees' career development and the enhancement of professional skills. Comprehensive training policies and programs are in place to help employees realize their potential in suitable positions, achieving a win-win situation for both individuals and the Company.

The Group firmly believes that by investing in its employees, the professional skills and efficiency of employees will benefit the Company, to continuously enhance the core competitiveness of the Company.

In terms of employees' rights and interests, the Group regularly reviews and updates its human resources policies to strive for a better working environment and rights. We strictly comply with laws and regulations on recruitment, compensation, promotion, termination, working hours, holidays, benefits, etc., and regularly review and ensure that our human resources policies comply with regulatory requirements. The Group has formulated and implemented systems such as the "CITIC Resources Hong Kong Office Employee Handbook (2024)", the "Employee Turnover Management System of CITIC Resources Headquarters", the "Employee Care Plan" and the "Employee Rental Tax Deduction and Exemption Plan", which clarify the recruitment, remuneration, promotion, termination, benefits, bad weather working arrangement, employee codes, business codes, equal opportunity policies, other employment policies, and occupational safety and health policies. These clear right of the employees, while the codes of practice provide a reference for subsidiaries and joint ventures to incorporate local regulations and develop a set of applicable employment policies.

This section addresses the key material topics:

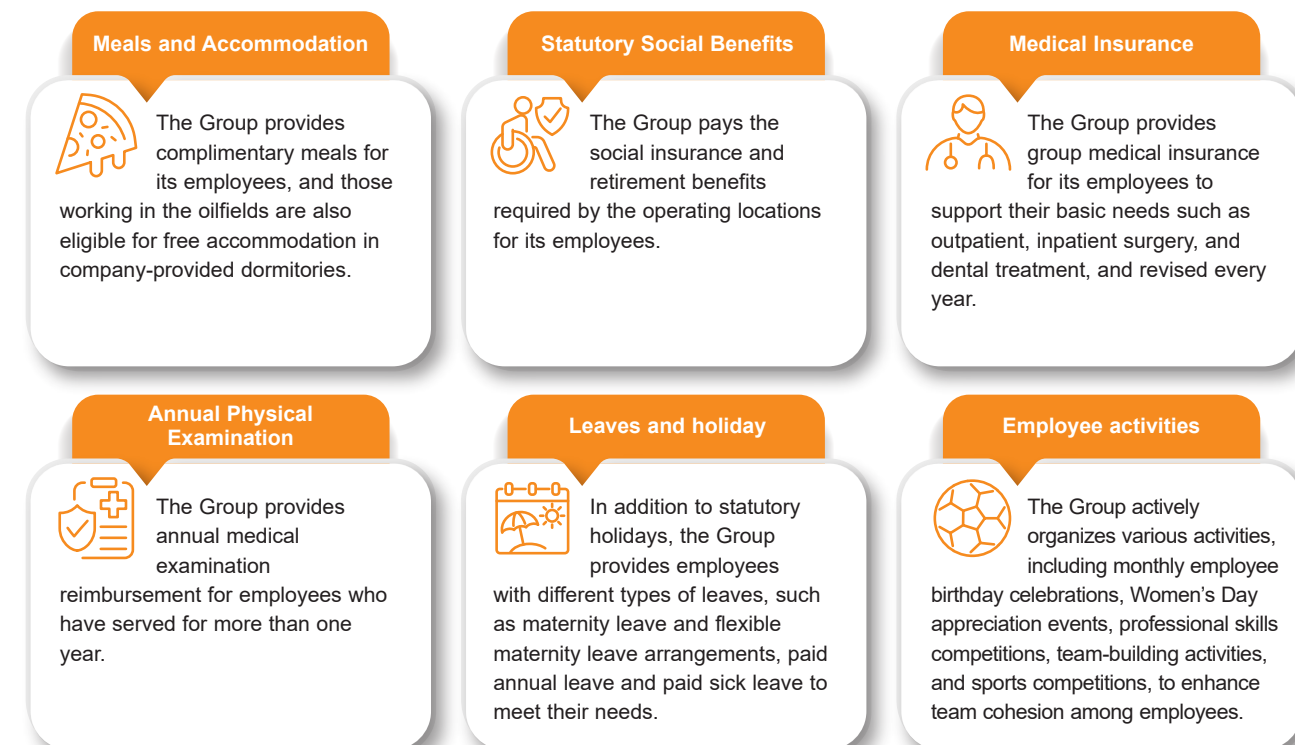
"Protection of Employee's Right", "Diversity and Equal Opportunities", and "Employee Training and Development".



Policies and Benefits

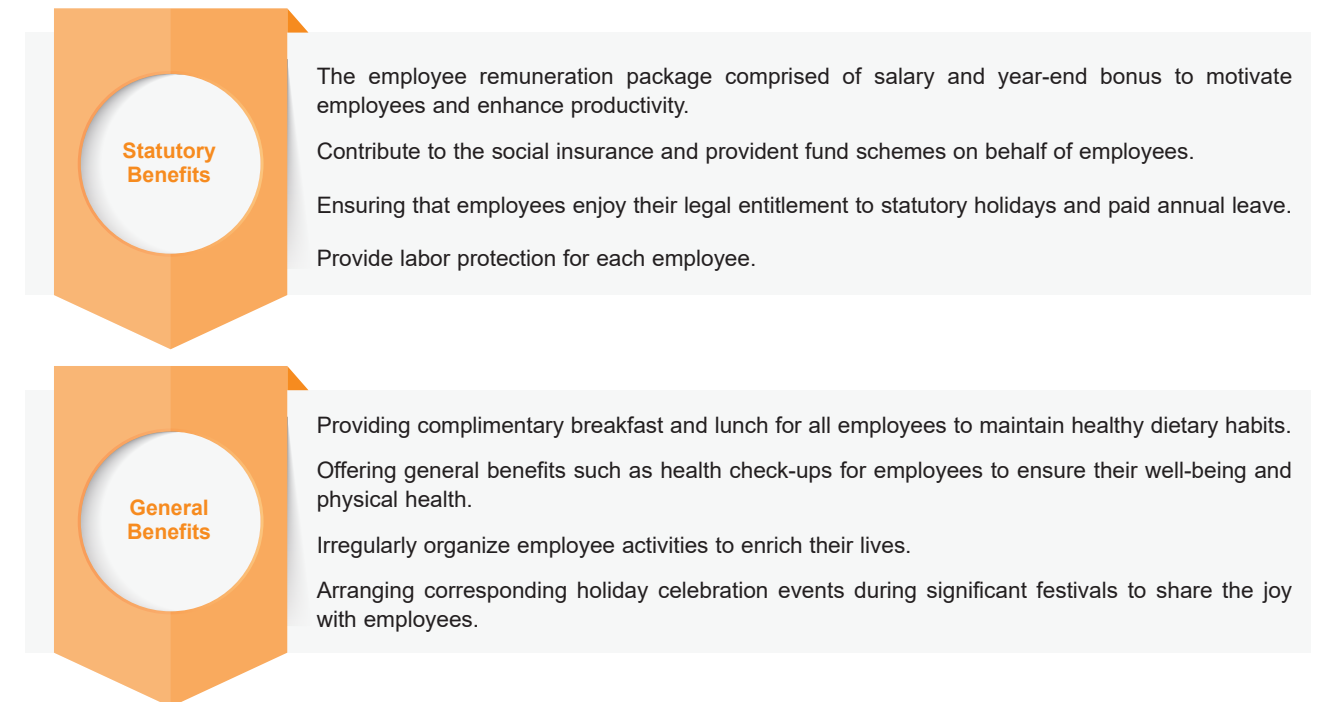
Employees are the core assets of the Company and the cornerstone of CITIC Resources' business development. CITIC Resources recognizes that competitive compensation, benefits, and employment policies are key to retaining top talent. Accordingly, the Group regularly reviews its employee policies to ensure alignment with market trends and industry standards, making its compensation policies both attractive and motivating. In addition to paying attention to the legitimate rights and interests of employees, the Group is also willing to listen to their feedback and consider incorporating their opinions in relevant policies. This open feedback mechanism helps to create a collaborative and trusting work environment where employees feel valued for their contributions, while helping to continuously improve the overall performance of the organization. During the Reporting Period, the Human Resources and Administration Department of the Group revised the management manual of CITIC Resources Hong Kong Office to clearly set out the benefits of public holidays and labor holidays, and issued the "CITIC Resources Recruitment and Employment Management Measures" and "CITIC Resources Hong Kong Office Employee Handbook (2024)" to improve the relevant regulations and carry out relevant management more effectively.

Employees are at the core of the Company's value creation, so we focus on promoting the long-term career development of our employees to ensure their rights and interests, and the following is the Group's welfare system:



Tincy Group – Yuedong Oilfield

To provide a fair, equitable, and friendly working environment, Tincy Group has established a market-competitive compensation system that strictly adheres to the principle of equal pay for equal work, ensuring standardized rights and benefits. The group has implemented comprehensive compensation, benefits, and employment policies in accordance with the group's regulations to ensure that processes involving recruitment, termination, promotion, and other aspects of human resource management comply with relevant laws and regulations. In addition to statutory benefits, Tincy Group provides general employee benefits as an expression of care and respect for its employees. These efforts contribute to enhancing employee efficiency and motivation, thereby fostering the long-term stability and development of the company.



Tincy Group has established a joint management committee, which holds meetings at the beginning of each year to identify job vacancies based on actual production and operation conditions, and then conducts corresponding recruitment. Given the high technical requirements of the energy industry, Tincy Group primarily recruits through oil industry talent websites and internal referrals, with candidates often coming from major oil fields to ensure professional qualifications and background match. In addition, the company complies with the relevant provisions of the Labour Contract Law of the People's Republic of China and the Labour Law of the People's Republic of China in terms of recruitment, dismissal and promotion in human resource management. The employed personnel and the company will sign an "Employment Contract" or "Service Contract" in accordance with the legal framework and the mutual consent of both parties.

Case Study: Employee Recreational Activity

In early 2024, Mr. Li Jian gang, the General Manager of Tincy Group, participated in a bean bag toss with both company and contractor employees while on duty at sea. This activity demonstrated the company's commitment to employee relations and its emphasis on humanistic care.



CITIC Seram – Seram Block

CITIC Seram values employee rights and benefits, ensuring that human resources procedures and regulations comply with the Group's guidelines, Indonesian labor laws, and relevant regulations. To clearly define the rights and responsibilities of both the company and employees, CITIC Seram has developed relevant management systems and policies, which clearly outline employee compensation, benefits, and employment policies. These include, but are not limited to, employment relationships, recruitment, working hours, overtime policies, statutory holidays, paid annual leave, special leave, occupational health and safety, compensation and benefits, and medical allowances. These measures ensure a healthy and friendly cooperative relationship between the employer and employees.



Medical and Health

CITIC Seram places great importance on employees' physical health by offering medical insurance benefits to provide better healthcare coverage. Additionally, the company provides female employees with maternity leave, menstrual leave, and annual health check-up services, including cervical smear tests for health screenings.



Recreational Activities

CITIC Seram has established a corporate social responsibility plan and allocates a budget for annual employee activities, organizing sports events, team meals, and religious activities. After working hours, CITIC Seram offers a variety of sports activities to provide employees with opportunities for teamwork and communication. These activities also help employees develop positive interests and promote their physical and mental well-being. During the activity period, each employee can choose sports based on their preferences, such as badminton, jogging, tennis, and more, to achieve physical fitness. Employees are also encouraged to fish at designated times to relax and enjoy the natural scenery.



Employee Assistance

CITIC Seram provides assistance to employees affected by natural disasters in accordance with established guidelines. The amount of assistance is reasonably assessed based on the extent of the disaster's impact and the specific circumstances of the affected employees, ensuring fair distribution. CITIC Seram is committed to offering timely and effective support to employees facing difficulties, helping them overcome post-disaster challenges and facilitating their swift recovery.

KBM – Karazhanbas Oilfield

Adhering to the “people-oriented” philosophy, KBM actively promotes talent training, firmly upholds employees' basic rights and interests, and improves the compensation and benefits system. KBM trains employees to develop into technical professionals, pays attention to their work and life needs, and continuously improves the work environment, quality of life, learning conditions, and cultural atmosphere. Together with all employees, KBM strives to create a sustainable and bright future.

KBM adheres to the regulations of the Group and Kazakhstan's labor laws, establishing a comprehensive system for safeguarding employee rights. To motivate employees, KBM sets specific performance appraisal indicators for the management team each year, creating a compensation structure with an incentive mechanism. At the end of the year, based on the completion of these indicators, the Board determines the management team's bonuses. Regular employees also benefit from KBM's diverse welfare benefits, which include holiday bonuses, paid leave, labor insurance, and health insurance, among others. KBM is

also committed to the physical and mental health of its employees, emphasizing inclusive interactions between employees and striving to build a warm and inclusive “big family” atmosphere. To this end, KBM organizes employee activities from time to time, such as meals and group outings, and encourages active participation. Through a comprehensive compensation and benefits system and a harmonious work environment, KBM is dedicated to creating development opportunities for employees and jointly promoting the sustainable development of the company.

Case Study: Farewell to Long-Term Employee

In 2024, Gulayim Nogayeva, a production line employee, successfully completed her final year of service at KBM, officially bidding farewell to the position she dedicated 40 years of her career to. To express gratitude for her hard work and outstanding contributions over the years, KBM held a grand farewell ceremony in her honor, presenting her with a certificate of appreciation. KBM praised her professional spirit and dedication to her work, expressing deep respect and appreciation for her efforts.



Case Study: Meeting with Union Representatives

In 2024, KBM's management held separate meetings with union representatives to discuss issues such as improving the quality of oil workers, enhancing salaries and benefits, strengthening oilfield production facility construction, and improving transportation services. During the meetings, specific solutions were proposed, and actionable execution plans were jointly developed.

At the same time, KBM actively maintained communication with union representatives, signing a supplementary agreement to the collective labor contract and extending its validity. The agreement aims to improve employees' working conditions, protect their rights, enhance welfare security, and strengthen support for skills training, medical, and rehabilitation services, providing additional security for employees. KBM will review the group's labor contract every three years, making adjustments where needed and re-signing the contract.

After signing the supplementary agreement, the company further strengthened its commitment to employee protection, providing a more solid institutional foundation for safeguarding employee rights.





