



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

2025

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Definitions

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
"CITIC Petroleum" or "Beijing Office"	refers to	CITIC Petroleum Technology Development (Beijing) Limited
"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

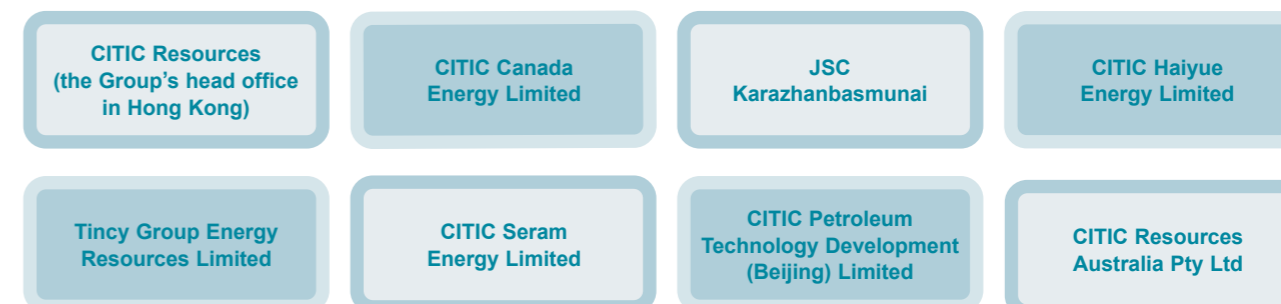
CITIC Resources Holdings Limited, together with its subsidiaries and joint ventures, are pleased to present its 2025 Environment, Social and Governance Report (the "**Report**"). This Report highlights the Group's ESG strategies, performance and progress, including relevant governance frameworks and policies, enabling stakeholders to understand our sustainability approach.

The Board of CITIC Resources has full responsibility for monitoring and reporting the Company's ESG-related strategies and has reviewed and approved this Report in March 2026. The information contained in this Report is primarily derived from the Group's Internal documents, relevant reports or public information.

Reporting Period and Scope

This Report covers the period from January 1 to December 31, 2025 (the "**Reporting Period**" or "**2025**" or "**Current Year**"), aiming to comprehensively reflect the Group's ESG practices and achievements during this period. Unless otherwise specified, this 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 Code (the “ESG Reporting Code”) 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 Code.

This Report has been prepared in accordance with the following principles as stipulated in the Code:

	 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.	This Report should disclose key performance indicators in a measurable manner.	The Report is prepared in an objective and unbiased manner to reveal the real situation of the Group’s ESG performance on its business operations 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 environmental, social, and governance (ESG) issues, prioritize material issues and disclose them in the Report.	If appropriate, key performance indicators (KPIs) are disclosed quantitatively and calculated according to the “Appendix 2: Reporting Guidance on Environment 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 to the last page of this Report. You are welcome to complete it and send it to the email address mentioned above.

About this Group


About CITIC Resources

CITIC Resources Limited is a company incorporated in Bermuda in 1997 and listed on the SEHK. The Company’s business scope encompasses various sectors, including crude oil, aluminum 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. China CITIC Group Corporation (“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 include:


Oil and Gas Operations

- Oil field exploration, development and operation activities through indirectly wholly-owned subsidiaries Tincy Group and CITIC Seram, located in Chinese Mainland 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 directly 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 harmony and the 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

Case Study: Attending the "ESG Xchange 2025: ESG for Climate Actions International Summit"

CITIC Resources participated in the "ESG Xchange 2025: ESG for Climate Actions International Summit," organized by the World Green Organization in Hong Kong. As a preeminent platform for ESG, climate action, and green innovation in the Asia-Pacific region, the summit convened over 2,500 global delegates, including United Nations officials, representatives from international organizations, and industry leaders. The summit facilitated high-level discussions on critical topics such as ESG and climate risk strategies, sustainable supply chain management, opportunities and challenges in carbon trading markets, cutting-edge energy-saving and carbon reduction technologies, and the role of Artificial Intelligence in driving ESG advancements. This engagement has enabled the Group to stay abreast of the latest ESG regulatory developments and strategic trends, accelerating our ESG transformation while underscoring our steadfast commitment to practising and integrating ESG principles.



CITIC Resources participated in the "ESG Xchange 2025: ESG for Climate Actions International Summit," joined hands with UN officials, international organizations, and business representatives to engage in in-depth discussions on sustainable development and ESG topics.

Case Study: Awarded the World Green Organization "Climate Action Award 2025"

CITIC Resources outperformed at the "13th Anniversary Gala Dinner and Climate Action Award," organized by the World Green Organization, and was honored with the 2025 "Climate Action Award." The Group demonstrated excellence across all core assessment criteria, including climate action and sustainability engagement, employee capacity building and ESG training, community involvement, carbon measurement, carbon management, and policy contributions to the United Nations Sustainable Development Goals. Notably, CITIC Resources was the only integrated resources and energy enterprise to receive this prestigious honor this year.



This award recognizes the Group's innovative environmental solutions and carbon neutrality strategies developed in response to China's "3060" Dual Carbon goals. It also marks the Company's success in integrating climate governance throughout its entire value chain. Looking ahead, CITIC Resources will continue to collaborate with partners across all sectors to establish forward-looking decarbonization roadmaps. By doing so, the Group aims to contribute to the global 1.5°C target and the national dual carbon vision, working together to co-create a carbon-neutral future.



CITIC Resources was proud to receive the "Climate Action Award 2025" presented by the World Green Organization.

Case Study: Inaugural Recognition under the "Caring Company" Scheme

CITIC Resources participated in the "Caring Company" Scheme, organized by the Hong Kong Council of Social Service, for the first time this year. We are pleased to announce that the Group's performance for the 2024/25 cycle has been recognized as "Above Average." The Scheme employs a credible benchmarking and recognition mechanism to incentivize enterprises and organizations to achieve continuous progress in sustainable development and social impact. Furthermore, the Scheme serves as a collaborative platform that connects stakeholders across various sectors. Through peer learning, experience sharing, and the exploration of emerging trends and resources, the initiative fosters a deeper understanding of and commitment to sustainability. This collective effort encourages the development of innovative solutions to address societal needs and bridge critical gaps, working toward the shared goal of building a sustainable society.



Looking ahead, the Group remains steadfast in its commitment to demonstrating community care and will continue to actively promote sustainable development across the social, economic, and environmental dimensions.

ESG Ratings



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 supporting and maintaining an equitable work environment. This achievement highlights our firm's commitment to sustainable development and responsible business practices. We will continue to promote a corporate culture of excellence and integrity.



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 stakeholders in the Chinese market.



The Wind ESG rating system comprehensively evaluates corporate management practices, risk management, and data transparency. CITIC Resources performed excellently in these criteria, achieving an A rating, demonstrating its 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.

Carbon Offset Certificates



Carbon Offset Certificates

The Group actively responds to Mainland China's "3060 Dual Carbon" targets by utilizing carbon offsetting to mitigate carbon emissions across all our offices. This is achieved through the procurement of carbon credits from the Gold Standard and the United Nations Clean Development Mechanism (UNCDM), which simultaneously supports local sustainable development initiatives.

Our selected Gold Standard offset is the Muyuan Nanyang Swine Farm Animal Waste Management System GHG Mitigation Project located in Henan Project ID. 11255), and the UNCDM Project is the Hebei ChengAn Biomass Cogeneration Project (Project ID. 3797). For further details, please refer to the "Climate Change" section.

In addition to contributing to the reduction of greenhouse gas emissions, enhancing resource efficiency, and promoting environmental protection, the UNCDM carbon offset project also creates local employment opportunities. Furthermore, the Certified Emission Reductions (CERs) generated by the project were utilized for the Hangzhou 2022 Asian Games and the 4th Asian Para Games to support the achievement of carbon neutrality goals.

Board Statement

As a pioneer in practising corporate social responsibility within the industry, CITIC Resources continued to advance its sustainable development goals in 2025, having established a comprehensive ESG management system and a clear division of responsibilities. In its first year of participation in the “Caring Company” Scheme organized by the Hong Kong Council of Social Service, the Group was recognized as “Above Average” for the 2024/2025 period, fully affirming the Group’s efforts in sustainable development and social impact. Additionally, the Group was honored with the “Climate Action Award” by the World Green Organization, highlighting its proactive contributions to addressing climate change. The Board of Directors 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. Serving as the core team for ESG governance, the Risk Management Committee of the Board is responsible for updating and refining ESG policies, as well as assessing and monitoring related risks. The Committee meets at least once every financial year to ensure the systematic management and effective execution of ESG governance. Through these governance mechanisms, the Board fully integrates ESG concepts into corporate strategy and operations, continuously driving the Group’s sustainable development.