Healthcare

KBM strives to provide employees with high-quality, modern medical services, ensuring the implementation of comprehensive healthcare for its staff. To achieve this, KBM has signed a medical service contract with a local comprehensive hospital equipped with advanced medical technology and facilities. Through collaborative efforts with the medical institution, specialized appointments with experts in neurology, endocrinology, oncology, and other fields have been arranged to effectively address the medical needs of employees.

Furthermore, to facilitate medical care for employees and their families, KBM has established dedicated medical facilities in villages where employees reside prominently. These facilities aim to provide more convenient healthcare services, ensuring that employees can easily access professional medical care. KBM has extended medical benefits to the employees of oilfield contractors, demonstrating the commitment to health management and social responsibility.



The Development of Physical and Mental well-being

To ensure employees' healthcare needs, KBM has signed a long-term medical service contract with healthcare institutions for the period of 2024-2026 and organizes annual health check-ups for employees on a regular basis.

In terms of daily operation, KBM places a strong emphasis on the physical and mental well-being of its employees, actively promoting a healthy lifestyle. In the monthly internal newsletter issued by KBM, dedicated columns cover topics such as balanced nutrition, exercise and fitness, heatstroke prevention, dietary considerations during Ramadan, and articles related to epidemic prevention and control. This allows employees to stay informed and engaged in health-related discussions.

In order to improve the eye health of employees, KBM has installed software for regular eye exercises on the office computers of employees in the city to encourage employees to pay attention to vision care. In addition, KBM has installed a blood pressure monitoring device in the office corridor so that employees can monitor their physical condition at any time. These initiatives ensure that the basic physiological needs of employees are effectively addressed and managed.

In addition, KBM often organizes various sports and cultural activities to enrich the lives of employees and improve their physical fitness and health level. To celebrate the 50th anniversary of KBM's crude oil discovery, the company organized a grand sports competition, featuring events such as volleyball and football. These measures demonstrate KBM's commitment to the well-being of all employees and help them build a sense of belonging to the company.



Recreational and Holiday Activities

KBM places great importance on the physical and mental health of employees as well as their cultural life, actively organizing various recreational and holiday activities to create a warm and harmonious work environment. To celebrate the Kazakh New Year, KBM hosted a grand festive gala at the sports and cultural activity center at the oilfield site. During the event, employees wore traditional clothing and participated in several ethnic-themed traditional competitions, enjoyed holiday cuisine, and immersed themselves in the festive atmosphere, fully demonstrating the company's care for its employees and commitment to cultural heritage.

Additionally, on International Women's Day, KBM held a special gifting event for female employees, presenting them with carefully prepared flowers and heartfelt wishes, expressing deep respect and care for the female workforce.



Accommodation

In terms of accommodation, KBM is committed to addressing employees' housing needs and continuously improving their work and social living conditions. To further enhance the quality of life for oil workers, KBM launched the construction of Dormitory No. 4 in 2024. The dormitory features a modular building design, with each structure consisting of four sections, and upon completion, it will accommodate 192 employees.

Additionally, the dormitory area is planned to include changing rooms and restrooms, taking into full consideration the daily needs of employees. The buildings are constructed using high quality materials and are equipped with modern essential facilities, including heating systems, ventilation equipment, and convenient living amenities, ensuring the safety, comfort, and convenience of the living environment.

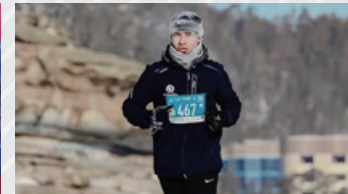


Case Study: Encouraging Sports Competitions

In addition to professional skills, KBM values the physical health and recreational activities of its employees, actively organizing various sports and cultural events that allow employees to develop their talents outside of work. During the Reporting Period, a mechanic from the Vehicle Transport Department, won the 64kg category championship in Kazakh Sambo Wrestling, securing a spot in the Asian Championship. This achievement highlights the outstanding abilities and strength of the company's employees in the field of sports.



In the "Ice Marathon" competition with over 600 participants, Alibek Kulbolganov, a welder from the KBM maintenance workshop, completed the 7-kilometer race in 36 minutes, successfully finishing in the top ten of his group and achieving an outstanding result.



This not only reflects the company's deep care and comprehensive support for employees' physical and mental well-being but also sets an excellent example for other employees, inspiring them to actively participate in sports and adopt a healthy lifestyle. KBM will continue to promote this culture of health and sports to ensure that, alongside career development, employees also maintain strong physical health and a positive, proactive attitude toward life.

Beijing Office

The Beijing office adheres to a people-oriented management philosophy, actively creating a healthy, friendly, and sustainable work environment that comprehensively focuses on employees' physical and mental health as well as professional development. In terms of office environment optimization, we have invested in air purification systems and smart humidification equipment, monitoring and maintaining indoor air quality indicators in real-time to ensure compliance with health standards. In terms of talent development, we have established a comprehensive career support system, offering competitive continuing education allowance programs to encourage employees to engage in continuous learning and self-improvement. Additionally, we regularly organize diverse employee activities, including health seminars, team-building workshops, and recreational and cultural events, aimed at promoting work-life balance and enhancing team interaction and cohesion.

Case Study: Employee Recreational Activities

During the Reporting Period, Beijing office organized a badminton competition for employees, enhancing team cohesion and promoting physical and mental well-being. Additionally, to celebrate International Women's Day, a special staff dinner was arranged to extend blessings and gratitude to female employees.



Training and Development

Employees are the key drivers of sustainable development for the Group, and to this end, CITIC Resources invests significant resources into talent development. The performance appraisal mechanism incorporates employees' work performance into the assessment criteria, which serves as the basis for salary and position adjustments. Employee performance is fully recognized and quantified, encouraging employees to actively engage in production and enhancing the Group's capacity. If employees find themselves more suited to other roles, the Group also has an internal job rotation system, allowing employees to explore different fields and departments, learn other professional skills and knowledge, gain a deeper understanding of the Company's operations and management, and improve their own abilities. This opens up more career development opportunities and space in the future. The Group firmly believes that by enhancing employees' capabilities, it not only helps them realize their self-worth but also injects sustainable development momentum into the Company.

Training content includes, but is not limited to:



CITIC Resources

Employees, as the cornerstone of the Company's continued operation, are highly valued for their professional development by CITIC Resources, which has established a comprehensive training system. To encourage employees to engage in further training outside of work hours and enhance their professional skills and abilities, the Group has implemented the "Employee Training and Development Administrative Measures". The details of in-service training and allowances are outlined in the "CITIC Resources Hong Kong Office Employee Handbook (2024)". If employees participate in training courses organized by accredited institutions, the Group will provide a training allowance each year. This initiative helps employees continuously enrich their knowledge and provides more learning opportunities.

Training Category



Tincy Group – Yuedong Oilfield

To meet regulatory requirements, production needs, and enhance the professional capabilities of employees, Tincy Group provide tailored training programs to employees according to their position, to enable them to thoroughly understand the actual technical requirements of each department.

As the global pandemic gradually comes under control, Tincy Group is actively organizing more comprehensive occupational training. Through various means, the company is offering employees broader and deeper learning opportunities. Tincy Group believes that through these training initiatives, employees will be better equipped to tackle the challenges the company faces, while injecting more innovation and efficiency into the company's development.



CITIC Seram – Seram block

To enhance employees' professional knowledge and work capabilities, CITIC Seram prioritizes budget planning to provide comprehensive training programs. These programs include mandatory certification courses, professional seminars, and opportunities to participate in meetings with the government and other relevant stakeholders, ensuring employees possess the skills necessary to perform their duties while further improving overall productivity. Additionally, CITIC Seram collaborates with various organizations to offer a diverse range of training courses, broadening employees' skill sets and knowledge to expand their perspectives and career development opportunities.

During the Reporting Period, CITIC Seram provided internship opportunities for students, allowing them to gain insights into industry operations and acquire practical work experience. In addition, CITIC Seram offered various training programs to its employees, including but not limited to:

- Electrical Engineering Certification;
- Level 2 I&C and Calibration Technician Certification;
- Lift Operator Certification;
- Production Operation Certification (OPM);
- Crane Operator Certification;
- HSE O&S Supervisor Certification;
- H2S Certification;
- I&C and Calibration Technician Level 1 Certification;
- Internal Auditor (IA) SPS Code Certification;
- Air Pollution Control Officer Certification;
- PSCs and Business Law; and
- Trainer Certification etc.

KBM – Karazhanbas Oilfield

Talent is the cornerstone of corporate progress. In addition to the mandatory annual mining training stipulated in contracts, KBM places great emphasis on talent cultivation and development. The company has also allocated resources to provide voluntary training programs focused on six key areas: safety, skill enhancement, leadership development, corporate culture and value shaping, professional competence, and innovation and creativity.

As one of the first companies in Kazakhstan to implement an internal rotation policy, KBM deeply understands its significance for employees' career development and continues to invest resources to support its execution. By providing opportunities for employees to rotate across different roles, they are able to develop diverse skill sets and unlock their potential in various positions. Gaining a deeper understanding of responsibilities in other departments not only helps employees grasp the overall operations of the company but also expands their internal professional networks. This exchange fosters smooth cross-departmental collaboration and encourages knowledge sharing and interaction.

KBM's unwavering commitment to this policy reflects the company's dedication to the growth and development of its employees. By providing rich learning opportunities, KBM not only motivates employees to continually challenge themselves but also encourages them to expand their professional horizons, becoming interdisciplinary talents. This commitment lays a solid foundation for both the sustainable development of the company and the career path of its employees.

Case Study: Oilfield Production Facility Trainee Internship Program

In addition to focusing on the training of employees' professional skills, KBM also cooperates with the Caspian University of Technology and Engineering to explore and cultivate future professionals. KBM signed a memorandum of cooperation with the university and provided fourth-year students with strong professionalism with 6-8 months of internship opportunities, allowing them to practice and experience oilfield production facilities. KBM has developed a special internship program for these students and assigned dedicated mentors to introduce and teach them about the production process and practical operation skills. After the internship, KBM organized examination tests and gave priority to outstanding candidates. In addition, this combination of theory and practice not only provides a more accurate talent recruitment assessment method, but also provides internship positions and employment opportunities for educational institutions and students. KBM bears all the expenses of these students during the internship period.

Case Study: Training and Career Development

Young professionals are the driving force of Karazhanbas. During the Reporting Period, KBM organized a large-scale event "Youth Expert Day", which was attended by over 80 young professionals under the age of 35 from various functional departments and oilfield workshops. The two-day event included team-building activities, youth forums, training on company development, and personal career growth. External experts were also invited to provide training in areas such as strategic development, financial analysis and decision-making, emotional intelligence, and teamwork. This initiative contributes to the company's long-term talent development and creates opportunities for employees to advance in their careers.



In the area of financial management, KBM arranged for employees to participate in the Samruk Foundation's Comprehensive Development Program for company staff, offering financial business training for young specialists. During the two-day training seminar, 50 young professionals learned techniques for financial planning, cost-saving, and efficient resource utilization. Participants also exchanged experiences, enhancing collaboration and strengthening professional relationships.

In the field of information processing, KBM organized professional training on news services, where experts shared numerous case studies. The training focused on methods for processing information and strategies for providing timely, official, and accurate information to the workforce.



In the area of human resource management, KBM organized a training session themed "People and Communication" to enhance work efficiency and foster strong business relationships with employees. During the training, the speaker emphasized the importance of effective communication and shared strategies for team interactions and emotional control. Additionally, the trainer divided specialists from various units into smaller groups to engage in practical exercises, reinforcing participants' hands-on skills and promoting real-world application of the concepts learned.



Case Study: Signing a Memorandum of Understanding with Educational Institutions

KBM has always been committed to cultivating outstanding talent in the industry and recently signed a memorandum of understanding for mutual cooperation with a leading local educational institution. The memorandum covers multiple areas of collaboration, including providing internship opportunities for university students in oil fields, sending company petroleum experts to teach university courses, and offering material and technical support to facilitate the deep integration of education and industry.

In 2024, KBM officially sponsored the "Well Fluid Dynamics Research" project and the "Software Coverage Dual Education Laboratory" at Yessenov University. The launch of these projects not only provided students with more advanced learning and practical platforms but also injected new momentum into promoting innovation and development in the regional oil industry.






Case Study: Mini MBA Management Training Program

To enhance employees' management capabilities, KBM signed a contract with KIMEP University to offer a one-year MBA management training program for KBM employees. The training consists of 12 modules designed to develop management skills with an emphasis on practical application. The program covers a variety of topics, including business, finance, management, human resource management, public speaking, teamwork, project management, and risk management. During the Reporting Period, KBM provided support to assist 15 employees in completing the course.



Respect for Rights

CITIC Resources is dedicated to creating a diverse and inclusive workplace for its employees, ensuring that all employees can legally enjoy various rights and receive fair and just treatment. To this end, the Group strictly complies with the employment-related laws and regulations of the regions where it operates, and the use of child labor or forced labor is strictly prohibited. Special attention is given to the rights of female employees and minority groups, and efforts are made to protect the rights of employees with different nationalities, races, genders, and cultural backgrounds. These policies also apply to subsidiaries and joint venture of the Group, including Tincy Group, CITIC Seram, and KBM, and their respective oilfield blocks. The following highlights specific areas of focus for subsidiaries:

 Preventing Child Labor	 Prohibiting Forced Labor	 Collective Bargaining
<ul style="list-style-type: none"> The Group actively verifies the identity documents of applicants during the recruitment and hiring process to ensure that applicants meet the legally required working age and to prevent the employment of child labor. If any violation of relevant laws and regulation is identified, the concerned department will report to the management in accordance with the internal policies of the Group. Following a detailed investigation, corrective measures will be implemented based on the investigation results to address any non-compliance issues or situations. 	<ul style="list-style-type: none"> The Group respects the personal freedom and leave rights of its employees, clearly specifying the daily working hours for employees, and strictly prohibits forced labor. If any violation of relevant laws and regulations is identified, the concerned department will report to the management in accordance with the internal policies of the Group. Following a detailed investigation, corrective measures will be implemented based on the investigation results to address any non-compliance issues or situations. 	<ul style="list-style-type: none"> The Group respects the right of employees to engage in collective bargaining and strictly adheres to relevant laws, regulations, and systems in each operational location. Through collective bargaining, the Group enhances communication and collaboration with employees, fostering stable labor relations, and advancing the achievement of the Group's goals and operational efficiency.

CITIC Resources believes that a diverse and equal work culture enhances employee satisfaction and stimulates innovative potential. This culture encourages employees to realize their full potential in an environment full of respect and inclusion. At the same time, diversity helps us better understand and meet customer needs, enhancing the Company's competitiveness and business performance.