To further optimize the governance system and enhance governance effectiveness, the Risk Management Committee of the Board has established an ESG Working Group. This group is fully responsible for identifying and assessing ESG risks, formulating management policies, plans, and targets relevant to the Group’s business, and effectively advancing various ESG initiatives. In accordance with the “CITIC Resources Holdings Limited ESG Management Measures”, the Group has defined ESG governance (including the formulation, implementation, and evaluation of ESG plans and targets; monitoring of ESG-related risks, and internal auditing of ESG matters) and ESG reporting (covering the coordination of ESG data and information collection, as well as the preparation and disclosure of ESG reports) as the routine responsibilities of the ESG Working Group, ensuring that they are standardized and properly managed. Through these governance mechanisms, the Group will more effectively advance its sustainable development efforts and enhance its ESG governance level, creating greater value for society and the environment.

In 2025, CITIC Resources continued to strengthen its ESG management system and commissioned Riskory Consultancy Limited as independent 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 and its subsidiaries 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 and its subsidiaries strictly adhere 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 Management 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 drivers of energy and mineral investment and bulk commodity trading,” the Group achieves strategic risk diversification and enhanced operational flexibility.

In the face of the multiple challenges within the current development landscape and the shifting trends towards energy transition and green development, CITIC Resources will place greater emphasis on environmental protection. We will actively address the challenges and opportunities arising from energy conservation and emission reduction, assume greater environmental and social responsibilities, and forge ahead together with our employees. Guided by high-quality development, the Group will remain committed to its scientifically established ESG targets, striving to reach new heights in sustainable development and live up to the high expectations of all stakeholders.

The Board would like to express its heartfelt gratitude to all shareholders, customers, suppliers, and business partners for their long-term support of CITIC Resources. We also extend our sincere appreciation to the management team and all employees for their persistence and dedication in advancing the Group’s sustainable development strategy.

Board of CITIC Resources

March 13, 2026

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 robust corporate governance is key to enhancing operational efficiency, while sound compliance operations serve as the cornerstone of corporate sustainable development. To this end, the Group actively pursues a level of corporate governance that goes beyond mere regulatory compliance. We strictly adhere to the laws and regulations of the jurisdictions where we operate, as well as the relevant norms of regulatory bodies. Furthermore, we have formulated detailed internal management policies and business codes of conduct to ensure that all operational activities are legal and compliant.

The Group actively adopts policy frameworks and system monitoring measures to fully implement compliance with laws and regulations from the Group level down to its subsidiaries. This ensures the integrity of business operations while effectively managing risks and seizing opportunities. Furthermore, by implementing diversified and multi-level corporate governance, the Group continuously strengthens its core business, thereby enhancing its core competitiveness and striving to achieve its sustainable development goals.

For detailed information regarding the Group's corporate governance, please refer to the Corporate Governance Report in the 2025 Annual Report for comprehensive insights.

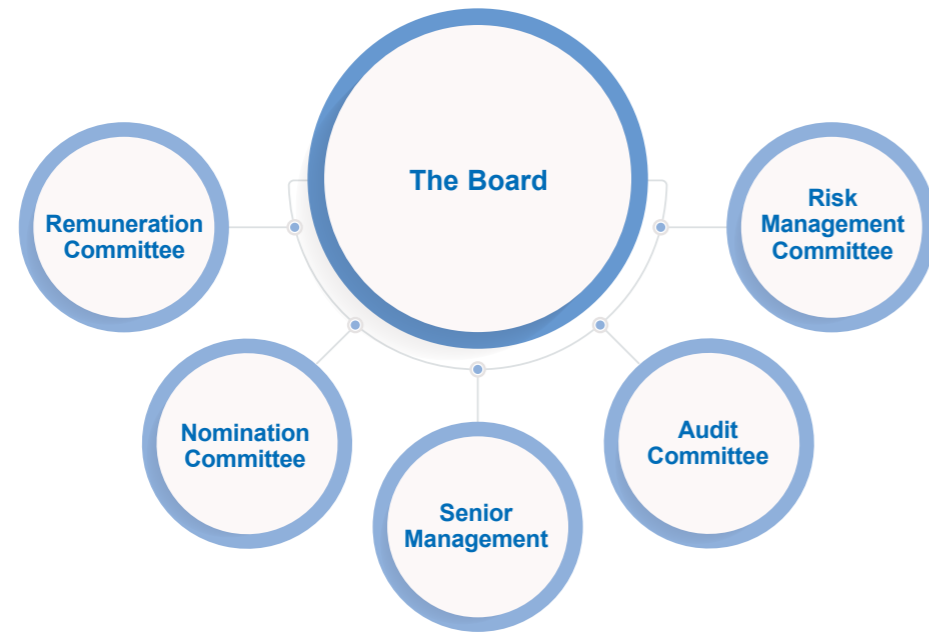
Material issues addressed in this section:

"Risk Control" and "Compliance Operation"



Corporate Governance

Sound corporate governance facilitates continuous value creation for the benefit of the Group's stakeholders. To this end, CITIC Resources is committed to complying with all applicable laws and regulations, including the Rules Governing the Listing of Securities on the SEHK and other relevant regulatory requirements, to continuously elevate its corporate governance standards. In addition to implementing existing management policies, the Group continues to bolster its governance framework, comprising the Board of Directors, the Remuneration Committee, the Nomination Committee, the Audit Committee, the Risk Management Committee, and senior management, along with their respective policies. These measures enhance the Group's governance effectiveness and operational standardization, ensuring that the decision-making process adheres to the principles of trust and fairness. Furthermore, information is disclosed with high transparency to safeguard the interests of all stakeholders.



- Comprised of 7 members: 2 Executive Directors, 1 Non-executive Director, and 4 Independent Non-executive Directors
- Detailed biographies of the Directors and the specific terms of reference and duties of each committee are set out in the Company's "2025 Annual Report" and website
- All directors have participated in appropriate continuous professional development training, encompassing ESG, updates on laws, rules and regulations, as well as the directors' roles and responsibilities

Risk Management and Internal Control

The Board of Directors holds ultimate responsibility for maintaining the Group's risk management and internal control systems and is committed to conducting regular annual reviews to ensure their continued effectiveness.

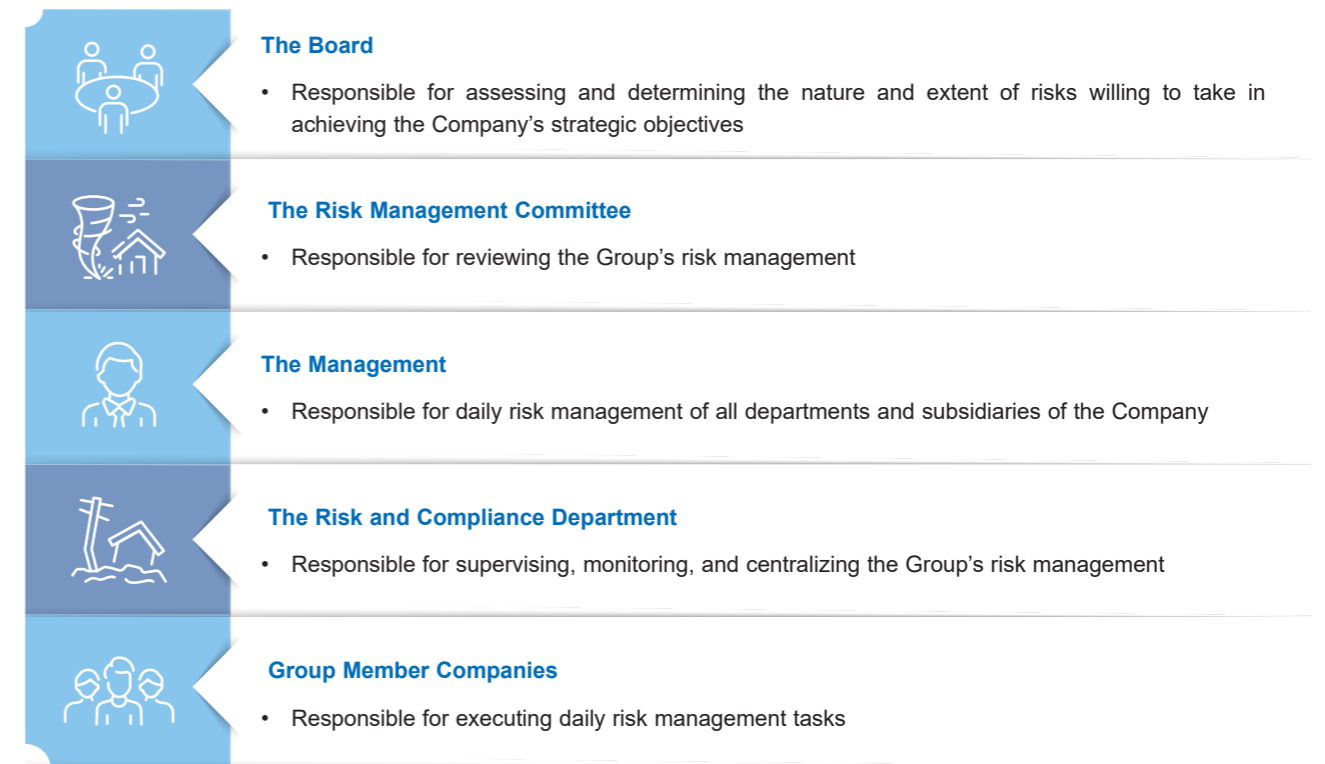
Risk Management

The Board has established a comprehensive risk management and internal control framework covering all business units, designed to effectively monitor, assess, and manage various operational risks. The Risk Management Committee regularly reviews relevant policies and regulations to ensure their quality, integrity, and effectiveness, and is authorized by the Board to approve policy amendments.