CITIC Resources is committed to fostering a diverse and equal employment environment, which is not only a promise to employees but also a key factor in achieving the Company's long-term sustainable development. We firmly believe that through continuous efforts, we can create a more vibrant and inclusive corporate culture.

CITIC Resources

The Group is committed to integrating the principles of anti-discrimination, equal opportunity and personal privacy into its daily operations, strictly ensuring the privacy and security of employees and personal information, prohibiting any disregard and abuse of human rights, and respecting the rights of employees. By formulating policies and continuously monitoring their effectiveness, and regularly reviewing the effectiveness of policies, the Group has made the values of diversity, inclusion and mutual respect deeply imprinted in the way employees deal with others.

The Group has revised the "CITIC Resources Hong Kong Office Employee Handbook (2024)", adding policies on the Equal Opportunities Ordinance and the Prevention of Sexual Harassment or Discrimination. The revisions also include detailed procedures for reporting related incidents. These updates aim to further enhance the internal management system and foster a fair, safe, and respectful working environment. During the Reporting Period, no incidents of sexual harassment or other forms of harassment or discrimination were reported.

Anti-discrimination	Equal Opportunity	Personal Privacy
In recruitment, determination of employment terms, and handling any employment matters, the Company adheres to the principle of equal opportunities. It ensures that everyone, regardless of gender, marital status, race, religion, etc., is treated equally and is not subjected to any form of discrimination.	To address disruptive behavior in the office area, the Company has established a comprehensive complaint procedure. Upon receiving a complaint, the Company conducts an initial assessment, followed by a detailed investigation. Based on the investigation results, appropriate actions or disciplinary measures will be taken. The Company is committed to handling all employee complaints with thoroughness and diligence.	The Company commits to handling all employee personal data in accordance with applicable laws and regulations. It ensures that the data requested is legal, accurate, and necessary. Additionally, the Company treats employee personal information as confidential and only uses it for purposes related to employment, benefits administration, and any other lawful purposes agreed upon by the Company and the employee or as required by law.



CITIC Seram – Seram block

CITIC Seram is committed to promoting anti-discrimination and equal opportunity, striving to provide all employees with a fair, just, and inclusive working environment. The company pledges to implement relevant policies and take necessary measures to prevent any form of discrimination or harassment in the workplace. Additionally, in the event of harassment or discrimination, the company will offer support services to ensure incidents are addressed promptly and effectively, safeguarding the dignity and rights of every employee. At the same time, CITIC Seram continues to raise employee awareness through training and advocacy, fostering a culture of respect and equality within the organization.

KBM – Karazhanbas Oilfield

KBM respects employee rights and is committed to providing a work environment with equal opportunities. Regardless of gender or ethnicity, all employees enjoy fair benefits and treatment. During the Reporting Period, KBM employed staff from diverse ethnic backgrounds, demonstrating its commitment to diversity and inclusion. KBM also signed the “2023-2027 Collective Contract with Employees” with the labor union, strictly implementing provisions to protect and support female employees, reflecting its dedication to gender equality and employee care.

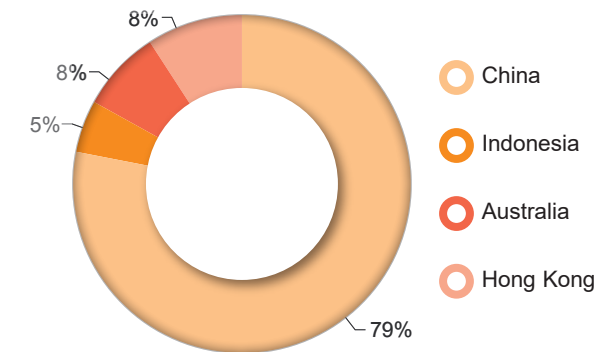
In order to safeguard legitimate interest, expand the scope of mediation, and reduce conflicts, KBM has established a Dispute Mediation Room with the support of the Mangistau State Court and the local International Mediation Center Association. This measure aligns with the national policy proposed by the Government of Kazakhstan. KBM aims to enhance the mediation mechanism, actively utilize modern dispute resolution methods, address conflicts between labor and management, and simultaneously improve the mediation skills and qualities of its employees.

Beijing Office

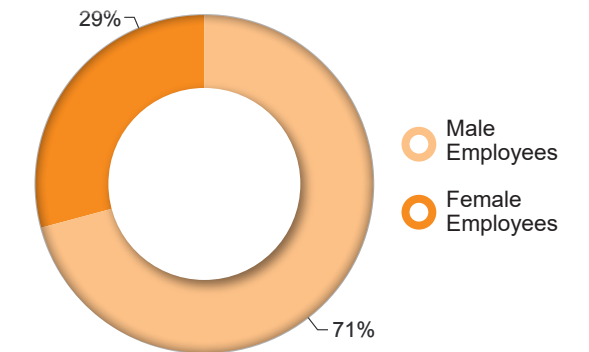
Beijing office is dedicated to safeguarding employees' welfare and rights while maintaining regular communication with the labor union. To effectively protect employees' legal rights, the union actively assists in resolving various workplace labor disputes, processes employee grievances, and explicitly includes clauses related to labor dispute arbitration institutions in employment contracts. Beijing office also participates in employee representative conferences organized by higher-level authorities and holds all-employee meetings as needed to promote the implementation of democratic management mechanisms, ensuring the protection of all employees' rights. Additionally, Beijing office continues to uphold the rights of female employees through the “Special Collective Agreement on Protecting Female Employees' Rights” signed last year.

As at the end of the Reporting Period, the Group had 180 employees. The following is the details of the Group's employees:

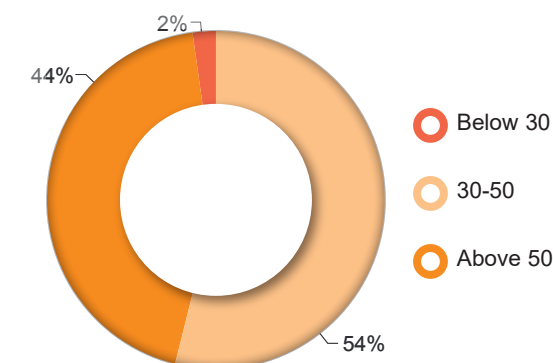
The Number and Percentage of Employees by Region



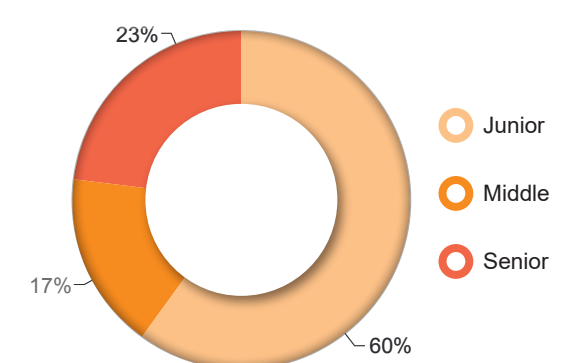
The Number and Percentage of Employees by Gender



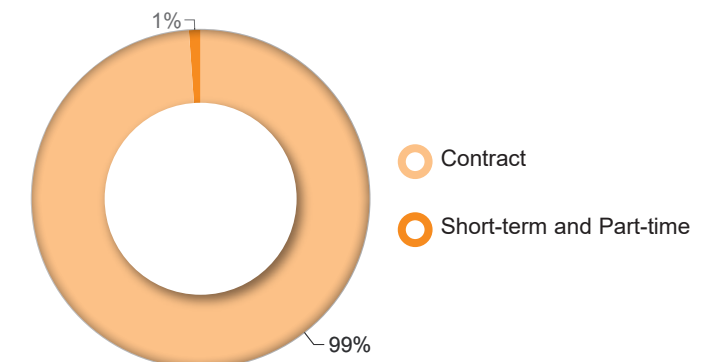
The Number and Percentage of Employees by Age



The Number and Percentage of Employees by Employment Category



The Number and Percentage of Employees by Employment Type





Our Operations

CITIC Resources regards employee safety and health as the cornerstone of its operations and is committed to implementing the HSE management system, continuously enhancing safety awareness, and striving for the ultimate goal of zero accidents. The Group fully complies with the laws and regulations of its operational locations and strengthens compliance management through the formulation of relevant policies to ensure that safety standards exceed regulatory requirements.

In terms of integrity practices, the Group adheres to the concept of honesty and holds the highest ethical standards of conduct for the Company, employees and partners in accordance with market practices. The Group's internal code of conduct requires employees to strictly follow the Company's policies in the conduct of business activities to ensure fair competition and compliant operations. On the supplier side, we are committed to enhancing supply chain management, strengthening risk identification and response capabilities within the supply chain. By building a robust supply chain management system, we aim to establish sustainable partnerships with our suppliers.

In terms of daily operation and management, the Group attaches great importance to intellectual property rights, quality control, information security and privacy, and abides by relevant laws and regulations. The Group will review existing intellectual property rights from time to time to protect the intellectual property rights of our own and others. If any infringement is discovered, we will seek legal opinions. When selling and transporting crude oil products, the relevant parties are required to sign confidentiality agreements to ensure the security of confidential data or information. We respect the data and privacy of the parties concerned and strictly prohibit the disclosure of relevant data and information to any third party unless the written consent of both parties is obtained. The Group's subsidiaries will directly supervise matters relating to consumer data protection, information security and the implementation of confidentiality policies. Relevant policies and procedures will be reviewed and updated if necessary. If any incident related to consumer data protection and information security is identified, the respective subsidiaries will conduct an investigation. They will then determine whether updates to policies and procedures are necessary to prevent the recurrence of such issues.

As the Group is principally engaged in oil and gas exploration and development, which is in a business-to-business model, product recall, advertising and labeling is not a major concern to the Group's main business.

This section addresses the key material topics:

"Occupational Health and Safety", "Business Ethics and Anti-Corruption", "Compliance Operation", "Scientific Research and Technological Innovation", "Product and Service Quality", "Supply Chain Management" and "Risk Control" are particularly responded to in this section of Report.



Health and Safety

CITIC Resources is dedicated to preventing all avoidable accidents, adhering to the work principle of “Safety First, Prevention Foremost, and Comprehensive Management”. The Company places great emphasis on the health and safety of its employees. During the operation, the Company is committed to continually improving safety management, strengthening risk management, and implementing process controls. To establish clear responsibilities for health and safety, CITIC Resources is actively promoting a sense of responsibility with the principle of “the main person in-charge should take the responsibility”. It rigorously demands each oilfield to adhere to safety management systems, implement safety management procedures, and regularly conduct equipment supervision checks to mitigate risk of accidents.

The Group enhances the HSE awareness and safety measures of employees and contractors through diverse initiatives, including distributing manuals and providing guidance sessions. Additionally, annual comprehensive emergency drills are organized at onshore processing stations and offshore platforms to review and enhance overall emergency response capabilities. Through scientific scheduling and division of labor, the drills aim to achieve the goal of responding to various incidents in a “scientific, safe, orderly, and rapid” manner.

CITIC Resources

CITIC Resources always places employee health and safety as a top priority. To prevent and reduce occupational diseases, the Group has equipped employees with height-adjustable desks and ergonomic chairs. During the Reporting Period, the Human Resources and Administration Department organized eye check-ups for office employees in collaboration with an ophthalmic technology company, helping employees detect and prevent eye-related issues early. Additionally, the Company regularly conducts health seminars to share health information and raise employees' health and safety awareness. CITIC Resources also places great emphasis on fire safety in the office. The Human Resources and Administration Department performs regular inspections of fire safety equipment, conducts safety patrols of the document storage areas, and organizes employee participation in building fire drills to ensure safety measures are fully implemented.



Preventing Safety Accidents



Multi-party Participation

Contractors at all operational sites face the same health and safety risks as the Group's employees. Therefore, they are required to comply with the Group's HSE policies and systems and are subject to the same management, regulations, and protections to prevent accidents caused by improper operations.



Emergencies

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



Personal Protection

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



Equipment Maintenance

To promptly identify hazards and implement control measures, the Group continuously conducts key management and risk assessments on critical equipment and facilities. All production equipment is equipped with necessary security and detection systems. If there is a malfunction in the pressure, temperature, liquid level, safety valve, fire, or gas detection systems, the system will issue an immediate alert, notifying operators to pay attention to safety and replace the faulty components.

Tincy Group – Yuedong Oilfield

Operational Safety Management

Tincy Group strictly complies with the Production Safety Law of the People's Republic of China and other relevant safety regulations. The Group continuously improves its HSE management system to ensure that the system is effectively implemented, ensuring safety in daily operations.

The management system outlines the management methods for creating a safe and healthy working environment, such as "Occupational Health Management Procedures", the "Personnel Health Management Regulations", the "Personal Protective Equipment Management Regulations", the "Health and Safety Environment Inspection Regulations", and the "Hidden Danger Reporting and Rectification Management Regulations". Among them, the "Occupational Health Management Procedures" stipulates that the Group shall continuously monitor the health status of employees through regular or irregular medical health examinations and collection of health-related information according to the occupational contact history of employees, analyze the relationship between employees' health changes and occupational disease hazards they are exposed to, and provide health examination and data analysis results reports to all departments and employees themselves in a timely manner, so as to take preventive measures in time to protect the health of employees.

During the Reporting Period, Tincy Group's offshore platforms were equipped with automated external defibrillators (AEDs) and instructional videos, and arrange daily inspection, comprehensive inspection, special inspection, monthly inspection and departmental inspection, strengthened the investigation and management of hidden dangers through various inspections, and achieved immediate investigation and reform, optimized measures, eliminated potential safety hazards, reduced safety and environmental protection risks in the working environment, and effectively prevented safety and environmental protection accidents.