Through regularized risk and compliance assessments, the Group is committed to identifying and controlling material risks. This system is designed to enhance operational efficiency, safeguard assets, ensure the truthfulness and fairness of accounting records and financial statements, and ensure compliance with relevant laws and regulations. The system is intended to provide reasonable assurance to manage, rather than eliminate operational risks.

Regarding the management of inside information, the Group has established stringent identification and confidentiality mechanisms. All such information is disseminated through SEHK's electronic publication system. The Board has adopted a disclosure policy to standardize the information release process, ensuring that the market and shareholders receive timely updates on material developments. When employees become aware of any inside information, they must report it immediately. The Company's Chief Executive Officer and the Company Secretary will then evaluate and determine whether an announcement is required in accordance with legal requirements and safe harbor provisions. All disclosures must be approved by the Board. Employees are strictly prohibited from making unauthorized disclosures or responding to market speculation.

The risk management and internal control system is categorized into five levels:



During the Reporting Period, the Risk and Compliance Department employed diverse methodologies, including questionnaires, group discussions, and scenario analyses, to identify risks. Risks are categorized by severity into Normal, Significant, and Critical levels, and are managed accordingly in alignment with the Group’s risk management system. Furthermore, the department effectively monitors the risk levels of subsidiaries through monthly risk reports and regular risk assessments, while monitoring major projects and business operations. The department conducts in-depth analyses of key risk areas, such as strategic investment, Health, Safety and Environment, asset impairment, market volatility, liquidity, and legal proceedings. Annual review reports and improvement recommendations are submitted to the Risk Management Committee and the Board to ensure that the decision-making level maintains a comprehensive grasp of the Group’s risk profile.

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

In addition, the Group has purchased and maintained liability insurance for Directors and senior management to protect them against potential third-party legal liabilities arising from the performance of their duties.

Internal Audit

The Group’s Internal Audit Department, acting as an independent supervisory function, is responsible for evaluating the adequacy and effectiveness of the risk management and internal control systems. Pursuant to the authority granted under the Internal Audit Charter, the department possesses unrestricted access to information, enabling it to review any aspect of the Group’s business operations. It reports directly to the Group Chairman and Audit Committee Chairman, thereby ensuring the independence and objectivity of the audit work.

As an independent oversight unit, the Internal Audit Department periodically reviews and assesses the effectiveness of the Group’s risk management and internal control systems. The Audit Committee reviews the evaluation results and opinions provided by the Internal Audit Department regarding the effectiveness of these systems and reports any material issues identified to the Board.

The Internal Audit Department adopts a risk-based approach to formulate its annual audit plan, which is implemented upon approval by the Audit Committee. The audit process encompasses fieldwork, management interviews, and the implementation of targeted audit programs. Additionally, the department conducts special audits as requested by the Board. For any control deficiencies identified during audits, the Internal Audit Department promptly notifies management and provides recommendations for rectification. During the Reporting Period, management implemented corrective actions for all identified issues. Relevant audit reports and follow-up results were submitted periodically to the Audit Committee for review, with material matters subsequently reported by the Committee to the Board.

ESG Risks

The Group proactively benchmarks against global sustainability standards, systematically conducting ESG risk identification and assessments. We regard climate risk as a core management element, fully integrating it into our ESG risk management framework. By incorporating climate impact considerations into our daily operations, we ensure that while expanding our business, we can effectively respond to environmental challenges, thereby strengthening the Group’s resilience and sustainable effectiveness.

During the Reporting Period, in view of the increasing emphasis placed on ESG and climate-related risks by various stakeholders, CITIC Resources appointed Riskory Consultancy Limited as an independent consultant to conduct an ESG and climate change risk assessment. This assessment referenced international risk research reports and other key factors, including but not limited to:

- Global megatrends in sustainable development
- Material risks prioritized by peer companies;
- World Economic Forum Global Risks Report 2025;
- Sustainability Accounting Standards Board (SASB) Standards; and
- Industry-specific materiality issues and indicators published by MSCI, among others.

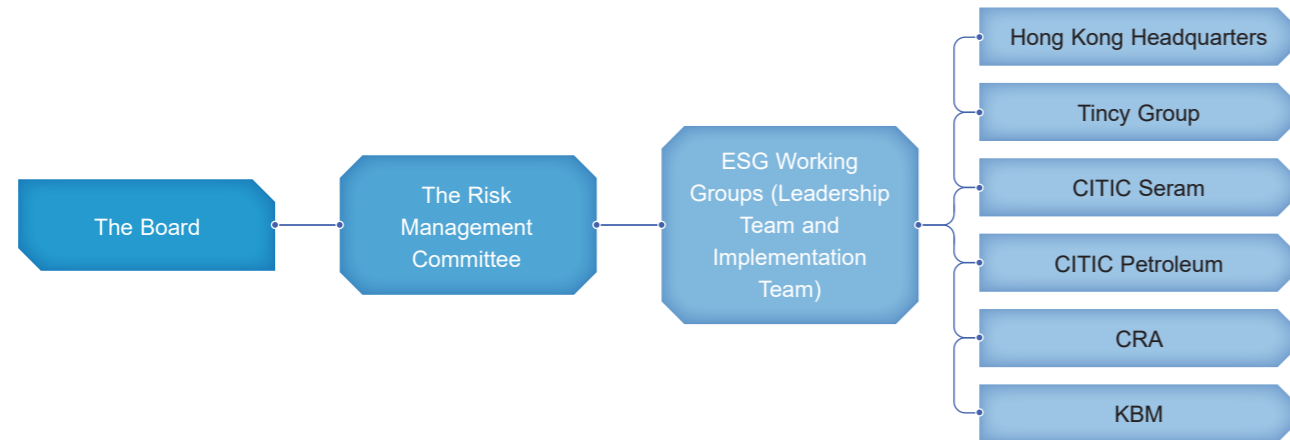
These references assisted in identifying risks relevant to the Group and rating their potential impact and likelihood. A final research report was submitted to the Board for its reference and review.

Through this year’s rigorous assessment, the Group has identified “Management of ESG-Related Matters” as the core ESG risk for the year. In response to this finding, we will adopt a more proactive strategy to further refine our ESG governance structure and accountability mechanisms, ensuring that management measures precisely address potential challenges. Meanwhile, the Group maintains high vigilance over other identified ESG risks, ensuring all risks remain under robust control through continuous dynamic monitoring.

Aspect	Governance Risk
Material ESG Risk	Management of ESG-Related Matters
Risk Trend Analysis and Potential Impacts	<p>Currently, regulatory requirements for ESG disclosures are becoming increasingly stringent, with relevant regulations undergoing a period of intensive updates. In line with international risk reporting trends, global regulatory pressure is expected to continue rising, driven by “net zero emissions” targets. The Group recognizes that failure to effectively manage and oversee ESG matters could lead to multi-dimensional operational risks.</p> <p>The SEHK has published new ESG disclosure requirements, mandating that listed companies disclose close-related data and Scope 3 greenhouse gas emissions (“GHG”) starting from 2025. Under these updated requirements, certain data points necessitate the cooperation and provision of information from various stakeholders, such as suppliers. Consequently, the Group’s current priority is to strengthen communication across the supply chain and to establish or adjust data collection processes to meet these disclosure mandates.</p> <p>Furthermore, deficiencies in integral management, such as the failure to maintain a safe working environment, could result in direct or indirect losses, including equipment damage, casualties, administrative penalties, or environmental pollution. At the same time, ESG performance has become a critical indicator for banks and financial institutions when assessing the Group’s creditworthiness and determining credit facilities. Any mismanagement leading to a rating downgrade would directly increase financing costs and reduce opportunities for commercial cooperation. Therefore, reinforcing ESG oversight functions is vital to the Group’s reputation, public trust, and regulatory compliance. We must proactively mitigate accountability risks arising from sufficient disclosure.</p>
Risk Response Measures	<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 the Group’s green credentials and strengthen long-term competitiveness.