Prevention and Management of Occupational Diseases

After a detailed evaluation, Tincy Group has identified several critical factors that may endanger occupational safety or employee health, including harmful substances such as carbon monoxide, nitrogen dioxide, ozone, and metal fumes. To prevent employees from being affected by occupational diseases, Tincy Group has implemented the following measures:

	Occupational Disease Hazard Assessment	Conducting an assessment of the current status of occupational disease hazards has further enhanced the safety of the employees' working environment. Monitoring occupational disease hazard factors provides a basis for improving the occupational health environment.
	On-the-job Training	Providing pre-duty occupational health training for employees engaged in occupational hazard operations involves disseminating relevant legal and occupational health knowledge. Employees are informed about the occupational disease hazard factors present in the workplace, including carbon monoxide, toluene, ozone, etc. This includes potential health hazards and preventive measures. The training covers regulations, operating procedures, emergency rescue measures, correct usage, and maintenance methods of occupational disease prevention systems, protective facilities, and personal protective equipment.
	On-site Protective Facilities	The production site is equipped with necessary occupational disease hazard protection facilities that operate synchronously with production equipment. In workplaces where acute occupational injuries may occur due to toxicity or hazards, alarm devices are installed. The site is equipped with first aid supplies, flushing equipment, emergency evacuation routes, and necessary containment areas.
	Occupational Disease Prevention and Treatment Budget	The expenses for occupational disease prevention and control management are included in the cost budget. This covers the prevention and control of occupational disease hazards, the allocation and maintenance of protective facilities, the allocation and maintenance of personal protective equipment, the detection and assessment of occupational disease hazards, occupational health surveillance, occupational health education and training, diagnosis and management of occupational diseases, and workers' compensation insurance.
	Protective Equipment	Qualified personal protective equipment (PPE) is provided, including earplugs, earmuffs, AN2 level safety shoes, safety helmets, anti-static work uniforms, and UV-resistant safety glasses.
	First Aid Equipment	At the operation site, safety gear and items such as hydrogen sulfide positive pressure respirators, life jackets, lifeboats, life rafts, and emergency crew are provided. Medical rooms and doctors are stationed on each island to provide medical treatment for on-site personnel in case of illness or emergencies.
	Safety Training	Training is provided on topics such as hydrogen sulfide prevention, the four essential certificates for offshore personnel, maritime traffic safety, and basic HSE knowledge to ensure that employees acquire the relevant health and safety knowledge.

During the Reporting Period, Tincy Group implemented occupational disease hazard factor detection in accordance with relevant regulations from the National Health Commission. Experts from the China Academy of Safety Science and Technology, Liaoning Provincial Center for Disease Control and Prevention, and the PetroChina Safety and Environmental Protection Research Institute were invited to jointly complete the occupational disease control effectiveness evaluation and review, as well as the on-site completion inspection of occupational disease protection facilities on D Island.

Emergency Drills

Tincy Group has established a comprehensive emergency management system, including the "Emergency Management Procedures" and "Emergency Drill Management Regulations" among other policy documents. The Group organizes contractors for oil extraction and well maintenance operations at all production facilities to conduct various emergency drills in strict accordance with the regulations outlined in the offshore oil safety management guidelines. Through regular drills and strict management, the Group ensures that all relevant personnel can respond quickly and effectively in emergency situations.

During the Reporting Period, Tincy Group organized contractors for oil extraction and well maintenance operations at all production facilities to conduct various emergency drills in strict accordance with the offshore oil safety management guidelines. According to statistics, this year, contractors at all production facilities carried out a total of 519 drills, including fire drills, platform abandonment, well control, personnel overboard rescue, hydrogen sulfide prevention, oil spill response, and oil and gas leakage drills. A total of 10,152 participants took part in these drills.

Case Study: Offshore Life Safety Training

During the Reporting Period, to further ensure the safety of employees at the Yuedong Oilfield, Tincy Group organized offshore life safety training, CPR training, and AED usage training to improve the rescue and response capabilities for emergencies.

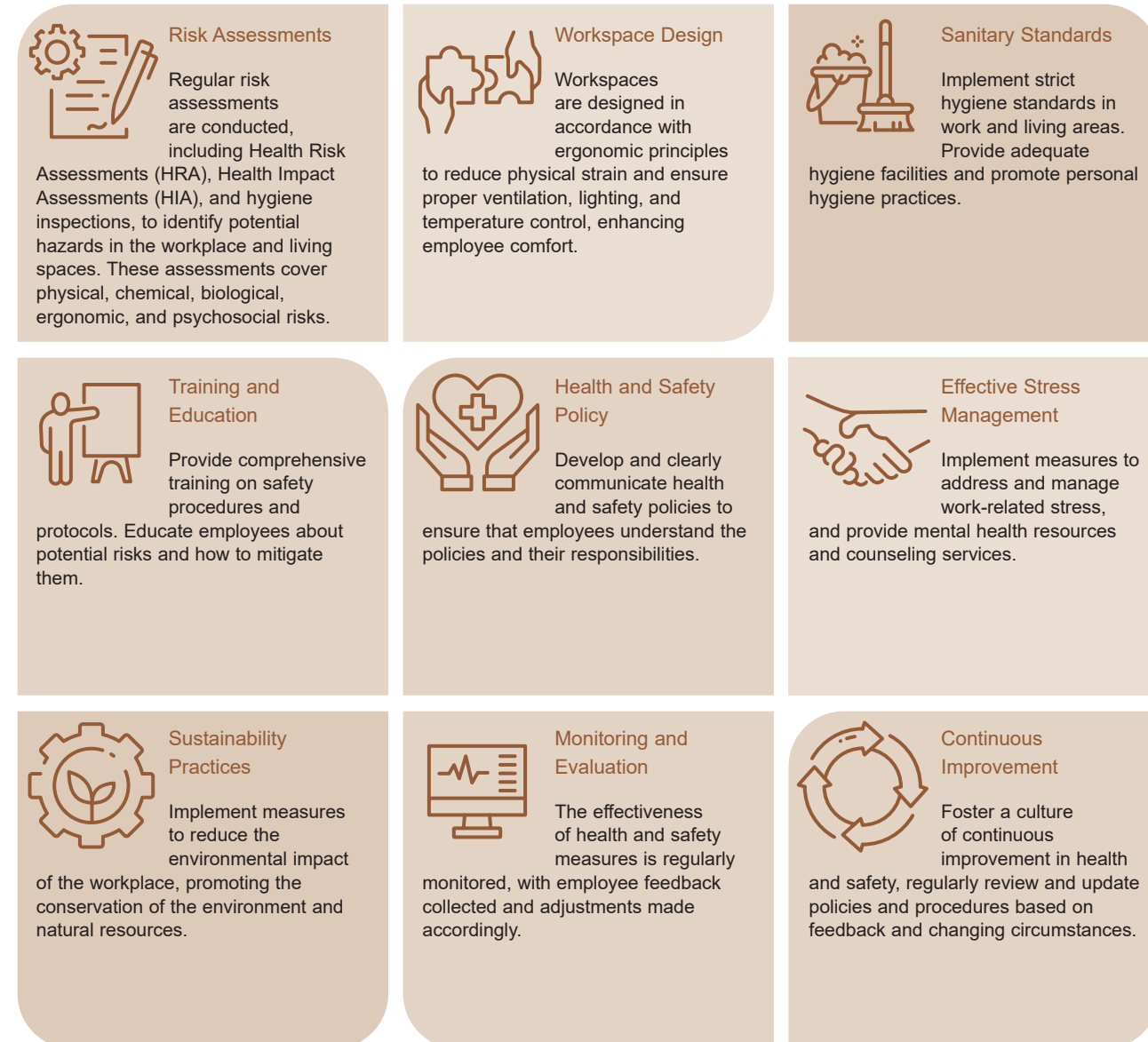




CITIC Seram – Seram Block

Operation Safety Management

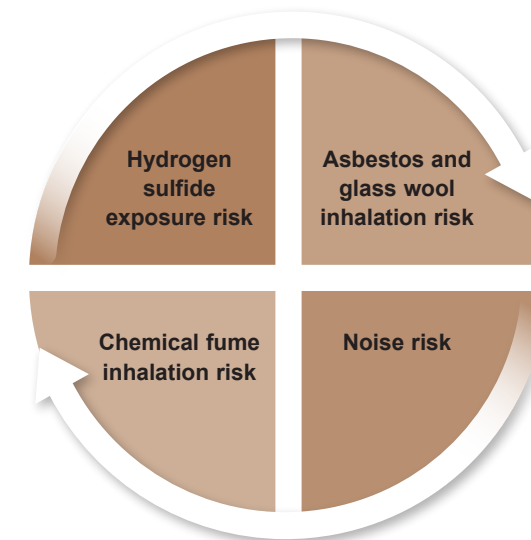
CITIC Seram is committed to creating a safe, healthy, and hygienic work environment for its employees, recognizing its critical role in enhancing employee well-being and productivity. To ensure a safe and friendly workplace, the company strictly complies with relevant laws and regulations, updates them in a timely manner, and implements various management measures. Through continuous improvement of systems and implementation of measures, the company ensures that the work environment consistently meets safety and health standards.



CITIC Seram has established an Internal Safety Committee and an emergency response team responsible for operational safety matters. The company is committed to creating a culture of occupational safety, encouraging employees to provide feedback on unsafe equipment and behaviors. It is imperative to implement the HSE management system and contractor safety management system to ensure the operational safety, and an open and transparent safety culture of the Seram Block.

Prevention and Management of Occupational Diseases

CITIC Seram conducts regular occupational health risk assessments to evaluate and identify potential risks in the workplace, encompassing physical hazards, chemical hazards, and ergonomic issues. The company places a strong emphasis on addressing the four major identified occupational risks, namely hydrogen sulfide exposure risk, asbestos and glass wool inhalation risk, noise risk, and chemical fume inhalation risk. Effective measures have been implemented to mitigate these risks.



Additionally, based on the results of the analysis, CITIC Seram has developed multiple plans to safeguard employees, including contractors' employees, from the impact of occupational diseases. These plans cover, but are not limited to:



Case Study: Monthly Equipment Inspections

To instill a “safety-first” mindset among all employees, CITIC Seram is committed to achieving the goal of “zero workplace injuries”. The company conducts regular equipment inspections to ensure all equipment functions properly, minimizing safety risks to the greatest extent possible.



Physical and Mental Health

CITIC Seram places great importance on the physical and mental well-being of its employees. In addition to providing comprehensive sports facilities, the company ensures a safe working environment through risk assessments. CITIC Seram conducts regular risk evaluations, installs clear warnings in high-noise areas, and prioritizes the use of ergonomically designed equipment to prevent occupational injuries.

The company has established a comprehensive safety training system to ensure that new employees and visitors are fully aware of the site risks and their preventive measures. Through regular site inspections, PPE evaluations, and production equipment inspections, the company continuously monitors and improves the occupational safety environment, effectively preventing occupational hazards.

Emergency Response

CITIC Seram recognizes emergency response as an important part of employee safety and has developed a comprehensive emergency response plan that includes, but is not limited to:



Fire Suppression Equipment

Install approximately 230 fire extinguishers filled with dry powder in production and other on-site facilities, suitable for Class A, B, and C fires.



Emergency Response Team

An emergency response team has been established, dedicated to handling fire and chemical spill incidents. The team regularly inspects the functionality of firefighting equipment and plans emergency evacuation drills to ensure all personnel are familiar with emergency response procedures and clearly understand their respective responsibilities.



Early Detection System

Thermal and fire detection equipment has been installed as an early warning system to prevent the spread of fire. A fire detection system, including smoke detectors, thermal sensors, and flame detectors, has been set up throughout the facility. This system is integrated with alarms to immediately notify relevant personnel and activate response mechanisms, ensuring optimal response efficiency.



Emergency Shutdown System

Emergency shutdown systems are installed on-site and in the refinery to quickly isolate processes in the event of a fire, preventing the escalation of incidents and controlling accidents.



Training and Emergency Drills

Regular training and emergency drills are conducted to ensure that personnel are familiar with fire extinguishing procedures and equipment. This includes proper use of fire extinguishers, wearing firefighting gear, and executing emergency response plans.



External Emergency Services

External emergency services serve as a contingency plan for the company. Agreements are established with external fire departments and emergency services to ensure swift and effective response to incidents that exceed the facility’s firefighting capabilities.



Fire Suppression System

Configure fire hoses and hydrants, connected to a reliable water source, and equip with AFFF 3% foam agent for use in oil or chemical fires.

Install a shower system that automatically activates when a fire or heat is detected in specific locations (facilities). Foam systems are also installed in high-risk areas with a capacity of approximately 7,000 gallons.

In addition, CITIC Seram has established an emergency communication method to ensure smooth communication between inside and outside the field block in the event of an emergency.

Case Study: Large-Scale Casualty Incident Drill



Case Study: Oil Spill Response Drill



KBM – Karazhanbas Oilfield

Safety Management

KBM has established operating standards for oilfield operations based on industry norms, covering fire control, civil engineering, and confined space work. The company provides training to both internal employees and contractors to enhance safety awareness. To ensure safe operations, KBM mandates that all work sites are equipped with relevant technical specifications, safety operation manuals, and first aid kits, and has developed corresponding emergency response plans.

The Labour Protection and Safety Technology Department of KBM is responsible for recording work-related accidents involving employees and contractors. During bi-weekly safety technology department meetings, KBM’s safety management personnel and contractors analyze on-site situations and discuss incidents to implement measures that prevent their recurrence.

Labor Protection Certification

To ensure employee safety and health and to prevent accidents involving high-risk facilities, KBM continuously optimizes its safety management system, implements safety standards in the oil and gas industry, and strives to improve the working environment. Additionally, KBM has established a labor protection management system, and it has been certified through the assurance by experts from the National Accreditation and Certification Center of Kazakhstan. The certification affirms that KBM's existing labor protection system fully complies with the Kazakhstan National Standard "GOST12.0.230-2007" (equivalent to "Guidelines for Occupational Safety and Health Management Systems" – ILO-OSH2001 of the International Labour Organization).

Case Study: Fire Safety Training and Drill at Aktau Material Base



Case Study: Routine Safety Meeting

During the Reporting Period, KBM convened a routine safety meeting with representatives from oilfield contractors and service providers. The company expressed gratitude for their efforts in safety, occupational protection, and environmental conservation. At the same time, KBM emphasized the importance of strictly adhering to safety production principles and standardized operating procedures to effectively safeguard employee health and safety. The company also reiterated its commitment to strengthening the prevention of workplace injuries, ensuring the steady advancement of safe production practices.



Case Study: Earthquake Drill

During the Reporting Period, KBM conducted an earthquake emergency drill at its headquarters office. Following the alarm, over 300 employees responded swiftly and evacuated in an orderly manner along the designated evacuation routes to a safe location. The drill simulated an earthquake scenario, enhancing employees' safety awareness and emergency response skills.



Fire Drills

To ensure safe operations and improve emergency response mechanisms, KBM coordinates annual joint drills involving all relevant departments. These exercises simulate emergency scenarios, such as a fire on an oil tank roof, to test the effectiveness of cross-departmental emergency coordination and the technical condition of equipment. These drills provide a solid foundation for the safe production of oilfields and the protection of employees' lives and health.