Sustainability Development Management

CITIC Resources recognizes the profound importance of corporate sustainability in ensuring long-term robust operations and promoting the harmonious coexistence between the environment and humanity. Accordingly, the Group actively drives economic and social development while upholding the highest ESG standards throughout its operations. Furthermore, members of the Board actively participate in professional ESG training to stay abreast of the latest global trends. Adhering to the principles of sustainable development, the Group has established a comprehensive ESG management framework to ensure the effective implementation of its strategies. The Group's ESG governance structure is illustrated in the chart below:



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

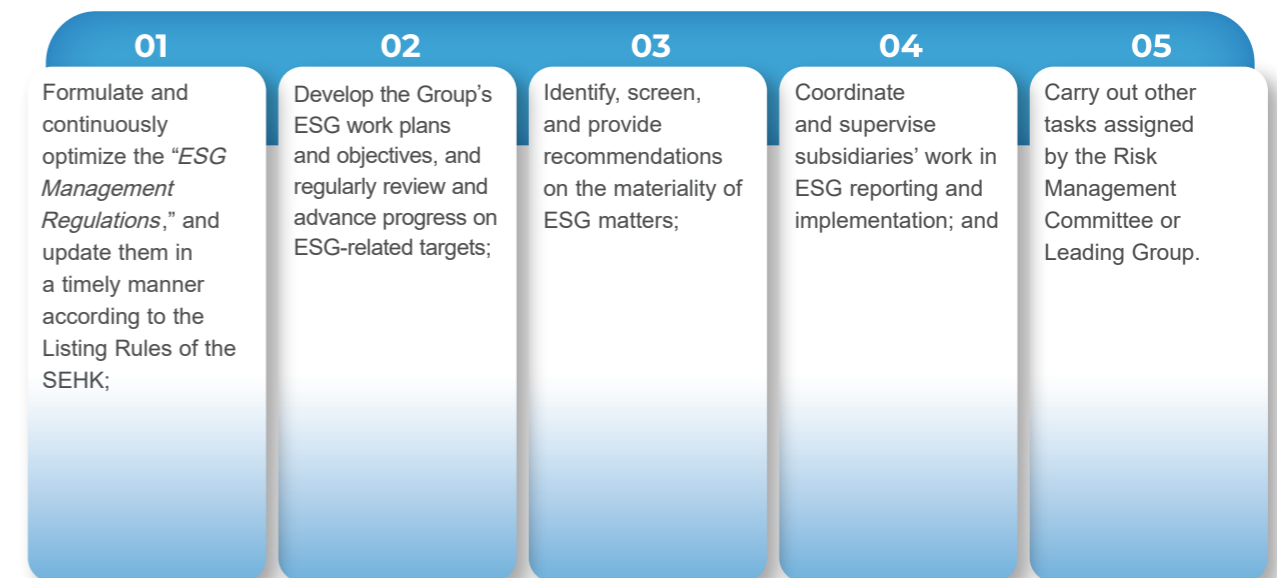
As the highest governance body, the Board of CITIC Resources provides comprehensive leadership in formulating ESG strategies and preparing reports. The Board is responsible for identifying and confirming various ESG risks, ensuring that the Group maintains a robust and efficient risk management and internal control system. Under the authorization of the Board, the Risk Management Committee is specifically tasked with ESG governance. Its functions encompass key areas such as target setting, performance evaluation, risk monitoring and internal audit. The primary responsibilities of the Risk Management Committee are as follows:

- Identifying ESG-related matters that may significantly impact the Group's Operations or the interest 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 recommendation to the Board for considerations; and
- 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 the requirements stipulated by the Group's constitutional documents or laws and regulations.

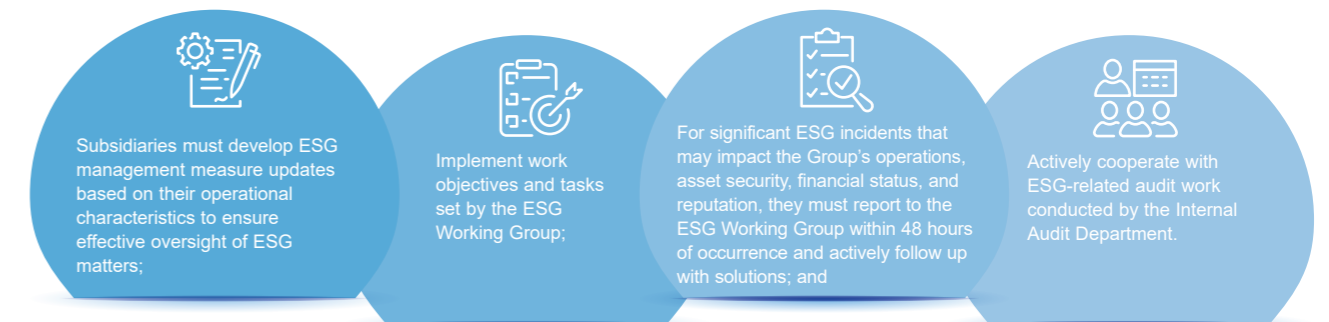
The ESG Working Group serves as the executive body of the Group's ESG governance, responsible for identifying key risks, formulating management policies and targets, and coordinating internal and external resources to facilitate ESG reporting and implementation across subsidiaries. The Group adopts a dual-layer management structure consisting of the Leading Group and the Implementation Group.