In addition, to enhance safety production during the Autumn and Winter seasons, KBM conducts comprehensive emergency drills. These drills involve workshops and service providers, including firefighting, medical services, catering, security, and vehicle transportation. The objective is to strengthen overall emergency response capabilities and ensure preparedness for handling unexpected incidents.

Beijing Office

Beijing office places great emphasis on safety management throughout production processes. To ensure employee safety, the Safety Production Department has established the "CITIC Resources Occupational Health and Safety Management System" to ensure operational procedures comply with legal and regulatory requirements. The department regularly conducts safety risk control activities, convenes Safety Production Committee meetings, and holds Safety Production Supervision Meetings to identify and manage risks, as well as detect and address potential hazards. In addition, monthly safety and environmental meetings are held to summarize safety production efforts and assess safety and environmental performance indicators. To further mitigate safety risks, a hazard registry has been established, with a closed-loop management system for tracking and resolving issues. Major safety production hazards are closely supervised to ensure timely rectification and effective resolution.

Integrity in Business

Integrity and anti-corruption are fundamental to operations, and CITIC Resources adopts a zero-tolerance approach to any form of corruption or bribery, upholding the highest ethical standards. In addition to strictly complying with anti-corruption and anti-bribery laws and regulations in the regions where it operates, the Group has established a comprehensive anti-corruption and anti-commercial bribery system to ensure its practices exceed regulatory requirements.

The Group has formulated the "CITIC Resources Holdings Limited Anti-Fraud and Anti-Corruption Policy", which clearly defines expectations and requirements for preventing, detecting, reporting, and investigating any suspected fraud, corruption, money laundering, or similar misconduct. Furthermore, the Group has implemented a variety of measures, including but not limited to establishing internal policies and procedures, enhancing training for employees and contractors, developing effective monitoring and management mechanisms, and conducting regular internal audits and assessments. Relevant business conduct guidelines are also updated in the "CITIC Resources Hong Kong Office Employee Handbook (2024)" as needed, further improving compliance management standards.

The Group's Human Resources and Administration Department has recently issued the "CITIC Resources Holdings Limited Regulations for Ethical Conduct of Expatriate Employees (Trial)", further clarifying the behavioral standards for integrity in professional conduct. The Group has also established a whistle-blowing policy and system that allows employees and business partners to confidentially and anonymously report any misconduct related to the Company's affairs directly to the Audit Committee. Additionally, new employee onboarding training now includes a detailed explanation of the Group's requirements for integrity and compliance, ensuring strict adherence to anti-corruption policies. During the Reporting Period, the "CITIC Resources Hong Kong Office Employee Handbook (2024)" was updated to include whistle-blowing channels and the specific processes for handling and addressing reports, further refining the whistle-blowing mechanism to ensure timely and effective resolution of related matters. To strengthen directors' and employees' awareness of anti-corruption practices, the Group distributed anti-corruption training materials during the Reporting Period. The Human Resources and Administration Department plans to hold a refresher training seminar in early 2025, allowing all employees to review anti-corruption knowledge and prevent improper conduct. During the Reporting Period, there were no corruption lawsuits filed against the Group or its employees that had been concluded.

Tincy Group – Yuedong Oilfield

Anti-Corruption Training

To prevent all acts of corruption and bribery, Tincy Group has fully implemented the “Integrity Risk Prevention and Control Measures”, categorizing integrity risks into three levels: A, B, and C. The Group organizes anti-corruption training activities and emphasizes integrity awareness education to enhance the ability of all Party members, Cadres, and employees to resist corruption and uphold integrity. These efforts aim to strengthen employees’ self-discipline and ethical standards, fostering a culture of transparency and accountability within the organization.

Tincy Group strengthens anti-corruption education and training for management and employees through various forms, such as organizing anti-corruption legal lectures, showcasing anti-corruption warning education videos, and providing relevant documents. The Group also fully utilizes the role of public oversight by setting up a suggestion box in the company office building, opening a reporting channel for public grievances, and assigning a Disciplinary Committee Member to handle and supervise related reports. During the Reporting Period, Tincy Group found no instances of corruption or disciplinary violations by its Cadres, nor did it receive any complaint letters.

Tincy Group implements a tiered management, supervision, and responsibility system based on different levels to ensure clear accountability and effective implementation. At the same time, the Group strengthens the supervision of integrity construction, comprehensively preventing behaviors such as bribery, extortion, fraud, and money laundering to uphold the Group’s commitment to integrity and compliance. To further enhance risk management, Tincy Group has established a comprehensive Risk Monitoring System, with senior and relevant leaders personally overseeing and ensuring the implementation of risk prevention measures to respond promptly to potential challenges. Additionally, the Group has developed systematic preventive measures and a reporting mechanism, providing employees and stakeholders with convenient channels to report any violations, fostering a transparent and fair working environment.

Tincy Group also strictly implements disciplinary inspection requirements, closely monitoring critical periods and key issues. Through platforms such as the internet and WeChat, Tincy Group proactively issues anti-corruption and integrity reminders ahead of major holidays like Spring Festival, Ching Ming Festival, and Dragon Boat Festival, to prevent employees from engaging in misconduct during these periods. Tincy Group also enforces strict regulations on senior executives’ handling of personal events such as weddings, funerals, and celebrations, as well as commitments related to children’s education. Special attention is given to monitoring situations involving the relatives of Tincy Group’s executives who have business dealings with the company.

Anti-Corruption Management

Tincy Group strictly regulates contact with potential contractors and suppliers before the tendering process. Unauthorized site visits or any form of communication are not permitted. For unfamiliar services or materials, Tincy Group may organize consultations and exchanges with potential contractors or suppliers to ensure the development of reasonable and effective procurement plans.

Tincy Group also has the following anti-corruption management requirements:

- Bidders’ meetings must be authorized and approved, and should take place during office hours at designated locations. At least two business and technical evaluation personnel must be present;
- The tender opening and negotiation process must be fully recorded with audio and video, and the relevant electronic files must be properly stored; and
- No personnel are allowed to engage in any tender-related contact with bidders outside of office hours or at non-designated locations without authorization.

CITIC Seram – Seram block

Anti-Corruption Management

CITIC Seram adopts a zero-tolerance attitude towards corruption and bribery, strictly adhering to the regulations set by the Group. It takes a zero-tolerance stance on illegal activities, conducts regular internal audits, and ensures that operations strictly comply with all relevant laws and regulations in Indonesia.

Members of the Procurement Committee and employees at CITIC Seram are required to sign integrity statements, committing to adhere to ethical standards in their daily work. They are expected to maintain independence and impartiality, avoiding any influence that could compromise the reputation of CITIC Seram. The company fully complies with the specific anti-money laundering provisions outlined in the “CITIC Resources Holdings Limited Anti-Money Laundering Policy”, defining the organizational structure for anti-money laundering and its responsibilities. In the event of any compliance violations, immediate reporting is made to the Risk and Compliance Department of CITIC Resources, and various reporting channels, including email and hotline, are available for individuals to report directly to their department heads or the CITIC Resources Audit Committee.

KBM – Karazhanbas Oilfield

Anti-Corruption Management

KBM continues to strictly enforce compliance management, strengthen risk control, optimize anti-corruption reporting channels, and improve relevant management documents. In 2024, KBM conducted an annual audit, auditing key areas and matters of the company’s business, oilfield drilling and development, new processes and research, environmental protection, procurement and contract execution, performance, and more for 2023. It provided rectification recommendations for identified issues and supervised their implementation.

The Management Committee of KBM has recently formulated and approved the “Anti-corruption Regulations of Karazhanbas Petroleum Co., Ltd”. This set of regulations is an internal document developed in accordance with the law of Kazakhstan On Combating Corruption and the company’s articles of association. It aims to regulate the conduct of employees and internal business departments during interactions with national agencies and external enterprises. The goal is to establish a corporate culture with zero tolerance for corrupt practices, ensuring the maintenance of an open and transparent corporate image.

Additionally, KBM has developed business process passports for each department, along with procedures for mutual collaboration between departments, clearly defining their respective responsibilities, rights, and obligations. KBM has also improved supervision in areas such as procurement, sales, taxation, legal affairs, and more, effectively preventing potential risks and activities like bribery, extortion, fraud, and money laundering. Furthermore, KBM has established a dedicated hotline to facilitate reporting, ensuring that all employees can promptly report any illegal activities.

Case Study: Anti-Corruption Training

During the Reporting Period, KBM invited the Anti-Corruption Department of the Mangystau Region to provide a lecture for the company’s management on the laws and regulations related to anti-corruption in the Republic of Kazakhstan.



Beijing Office

Beijing office adopts a zero-tolerance attitude towards corruption and is committed to strengthening the construction of the anti-corruption system and promoting integrity efforts. To this end, the office has implemented a series of key measures, including holding anti-corruption education meetings, watching warning education videos, utilizing warning education bases for on-site teaching, and conducting collective integrity talks before appointment. Through these measures, daily management and supervision have been further strengthened, relevant systems and mechanisms have been improved, and anti-corruption efforts have continued to develop positively, laying a solid foundation for creating a clean and efficient working environment.

Case Study: Anti-Corruption Training

In April 2024, the Beijing office organized a collective integrity talk for company executives before their appointments. This event was aimed at newly appointed and newly reassigned leaders, enhancing their awareness of integrity through communication.

In May and July 2024, CITIC Resources held comprehensive meetings on strict party discipline and party regulations as warning education sessions. These meetings aimed to deepen party members' understanding of party rules and regulations, further strengthen self-discipline awareness, and improve their ability to prevent disciplinary and illegal behaviors.



Supply Chain and Product Quality Management

CITIC Resources values the service and quality of its products and has consistently adopted the policy of 'Partnering for Growth' with its suppliers. To this end, the Group requires suppliers and contractors to properly manage product quality and comply with and implement the applicable local laws and regulations. Through close collaboration with suppliers and contractors, the Group jointly advances sustainability goals.

During the Reporting Period, the Group did not receive any complaints regarding products and services. We will continue to collaborate closely with suppliers and contractors to ensure that our products and services maintain high quality within the framework of sustainable development.

Intellectual Property

The Group understands that intellectual property is an important intangible asset resulting from others' efforts in research and development. Therefore, we are committed to actively protecting intellectual property to ensure that neither the Group nor our supply chain partners engage in any infringement activities. We regularly review the current state of intellectual property and require our partners in the supply chain to comply with relevant laws and regulations to safeguard the legal rights and interests of both ourselves and others. We also established an internal management process for the proper use, authorisation, permission, trading and disposal of patent rights, trademarks and copyrights. If any potential infringement is identified, we will promptly seek legal advice and take appropriate action. To date, the Group has not identified any major intellectual property issues, and such matters have had no impact on the operations of the Group or the supply chain.

Supply Chain Management

CITIC Resources focuses on key areas such as the environment, procurement, labor, health, and safety in supply chain management. The Group explicitly requires suppliers and contractors to comply with and implement the applicable laws and regulations of the operational location, prioritize collaboration with suppliers demonstrating good performance, and strictly monitor the environmental and social impacts of suppliers to manage environmental and social risks in the supply chain. When selecting suppliers, the Group considers factors such as whether their products and services are environmentally preferable, whether they have obtained environmental management system certifications (e.g., ISO14001), their quality and safety management systems, and any past violations. The Company monitors the proper implementation of these practices by retaining supporting documents (such as ISO certificates). During the Reporting Period, the Group's suppliers and contractors were located in China, Hong Kong, Taiwan, Kazakhstan, Indonesia, Australia, and other regions. We have implemented the Group's required practices for 140 (2023: 136) suppliers, evaluated them, or required them to self-declare.

Supply Chain Overview



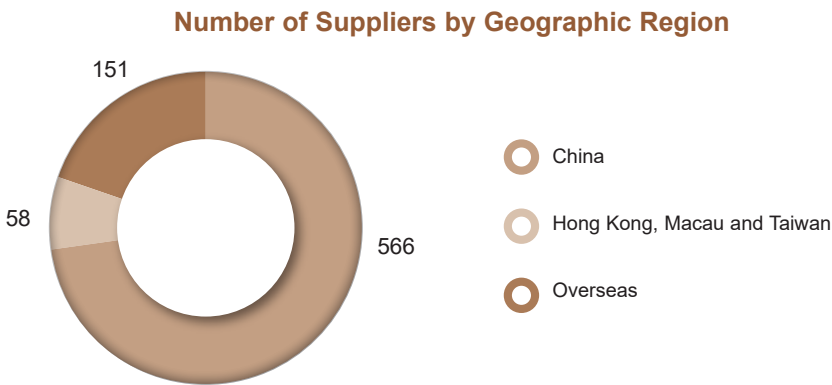
Quality Management

CITIC Resources regards excellent quality management as a fundamental commitment to customers, ensuring that all products and services comply with relevant laws and regulations. The Group upholds a responsible business philosophy and, if any quality issues are found, will recall the products, conduct further investigations to determine the cause of non-compliance, and implement centralized corrective actions. Subsidiaries will discuss solutions with customers for different cases, including refunds or recalls. Through continuous optimization of the quality management system, improvement of standard procedures, and fostering a quality culture, the Group pays comprehensive attention to product quality, safety, and its overall impact on consumers.

Scientific Research and Technological Innovation

The Group integrates environmental protection and social responsibility into its core business, striving to minimize environmental impact and contribute to the green transition of the global energy industry. To enhance our product quality and minimize the adverse environmental impact of oil and gas extraction, the Group actively seeks collaboration with prestigious academic institutions and industry experts. Discussions are conducted to address operational challenges, and resources are allocated to research and develop new technologies. The Group aims to produce products that are environmentally and socially responsible through these efforts.

The following shows the regional distribution of the Group’s suppliers and contractors during the Reporting Period:



Tincy Group – Yuedong Oilfield

Supplier and Contractor Management

Product quality is CITIC Resources’ commitment to its customers. Tincy Group places great importance on supplier quality and strictly adheres to “Tincy Group Energy Resources Limited Procurement Management Measures”. Integrity, business ethics, anti-corruption, employee rights, and community care are incorporated into supplier evaluations. During the process of reviewing supplier qualifications, Tincy Group requires suppliers to comply with the “Safety Production Management Agreement for Non-coal Mine Outsourcing Project”. Additionally, Tincy Group assesses whether suppliers have obtained certifications for international standards such as ISO9001, ISO14001, and ISO18001.

During the Reporting Period, Tincy Group enhanced its “Procurement Procedures”, further standardizing procurement processes, including content structure and mechanisms, procurement strategies, supplier management, tendering, contracts, acceptance and payment, and documentation. The Group also established a supplier evaluation mechanism and improved systems such as the supplier blacklist.

Tincy Group has signed the “Letter of Commitment to Integrity” with important suppliers and implements safety and environmental protection supervision and management of the whole process of operation for contractors in accordance with the requirements of national safety supervision and environmental protection management.

As of the end of the Reporting Period, there were 530 suppliers and engineering and technical contractors of Tincy Group, 120 were applicable to the above-mentioned company’s supplier management measures.

Research and Technological Innovation

Tincy Group places great emphasis on industry development and technological innovation, regularly investing in research and development funding with a focus on areas such as stabilizing oil production, controlling water, and enhancing recovery rates, aiming to promote the sustainable development of oilfields. This year, Tincy Group actively explored wellbore viscosity reduction technology, accelerating the development of advanced technologies and the upgrading and transformation of traditional industries.

Supplier Assessment

Tincy Group has implemented the following measures in the assessment of suppliers, covering environmental and social risks:

	Goods Acceptance	In accordance with safety and environmental production requirements, inspections are conducted on incoming materials upon arrival.
	Factory Acceptance	The production equipment undergoes pre-delivery inspections and on-site installation testing before final acceptance.
	Qualification Inspection	Qualifications and capabilities of engineering (technical) service contractors are checked before signing contracts, and on-site inspections are conducted if necessary.
	Commencement Permit Review	Pre-work permit review is conducted before commencing the work.
	On-Site Supervision and Evaluation	On-site supervision and assessment are carried out during the construction project.
	Completion and Warranty Period Acceptance	Completion inspection is conducted after the project is finished, and an assessment is performed upon the expiration of the warranty period.
	On-Site Inspection	For the first-time collaborating partner, a joint on-site inspection is conducted covering both business and technical aspects.

Quality Control

To create value for customers, Tincy Group has consistently adhered to the principle of providing high-quality products and continuously manages product quality. The Group entrusts China Certification & Inspection Co., Ltd. (CCIC) to conduct inspections on crude oil product, following national standards including but not limited to:

- GB/T 19779-2005 Static Measurement of Petroleum and Liquid Petroleum Product Oil Volume;
- GB/T 1884-2000 Laboratory Determination Method for Crude Oil and Liquid Petroleum Product Density (Density Measurement Method);
- GB/T 1885-1998 Petroleum Measurement Form;
- GB/T 4756-2015 Petroleum and Liquid Hand Sampling Method;
- GB/T 8927-2008 Petroleum and Liquid Petroleum Product Temperature Measurement – Handwork Method;
- GB/T 8929-2006 Measurement of Crude Oil Water Content – Distilling Method;
- GB/T 13236-2011 Manual Measurement Equipment for Liquid Level of Petroleum and Liquid Petroleum Product Tanks; and
- GB/T 13894-1992 Method for Liquid Level Measurement of Petroleum and Liquid Petroleum Products (Handwork Method).




Tincy Group strictly supervises units involved in inspection sampling and crude oil loading at the company’s terminal stations in accordance with HSE regulations, ensuring the safety of personnel and property for both the customer and the company, and protecting the interests of both parties in the crude oil transaction. The following measures are taken to safeguard the interests of customers and the company and address potential complaints:

- Each tank is sampled by CCIC and divided into four parallel samples. Ensure that the test objects of the land terminal, CCIC laboratory and SGS laboratory are the same parallel samples, and the other parallel samples are retained by the land terminal station.
- Each inspection of the water data from CCIC and SGS do not result in a positive/negative deviation of more than 2%. If the deviation is greater than 2%, the oil extraction will be terminated and re-assayed.

CITIC Seram – Seram block

Supplier and Contractor Management

CITIC Seram places great emphasis on supplier and contractor management, implementing multiple measures in accordance with the “Procurement Regulation”, to ensure that health and safety, quality, and anti-corruption risks are all monitored.

	HSE	Requirements for all units to comply with the terms of the contract related to health, safety, production, and environmental protection, and to provide contractors with support such as HSE plans, PPE and training.
	Anti-Corruption and Integrity	In contracts with suppliers, additional clauses related to appreciation fees, codes of conduct, and anti-corruption regulations have been added to reduce corruption risks.
	Supplier Qualifications	During the tendering process, suppliers are assessed to understand their compliance status, financial capacity, and experience, and the optimal choice is made based on the project requirements and budget.

Quality control

To ensure product and service quality, CITIC Seram provides training to employees to enhance their environmental awareness. During the production process, CITIC Seram also continuously monitors key quality parameters and regularly assesses risks that may affect product quality. Data analysis is used to identify potential issues and support continuous improvement. If any products are found to be non-compliant with standards, they will be recalled in accordance with laws and regulations, ensuring that all production complies with the laws and regulations of the operational location and the customers’ requirements.

KBM – Karazhanbas Oilfield

Supplier and Contractor Management

KBM places great emphasis on the compliance of suppliers and contractors, ensuring that relevant companies adhere to environmental, health, and safety regulations. According to the “Samruk Procurement Rules”, KBM considers compliance with local laws and regulations as a basic requirement for selecting suppliers or contractors. After establishing a cooperative relationship, KBM signs contracts that clearly define terms related to operational safety, environmental protection, and emergency response. For tender procurement related to engineering and services, KBM includes “Safety, Labour and Environmental Protection Requirements” in the bidding documents as an annex to the contract, incorporating them into the tender documents and requiring contractors to sign for confirmation. Additionally, KBM conducts regular inspections of suppliers, and if any violations of contract terms are found, appropriate actions will be taken. For suppliers who seriously violate regulations, KBM will terminate the cooperation and list them as untrustworthy suppliers.

To further optimize operational processes and management aspects, KBM has established a Company Management Committee responsible for reviewing and approving priority procurement plans and long-term procurement plans for goods, projects, and services. This helps prevent production delays due to untimely procurement and manages risks related to the environment and society.

As part of the supply chain risk management, most products are purchased under Delivery Duty Paid (DDP) conditions. Under these conditions, the risk of product quality is transferred to KBM after completing the acceptance inspection. If defects are discovered during installation and operation, KBM can request the supplier to replace the product during the warranty period. Further claims work is carried out if the supplier violates contractual obligations. Complaints and claims work are guided by contract terms defining the responsibilities of both parties and supported by rules of litigation.

Quality Management

KBM has established the Company Technology Management Committee to enhance the formulation of medium-to-long-term development plans for oilfields and the introduction of new technologies. This is aimed at ensuring and striving to improve the quality of products.

CRA

Supplier Management

In managing suppliers and contractors, CRA implements modern labor policies and incorporates assessments of suppliers’ risks related to modern labor into its management. At the same time, CRA has established a “Supplier Code of Conduct”, which clearly outlines the standards suppliers must adhere to when collaborating with the CRA Group.

CRA’s suppliers mainly include those providing goods and services to the company’s offices (such as consulting, auditing/tax, utilities, and leasing) as well as suppliers from overseas sourcing steel products. Most suppliers maintain long-term relationships with the group and are experienced, established suppliers. Overall, the supplier management process has not undergone significant changes.

Our Community

As a socially responsible company, CITIC Resources understands that the sustainable development of the enterprise relies on community support. Therefore, we adhere to the principle of developing together with the community, investing resources in community building to achieve mutual benefits.

The Group is well aware of the significant impact of oilfield operations on the local economy, employment, and community development. As such, we actively integrate into the local community and culture, listen to and respond to the needs of local communities, and increase resource investments in infrastructure, social welfare, and healthcare. We organize social welfare activities and are committed to sharing the Company's development achievements with the community.

To consistently fulfill its corporate social responsibility, the Group strictly complies with relevant laws and regulations in its operational areas, keeping a close eye on updates to ensure compliance in all business operations.

Given that the Yuedong Oilfield is located offshore, and the onshore terminal processing station is located in an industrial zone without nearby communities, and the workforce primarily consists of local residents without cultural integration issues, there are no community-related considerations for the Yuedong Oilfield; in contrast, the Seram block is located on Seram Island in Indonesia, with nearby villages; the Karazhanbas Oilfield is located in the western part of Kazakhstan, which is a large onshore heavy oil field near the coast of Rio, with villages and ports nearby.

This section addresses the key material topics:

"Community Development Contribution" and "Community Service Engagement".



Community Building

CITIC Resources

Case Study: “Food Saving Kitchen” Volunteer Day

On May 3, 2024, CITIC Resources organized a meaningful volunteer event, inviting employees to visit the Food Angel and personally experience the process of preparing meal boxes. During the event, employees gained a deep understanding of the operation model and philosophy of the “Food Saving Kitchen”, recognizing the impact of food waste on society and the environment. They also learned how to support vulnerable groups in the community through the efficient use of resources.



Tincy Group – Yuedong Oilfield

“From the society, for the society”, Tincy Group recognizes that the operation of its business relies on the assistance and contributions of the local community. Therefore, the company is committed to finding opportunities to giving back to the local community during its operations. When purchasing the majority of the company’s production and daily necessities, as well as some engineering (technical) services, Tincy Group prioritizes sourcing from the Liaohe Oilfield and nearby areas. For high-tech and large equipment and technical services, the company also gives priority to sourcing from the Shengli Oilfield or other regions. The remaining important engineering and technical services are procured from China National Offshore Oil Corporation and large domestic marine, port construction enterprises. This measure supports and promotes the development of local industries such as processing, technical services, and logistics, while saving transportation costs and reducing the environmental impact of transportation, achieving a win-win situation.

During the Reporting Period, the Huludao Jianchang area suffered from severe flooding. Tincy Group actively encouraged employees to donate funds and materials to the affected area and provided various forms of assistance and support to help the victims overcome difficulties. At the same time, in response to World Environment Day on June 5, Tincy Group organized employees to carry out a shoreline cleaning campaign, removing land-based waste near the artificial island, including plastic products, discarded fishing nets, buoys, and other marine pollutants, highlighting the company’s ongoing commitment to environmental protection and responsibility.

CITIC Seram – Seram block

CITIC Seram, upholding its long-term commitment to community development, regularly organizes field visits and holds meetings with local residents to listen to their needs and suggestions. The company strives to give back to society during its operations, providing tangible assistance to the community and achieving social integration. CITIC Seram actively supports rural revitalization, especially in villages near its operational areas. Due to their relatively remote geographical locations, these villages often face challenges in economic and infrastructure development. CITIC Seram’s operations have not only driven local economic growth but also created numerous job opportunities, with 90% of its employees being local residents, fully reflecting its commitment to supporting local employment.

Additionally, CITIC Seram collaborates with the local government agency SKK Migas to participate in disaster management at both local and national levels. These activities have been incorporated into the annual budget and are part of the company’s long-term standard plans. At the same time, CITIC Seram supports various community development projects covering education, health, sports, and infrastructure. These projects are all executed under the supervision of SKK Migas, ensuring effective resource utilization and the improvement of community well-being.

CITIC Seram has also established a volunteer team, always ready to provide disaster response and assistance to the community. The company’s internal medical facilities serve not only its employees but are also open to local residents to support patients and accident victims. These efforts demonstrate CITIC Seram’s comprehensive contribution to community empowerment and the enhancement of well-being, ensuring that it continues to make a positive impact on economic, social, and environmental responsibilities.

KBM – Karazhanbas Oilfield

As a socially responsible enterprise, KBM formulates annual charity and community development programs, allocating provision to purchase necessary materials and focusing on assisting vulnerable groups. The company also supports the development of education, sports, culture, and healthcare. KBM actively fulfills its social responsibility during participation in the local economic development process.

During the Reporting Period, KBM allocated a portion of its funds for charitable donations, supporting the development of local education, healthcare, culture, and other initiatives. The projects mainly include organizing activities for the elderly, donating to impoverished families, constructing houses, and providing financial assistance to low-income households.



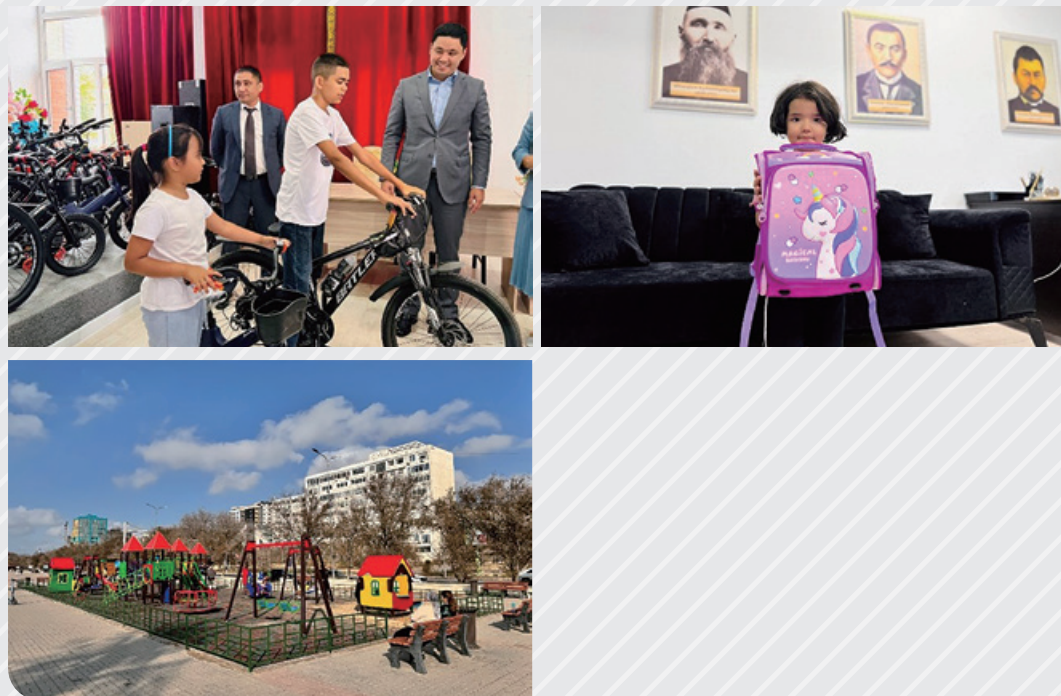
Case Study: Donation of Supplies

To support the livelihood of local residents, KBM, the social department, and the labor union organize periodic material donation events to provide assistance to impoverished families and vulnerable groups.

During the Reporting Period, the KBM Youth Committee specially visited a local nursing home to perform a comforting performance, using wonderful programs to express concern for the health and well-being of the elderly. During the event, the company also donated medical exercise equipment to the nursing home to support the elderly in managing their health.



In addition, KBM cares about the growth of the next generation. During the Reporting Period, KBM donated an integrated children's playground to District 14 of Aketao, providing a place for local children to engage in sports and recreation. The company also donated 50 bicycles to a local orphanage and continued to provide learning supplies for employees' school-aged children, committed to creating a better future for children.



Case Study: Disaster Relief and Assistance

In early 2024, the Atelau region experienced a historically severe flood, which had a significant impact on the lives of local residents and infrastructure. In the face of this sudden disaster, KBM quickly responded by forming a volunteer team, actively participating in flood relief efforts, assisting with the relocation of residents, and distributing emergency aid supplies.



Case Study: Volunteer Activities

During the Reporting Period, KBM organized a "Volunteer Saturday" event to clean up coastal litter. On the day of the event, KBM employees eagerly participated, gathering at the beach in the morning. They were divided into several groups, carrying trash bags, tongs, and other cleaning tools, carefully cleaning various types of waste along the coastline, including plastic bottles, glass fragments, metal cans, and other floating debris.



Case Study: Caring the Community

To actively promote local culture and recreational life, KBM's social department employees gave back to the community through direct action. They presented a self-written and performed stage play, The Blossoming Flower, for the residents of the Tupkargan region, strengthening the connection between the company and the local community.



Appendix 1

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

Laws and regulations corresponding to the aspects of the <i>ESG Reporting Guide</i> ¹	The Group's major policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ²	Performance
A. Environmental		
Aspect A1: Emissions		
China Environmental Protection Law of the People's Republic of China Environmental Protection Tax Law of the People's Republic of China Atmospheric Pollution Prevention and Control Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes Marine Environment Protection Law of the People's Republic of China Emergency Response Law of the People's Republic of China Standard for Fugitive Emission of Volatile Organic Compounds Regulation on the Administration of Permitting of Pollutant Discharges National Directory of Hazardous Wastes Indonesia Environmental Protection and Management Law of the Republic of Indonesia Waste Management Law of the Republic of Indonesia Forestry Law of the Republic of Indonesia Kazakhstan Land Code of the Republic of Kazakhstan Forest Code of the Republic of Kazakhstan The Water Code of the Republic of Kazakhstan	Tincy Group "Hazard Identification and Risk Assessment Control Procedures"*A3 "Accidents and Incident Handling Control Procedures"*A3, B2 "Comprehensive and Special Emergency Response Plans"*A3, B2 "Emergency Plans for Emergent Environmental Incidents at the Onshore Terminal Processing Station"*A3 "Hazardous Waste Management Handbook" "Hazardous Waste Management System" CITIC Seram "Environmental Management" "Incident Reporting and Investigation"*B2 "HSE Policy"*B2 KBM "Environmental Monitoring and Control System" "Annual Environmental Protection Work Plan" "Production Environmental Management Plan" "Emergency Plans"*B2 "Accident Reporting Procedure and Crisis Management Code"*B2	<p>During the Reporting Period, the Group complied with relevant laws and regulations relating to the Group's air emissions and GHG emissions, discharges into to water and land, hazardous and non-hazardous waste generation and disposal that had a significant impact on the Group.</p> <p>Since the implementation of the Environmental Protection Tax Law of the People's Republic of China on January 1, 2018, Tincy Group has to pay the Environmental Pollution Tax and the Sewage Discharge Environmental Tax in accordance with the law, comparing with the past that Tincy Group only had to pay the pollution discharge fees.</p> <p>During the Reporting Period, Tincy Group paid the Environmental Protection Tax on time and complied with relevant laws and regulations that had a significant impact on Tincy Group.</p>

Note:

^{1.} Certain laws cover several topics regulated in the "Aspects"; these laws are marked with an asterisk and codes of Aspects being covered. There is a limitation to disclose all laws and regulations that the Group complies with, and only laws and regulations that have a significant impact on the Group are disclosed. The Kazakhstan laws and regulations are originally written in Kazakh, and the Indonesian laws and regulations are originally in Indonesian.

^{2.} Particular policies and regulations cover several topics provisioned in the "Aspects"; these policies and regulations are marked with an asterisk and codes of Aspects being covered. Some policies and regulations are derived from CITIC Group; these policies and regulations are marked with a hash.

Laws and regulations corresponding to the aspects of the <i>ESG Reporting Guide</i> ¹	The Group's major policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ²	Performance
Aspect A2: Use of Resources		
Not Applicable	Tincy Group "Regulations on Power Saving Management"*A4 "Implementation Rules of Power-Saving Project Management Team"*A4 "Sewage Treatment and Discharge Management Regulations" "Domestic Sewage Treatment Plant Management Regulations" "Regulations on the Management of Vessel Island Shuttle" CITIC Seram "Management of Changes" KBM "Associated Gas Application Plan" "Wastewater Resource Utilization Plan"	Not Applicable
Aspect A3: The Environment and Natural Resources		
China Environmental Protection Law of the People's Republic of China Marine Environment Protection Law of the People's Republic of China Indonesia Indonesian Water Resources Law Indonesian Law on the Protection of Living Natural Resources and Their Ecosystems Indonesia's Licensing for Borrowing and Using Natural Resources Indonesia's Regulations on the Use of Natural Gas to Generate Electricity	Tincy Group "Hazard Identification and Risk Assessment Control Procedures" "Preparation Plan for Abandonment of Offshore Oil and Gas Production Facilities in Yuedong Block of Hainan Yuedong Cooperation Zone" "Special Contingency Plan for Oil Transportation Pipeline Rupture Emergency" "Management Document for the Completeness of Operation Stage of Tincy" CITIC Seram "Afforestation Program" KBM "Annual Oil Well Holes Inspection Plan" "Annual Valves and Process Pipelines Inspection Plan" "Annual Process Equipment Flaw Detection and Inspection Plan" "Annual Crude Oil Processing and Processing Workshops"	Not Applicable
Aspect A4: Climate Change		
Not Applicable	Tincy Group "Power Saving Management Regulations" "Implementation Rules of Power-Saving Project Management Team" CITIC Seram "Afforestation Program" KBM "Environmental Monitoring and Control System" "Annual Environmental Protection Work Plan" "Production Environmental Management Plan"	Not Applicable

Laws and regulations corresponding to the aspects of the <i>ESG Reporting Guide</i> ¹	The Group's major policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ²	Performance
B. Social		
Aspect B1: Employment		
China Labor Law of the People's Republic of China ^{*B2, B4} Labor Contract Law of the People's Republic of China Social Insurance Law of the People's Republic of China Labor Dispute Mediation and Arbitration Law of the People's Republic of China Indonesia Concerning Manpower Law of the Republic of Indonesia ^{*B4} Concerning Trade Union/Labour Union Law of the Republic of Indonesia Kazakhstan Labour Code of the Republic of Kazakhstan ^{B4}	CITIC Resources Share Option Scheme Contribution and Retirement Benefit Schemes "CITIC Resources Hong Kong Office Employee Handbook (2024)" "Guidelines on Business Travel Reimbursement Procedures" "Regulation for Managing Office Items" "Management Measures for Employee Holiday Compensation" Tincy Group "Tincy Group Management Manual" ^{*B4} Social Security and Pension Scheme CITIC Seram "Company Policy" ^{*B3, B4, B6} KBM "2023-2027 Collective Contract with Employees" "Regulations for Material Assistance to KBM's In-service Employees and Retired Persons" Beijing Office "CITIC Resources Recruitment and Employment Management Measures"	During the Reporting Period, the Group complied with relevant laws and regulations that had a significant impact on the Group and are related to employment.
Aspect B2: Health and Safety		
China Work Safety Law of the People's Republic of China (2021 Amendment) Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Emergency Response Law of the People's Republic of China Interim Measures for Administration of Outsourcing Non-Coal Mining Project Safety Indonesia Occupational Safety and Health Law of the Republic of Indonesia	Tincy Group "Occupational Health Management Procedures" "HSE Rewarding and Punishment Implementation Plan (Provisional)" "Working License Management Procedures" "Operational Safety Analysis Management Regulations" "Energy Isolation Safety Management Regulations" "Project Permit Management Regulations" "HSE Hazard Report Form" "Emergency Drill Management Regulation" CITIC Seram "HSE Management of Projects" ^{*B5} KBM "Behaviour Observation Plan"	During the Reporting Period, the Group complied with relevant laws and regulations in relation to occupational health and safety that had a significant impact on the Group.
Aspect B3: Development and Training		
Not Applicable	CITIC Resources "Employee Training and Development Policy" Tincy Group "Annual Employee Training Plan" KBM "Annual Employee Training Plan"	Not Applicable
Aspect B4: Labor Standards		
China Law of the People's Republic of China on Safeguarding the Rights and Interests of Women Law of the People's Republic of China on the Protection of Minors Provisions on the Prohibition of Using Child Labor Kazakhstan On State Guarantees of Equal Rights and Equal Opportunities of Men and Women	KBM KBM clearly defined the welfare policies for female employees on maternity leave and child rearing in the "2023-2027 Collective Contract with Employees"	During the Reporting Period, the Group complied with relevant laws and regulations in relation to child labor and forced labor that had a significant impact on the Group.

Laws and regulations corresponding to the aspects of the <i>ESG Reporting Guide</i> ¹	The Group's major policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ²	Performance
Aspect B5: Supply Chain Management		
Not Applicable	Tincy Group "Construction Safety and Production Management Agreement" CITIC Seram "HSE Management of Contract Services" KBM "Safety, Labour and Environmental Protection Requirements"	Not Applicable
Aspect B6: Product Responsibility		
China Criminal Law of the People's Republic of China Trademark Law of the People's Republic of China Patent Law of the People's Republic of China Civil Code of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China ^{*B7} Indonesia Indonesian Supply Chain Management On Trademarks and Geographical Indications Law of the Republic of Indonesia Kazakhstan On Personal Data and their Protection of Kazakhstan On Trademarks, Service Marks, Geographical Indications and Appellations of Origin of Kazakhstan Oil General Technical Specifications of Kazakhstan	Tincy Group Tincy Group fulfills its confidentiality obligations in accordance with the terms of contract with its customers in relation to the confidentiality of the information. Tincy Group produces and supplies products in accordance with the quality-related requirements of contracts with its customers. CITIC Seram CITIC Seram strictly maintains customer information, maintains intellectual property rights as required, and recalls products as required by Indonesian Supply Chain Management Supervision Regulations. KBM "Confidential Information Management Regulations" "Rules for Handling, Protecting and Storing JSC Karazhanbasmunai Employee Personal Records"	During the Reporting Period, the Group complied with laws and regulations concerning the provision and use of the Group's products and services, which cover product and service information and labelling, marketing communications including advertising, promotion and sponsorship, and property rights including intellectual property rights that had a significant impact on the Group. During the Reporting Period, the Group produced and supplied products in strict accordance with the relevant laws and regulations of quality management in the operating locations and customer requirements, and there were no incidents of product recalling that had a significant impact on the Group.
Aspect B7: Anti-corruption		
China Criminal Law of the People's Republic of China Anti-Money Laundering Law of the People's Republic of China Indonesia Eradication of Criminal Acts of Corruption Law of the Republic of Indonesia On Prevention of the Crime of Money Laundering Law of the Republic of Indonesia On the Criminal Act of Bribery Law of the Republic of Indonesia New Criminal Code of Indonesia Kazakhstan On Combating Corruption of Kazakhstan	CITIC Resources "CITIC Resources Holdings Limited Regulations for Ethical Conduct of Expatriate Employees (Trial)" Tincy Group "Implementation Measures for Disciplinary Inspection and Reporting of CITIC Group" "CITIC Group's Implementation Opinions on the Clue Management of Discipline Inspection and Supervision" CITIC Seram CITIC Seram strictly complies with the relevant laws and regulations of Indonesia, and strictly regulates the daily operation and management process in accordance with the requirements of the Group to eliminate illegal acts. KBM "Internal Communication Plan" Whistle-blowing System	During the Reporting Period, the Group complied with relevant laws and regulations relating to the prevention of bribery, extortion, fraud, and money laundering, and did not receive any lawsuit relating to internal employees involved in bribery, extortion, and money laundering.
Aspect B8: Community Investment		
Not Applicable	CITIC Seram "Annual Community Relations Work Plan" "Community Development Policy and Plan" KBM "Annual Work Plan"	Not Applicable

Appendix 2 Key Performance Indicators

Environmental Aspect

Emissions ¹	Unit	2024	2023
Nitrogen Oxides (NO _x)	Tonnes	129.09	108.46
Intensity of NO _x Emissions	Tonnes per barrel of crude oil	3.56 x 10 ⁻⁵	3.24 x 10 ⁻⁵
Sulphur Dioxide (SO ₂)	Tonnes	53.43	61.23
Intensity of SO ₂ Emissions	Tonnes per barrel of crude oil	1.47 x 10 ⁻⁵	1.83 x 10 ⁻⁵
Particulate Matter (PM)	Tonnes	28.32	42.29
Intensity of PM Emissions	Tonnes per barrel of crude oil	7.8 x 10 ⁻⁶	1.27 x 10 ⁻⁵

Notes:

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

KPI	Unit	2024	2023
Direct GHG Emissions (Scope 1) ¹			
Total Direct GHG Emission (Scope 1)	Tonnes of CO ₂ e	80,764.70	80,511.30
Emissions from Stationary and Mobile Sources	Tonnes of CO ₂ e	61,778.48	70,638.32
Flaring Emissions	Tonnes of CO ₂ e	18,993.12	13,391.98
Emissions Removal (Scope 1) by Newly Planted Trees	Tonnes of CO ₂ e	6.90	3,519.00
Energy Indirect GHG Emissions (Scope 2) ²			
Total Energy indirect GHG Emission (Scope 2)	Tonnes of CO ₂ e	34,888.29	14,648.76
Purchased Electricity	Tonnes of CO ₂ e	27,012.77	6,818.21
Purchased Steam	Tonnes of CO ₂ e	7,875.52	7,830.55
Total GHG Emission			
Total GHG Emission	Tonnes of CO ₂ e	115,652.99	95,160.06
Intensity of Total GHG Emission ³	Tonnes of CO ₂ e per barrel of crude oil	0.03	0.03

Notes:

- The standard, methodology and calculation in relation to GHG Scope 1 emissions in the Reporting Period are mainly based on the Guidelines for Accounting Methods and Reporting of GHG Emissions for China's Petroleum and Natural Gas Production Enterprises (Trial) and the Guidelines for Accounting Methods and Reporting of GHG Emissions for Land Transportation Enterprises (Trial), Guidelines for Accounting Methods and Reporting of GHG Emissions for Enterprises in Other Industries (Trial) issued by the National Development and Reform Commission of the People's Republic of China, 2006 IPCC Guidelines for National GHG Inventories, and Appendix II Guidelines of Reporting Environmental Key Performance Indicators of How to Prepare Environmental, Social and Governance Reports of the SEHK.
- The standard, methodology and calculation in relation to GHG Scope 2 emissions in the Reporting Period are mainly based on the Notice on Doing a Good Job in 2023-2025 Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises issued by the Ministry of Ecology and Environment of the People's Republic of China, the 2022 Sustainability Report of CLP Holdings Limited, the National GHG Accounting Factors³ published by the Ministry of Environment and Energy of Australia in 2023, and carbon dioxide emission factors for power grids and carbon dioxide emission intensity calculations for electricity sales in GHG Emission Factors for Electric Power Systems published by the General Administration of Electricity of the Indonesian Ministry of Energy and Mineral Resources in 2019.
- As at December 31, 2024, the Group has consumed 3,628,030 barrels of crude oil. This data will also be used to calculate other intensity information.

KPI	Unit	2024	2023
Hazardous Waste			
Total hazardous Waste	Tonnes	6,972.62	10,917.07
Intensity of Total hazardous Waste	Tonnes per barrel of crude oil	0.002	0.003
Generated and Treated Oil Sand	Tonnes	458.16	839.02
Intensity of Generated and Treated Oil Sand Amount	Tonnes per barrel of crude oil	1.26 x 10 ⁻⁴	2.50 x 10 ⁻⁴
Generated and Treated Drilling Waste Amount ¹	Tonnes	6,513.20	10,072.30
Intensity of Generated and Treated Drilling Waste Amount	Tonnes per barrel of crude oil	0.002	0.003
Non-hazardous Waste			
Total Non-hazardous Waste	Tonnes	1,141.07	891.90
Intensity of Total Non-hazardous Waste	Tonnes per barrel of crude oil	3.15 x 10 ⁻⁴	2.66 x 10 ⁻⁴
Generated and Treated Domestic Waste Amount	Tonnes	1,141.07	891.90
Intensity of Generated and Treated Domestic Waste Amount	Tonnes per barrel of crude oil	3.15 x 10 ⁻⁴	2.66 x 10 ⁻⁴
Wastewater			
Total Wastewater Discharge	Tonnes	2,807,239.57	2,350,103.64
Intensity of Total Wastewater Discharge	Tonnes per barrel of crude oil	0.77	0.70
Treated Industrial Oily Wastewater Discharge	Tonnes	2,789,301.58	2,330,292.69
Domestic Sewage Discharge	Tonnes	17,937.99	19,810.95

Notes:

- Drilling waste includes drilling cuttings and drilling fluids.

KPI	Unit	2024	2023
Direct Energy Consumption			
Total Direct Energy Consumption	kWh in '000s	521,048.98	472,531.13
Associated Gas Consumption ¹	kWh in '000s	247,740.23	176,081.89
Intensity of Associated Gas Consumption	kWh in '000s per barrel of crude oil	0.07	0.05
Natural Gas Consumption	kWh in '000s	130,022.33	122,243.11
Intensity of Natural Gas Consumption	kWh in '000s per barrel of crude oil	0.04	0.04
Gasoline Consumption ²	kWh in '000s	266.02	433.30
Intensity of Gasoline Consumption	kWh in '000s per barrel of crude oil	7.33 x 10 ⁻⁵	12.93 x 10 ⁻⁴
Diesel Consumption ³	kWh in '000s	6,323.97	2,455.47
Intensity of Diesel Consumption	kWh in '000s per barrel of crude oil	1.74 x 10 ⁻³	7.33 x 10 ⁻⁴
Crude Oil Consumption ⁴	kWh in '000s	136,696.43	171,317.6
Intensity of Crude Oil Consumption	kWh in '000s per barrel of crude oil	0.04	0.05
Indirect Energy Consumption			
Total Indirect Energy Consumption	kWh in '000s	67,282.98	31,636.84
Purchased Electricity Consumption	kWh in '000s	47,379.28	11,862.72
Intensity of Purchased Electricity Consumption	kWh in '000s per barrel of crude oil	0.013	0.004
Purchased Steam Consumption ⁵	kWh in '000s	19,903.69	19,774.13
Intensity of Purchased Steam Consumption	kWh in '000s per barrel of crude oil	0.005	0.006
Total Energy Consumption			
Total Energy Consumption	kWh in '000s	588,331.95	504,167.97
Intensity of Total Energy Consumption	kWh in '000s per barrel of crude oil	0.16	0.15

Notes:

1. The unit conversion of associated natural gas refers to the Guidelines for Accounting Methods and Reporting of GHG Emissions of Chinese Petroleum and Natural Gas Production Enterprises (Trial).
2. The unit conversion of gasoline refers to the Guidelines for GHG Accounting Reports for Enterprises in 24 Key Industries (Trial), and the density of gasoline is converted at 0.7475 kg/liter.
3. The unit conversion of diesel units refers to the Guidelines for GHG Accounting Reports for Enterprises in 24 Key Industries (Trial), and the density of diesel is converted at 0.82 kg/liter.
4. The unit conversion of crude oil refers to the Guidelines for GHG Accounting Reports for Enterprises in 24 Key Industries (Trial).
5. The unit conversion of purchased steam refers to Guidelines for Accounting Methods and Reporting of GHG Emissions of Chinese Petroleum and Natural Gas Production Enterprises (Trial).

KPI	Unit	2024	2023
Water Resources			
Total Water Usage	m ³	1,076,122.00	356,337.00
Intensity of Total Water Usage	m ³ per barrel of crude oil	0.30	0.11
Water Sourced from Wells	m ³	1,049,116.00	351,611.00
Water Sourced from Municipal Water Supply	m ³	27,006.00	4,726.00

KPI	Unit	2024	2023
Newly Planted Trees	No.	300.00	153,000.00

Social Aspect

KPI	Unit	2024	2023
In-service Employees ¹			
Number of In-service Employees and Contractors by Geographical Region			
Employees in the China	person	143	130
Employees in Indonesia	person	9	12
Employees in Australia	person	14	15
Employees in Hong Kong	person	14	25
Number of In-service Employees by Gender			
Female employees	person	52	51
Male employees	person	128	131
Number of In-service Employees by Age			
Below 30	person	3	1
30-50	person	98	112
Above 50	person	79	69
Number of In-service Employees by Employment Type			
Senior	person	42	68
Middle Level	person	30	106
Junior	person	108	8
Number of In-service Employees by Employment Category			
Contract	person	178	181
Short-term and Part-time	person	2	1

Notes:

1. During the Reporting Period, there were 592 China contractor employees and 170 Indonesia contractor employees. In 2023, there were 647 China contractor employees and 73 Indonesia contractor employees.

KPI	Unit	2024	2023
Resigned Employees ¹			
Employee Turnover Rate by Geographical Region			
China	%	9	12
Indonesia	%	33	0
Australia	%	36	40
Hong Kong	%	0	36
Employee Turnover Rate by Gender			
Female employees	%	13	16
Male employees	%	11	17
Employee Turnover Rate by Age			
Below 30	%	0	100
30-50	%	10	12
Above 50	%	14	23

Notes:

1. The employee turnover ratio for each category is calculated by dividing the number of employees in that category by the total number of employees in that category.

KPI	Unit	2024	2023
Employee Training			
Percentage of Employees Trained by Gender			
Female employees	%	40	67
Male employees	%	65	79
Percentage of Employees Trained by Employee Category			
Senior	%	21	82
Middle Level	%	80	70
Junior	%	66	100
Average Training Hours of Employees			
Average Training Hours of Employees by Gender ¹			
Female employees	hours	8.27	15.71
Male employees	hours	15.11	48.78
Average Training Hours of Employees by Employee Category ¹			
Senior	hours	7.52	48.88
Middle Level	hours	16.70	35.21
Junior	hours	11.93	16.88

Notes:

1. The average training hours are calculated by dividing the total training hours of employees of this category by the total number of employees of this category.

KPI	Unit	2024	2023	2022
Work Safety				
Number of work-related fatalities ¹	person	0	0	0
Rate of work-related fatalities	%	0	0	0
Lost days due to work injury	days	0	0	0

Notes:

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

KPI	Unit	2024	2023
Suppliers and Contractors			
Number of Suppliers and Contractors by Geographical Region			
China	No.	566	553
Hong Kong, Macau and Taiwan	No.	58	62
Overseas regions	No.	151	179

KPI	Unit	2024	2023
Community Investment			
Resources Used in the Following Areas	10,000RMB	2.13	8.52
Supporting Disaster Relief	10,000RMB	0	0
Supporting Disadvantaged Groups	10,000RMB	0	0
Supporting Education	10,000RMB	0.54	1.35
Supporting Sports	10,000RMB	0	0.45
Supporting Cultural Activities	10,000RMB	0.68	0
Supporting Healthcare	10,000RMB	0	0
Supporting Poverty Alleviation	10,000RMB	0.27	5.28
Supporting the Development of Environmental Protection	10,000RMB	0.64	1.44
Others	10,000RMB	0	0

Appendix 3 SEHK ESG Reporting Guide Index

Categories, Aspects and Key Performance Indicators		The relevant sections of this Report disclose or interpretation
Mandatory Disclosure Requirements		
Governance Structure	A Statement from the board containing the following elements: (i) disclosure of the board’s oversight of ESG issues; (ii) the board’s ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer’s business); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s business.	Our Governance
Reporting principles	A description of, or an explanation on, the application of the Reporting Principles (materiality, quantitative, and consistency) in the preparation of the ESG Report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement. Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	About This Report
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report.	About This Report
“Comply or Explain”		
A. Environment		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Impact and Management Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI A1.1	The types of emissions and respective emissions data.	Appendix 2 Key Performance Indicators
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix 2 Key Performance Indicators
KPI A1.3	Total hazardous waste produced (in tonnes) and where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix 2 Key Performance Indicators
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix 2 Key Performance Indicators
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Impact and Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Impact and Management

Categories, Aspects and Key Performance Indicators		The relevant sections of this Report disclose or interpretation
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water, and other raw materials.	Resource Usage Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix 2 Key Performance Indicators
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix 2 Key Performance Indicators
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Resource Usage
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Resource Usage
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not Applicable The Group’s principal operations disclosed in this Report are the exploration, development and production of crude oil, and no packaging materials are involved in these processes.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Environmental Impact and Management Resource Usage Oil Spill Prevention Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Impact and Management Resource Usage Oil Spill Prevention
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change Our Environment

Categories, Aspects and Key Performance Indicators		The relevant sections of this Report disclose or interpretation
B. Social		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Policies and Benefits Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix 2 Key Performance Indicators
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix 2 Key Performance Indicators
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Health and Safety Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix 2 Key Performance Indicators
KPI B2.2	Lost days due to work injury.	Appendix 2 Key Performance Indicators
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies relating to enhancing employees' knowledge and skills in performing their job duties at work. Describe the training activities.	Training and Development Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix 2 Key Performance Indicators
KPI B3.2	The average training hours completed per employee by gender and employee category.	Appendix 2 Key Performance Indicators

Categories, Aspects and Key Performance Indicators		The relevant sections of this Report disclose or interpretation
Aspect B4: Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Respecting Rights Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Respecting Rights
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Respecting Rights
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain and Product Quality Management Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B5.1	Number of suppliers by geographical region.	Appendix 2 Key Performance Indicators
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain and Product Quality Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain and Product Quality Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain and Product Quality Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Our Operations Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group The Group's principal operations disclosed in this Report are the exploration, development and production of crude oil, and no product production is involved in these processes.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Our Operations Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period

Categories, Aspects and Key Performance Indicators		The relevant sections of this Report disclose or interpretation
KPI B6.4	Description of quality assurance process and recall procedures.	Not applicable to the Group The Group's principal operations disclosed in this Report are the exploration, development and production of crude oil, and no product production is involved in these processes.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Our Operations
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Integrity in Business Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Integrity in Business Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Integrity in Business
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Integrity in Business
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Our Community Appendix 1 The Material laws and regulations that the Group complied with during the Reporting Period
KPI B8.1	Focus on areas of contribution (e.g. education, environmental issues, labour needs, health, culture, sports).	Our Community Appendix 2 Key Performance Indicators
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Our Community Appendix 2 Key Performance Indicators

Appendix 4 Reader Feedback Questionnaire

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

1. What is your identity in relation to CITIC Resources?

☐ Government and Regulator

☐ Employee

☐ Client

☐ Business Partners

☐ Potential Investors & Financial Institutions

☐ Media

☐ Community and the Public

☐ Other (please specify)

2. Your overall assessment to this Report is:

☐ Very good

☐ Good

☐ Fair

☐ Poor

☐ Very Poor

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

☐ Very Reasonable

☐ Reasonable

☐ General

☐ Poor

☐ Very poor

4. What do you think of the design of this Report:?

☐ Very Reasonable

☐ Reasonable

☐ General

☐ Poor

☐ Very poor

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

☐ Very good

☐ Good

☐ Fair

☐ Poor

☐ Very Poor

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

☐ Very good

☐ Good

☐ Fair

☐ Poor

☐ Very Poor

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

☐ Risks related to Climate Change (e.g. Typhoons, Floods)

☐ Occupational Health and Safety

☐ Community Development Contribution

☐ Waste Management

☐ Protection of Employees' Rights

☐ Community Service Engagement

☐ Energy Usage (Including New Energy, Clean Energy, and Water Resources)

☐ Diversity and Equal Opportunities

☐ Employee Training and Development

☐ Risk Control (Such as Import-Export Maritime Transportation Risks and Intellectual Property Risks)

☐ Air Pollution and Greenhouse Gases Emission Management

☐ Business Ethics and Anti-corruption

☐ Compliance Operation

☐ Biodiversity and Land Use

☐ Scientific Research and Technological Innovation

☐ Oil Spill Prevention

☐ Products and Services Quality

☐ Natural Disasters (Such as Earthquakes, Mudslides)

☐ Supply Chain Management

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

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

E-mail: ir@citicresources.com

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



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