CITIC Resources' Leading Group is the core of the ESG governance, headed by the Chief Executive Officer, who is responsible for top-level decision-making and overall supervision. The Vice President serves as the Deputy Head, specializing in overseeing strategic planning and implementation. Members of the group include the Chief Financial Officer, General Counsel, Company Secretary, and heads of various subsidiaries, working together to ensure that the Group's ESG practices fully comply with the SEHK's regulatory requirements.

The Implementation Group is led by the Head of the Investor Relations Department and focuses on the concrete operations of ESG matters. Its members include personnel from risk management, human resources and administration, and ESG specialists from subsidiaries, who collectively undertake the following responsibilities:



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



Additionally, we have appointed Riskory Consultancy Limited as independent consultants 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 2025 Annual Report.

Our Communication

Effective stakeholder communication is the cornerstone for the Group to balance diversified development and achieve long-term value. CITIC Resources has established normalized communication mechanisms to proactively collect and analyze feedback and expectations from various stakeholders through diversified internal and external channels.

Each year, the Group conducts materiality assessments and stakeholder surveys to comprehensively identify and understand the issues that are most critical to stakeholders and business operations.

The Group is dedicated to actively responding to the expectations and suggestions of stakeholders, demonstrating our commitment to sustainable development. In appreciation of the trust and support from our stakeholders, we pledge to translate their opinions into a driving force for management optimization. By addressing various concerns through concrete actions, we ensure that the Group's development blueprint aligns with social expectations, working hand-in-hand to create sustainable value.



Channels of Communication

To ensure the Group's long-term and steady development, CITIC Resources is committed to establishing a transparent and mutually trusting stakeholder engagement mechanism. We proactively engage in extensive dialogues with influential stakeholders, including non-governmental organizations, media, and industry partners, to gain deep insights into their core expectations regarding the Group's ESG performance. We firmly believe that stakeholder feedback serves as an essential reference for refining our sustainable development roadmap. Through continuous communication and collaboration, we actively respond to societal expectations, fulfil our responsibilities as a corporate citizen, and contribute CITIC's strength toward building a more resilient future for 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.	It is crucial to understand the sustainability issues of concern to our employees, particularly those related to labor rights and occupational health and safety.	To articulate our pursuit of long-term financial returns to major shareholders and report on our sustainability progress. To address investor concerns regarding ESG issues, demonstrating our commitment to achieving more sustainable financial returns.	Compliance with laws, regulations, and policies directly impacts the Group's businesses. We maintain close contact with government authorities and regulatory bodies to ensure a thorough and accurate understanding of relevant policies and legal requirements.		The sustainability performance of suppliers and contractors directly affects the Group. While suppliers provide services, materials, and equipment without direct involvement in oilfield operations, their environmental and social performance impacts our operations and reputation. Thus, we maintain communication to ensure their compliant operations. As contractors face the same health and safety risks as our employees at operational sites, they are managed, constrained, and protected by the Group's HSE policies and systems. This ensures the safety of contractor personnel and prevents injuries to themselves or our employees caused by 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 Employee 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/Seminar 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 accurately addressing stakeholder expectations is the cornerstone of long-term corporate sustainability. To ensure the objectivity and professionalism of the evaluation process, we have commissioned an independent consultancy to conduct an ESG materiality assessment using scientific methodologies. Through multi-dimensional stakeholder engagement and rigorous data analysis, we aim to identify key issues that have a profound impact on both the Group's business and our stakeholders. This process enables us to establish our core ESG strategic priorities, ensuring that resources are precisely allocated to the areas of greatest value and impact.

The assessment process incorporates a multi-dimensional analysis, including:

- Continuous feedback collection from stakeholders;
- Alignment with the Group's specific operational profile and evolving industry trends;
- Adherence to international benchmarks, including SASB standards and MSCI industry materiality issue classification guidelines;
- Benchmarking against peer disclosure practices; and
- Close monitoring of national macro policy directives and capital market dynamics.

Building on this foundation, we regularly refine and update our materiality issue database. We also design professional assessment questionnaires and invite department representatives and key stakeholders to participate in engagement surveys, ensuring a comprehensive and accurate understanding of the priorities and needs of all parties.

01 Materiality Issue Database and List

- The potential materiality issue database and list are compiled based on the following criteria:
 - SEHK's ESG Reporting Code;
 - Material ESG issues identified by the SASB Standards;
 - MSCI industry materiality issue classification;
 - 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

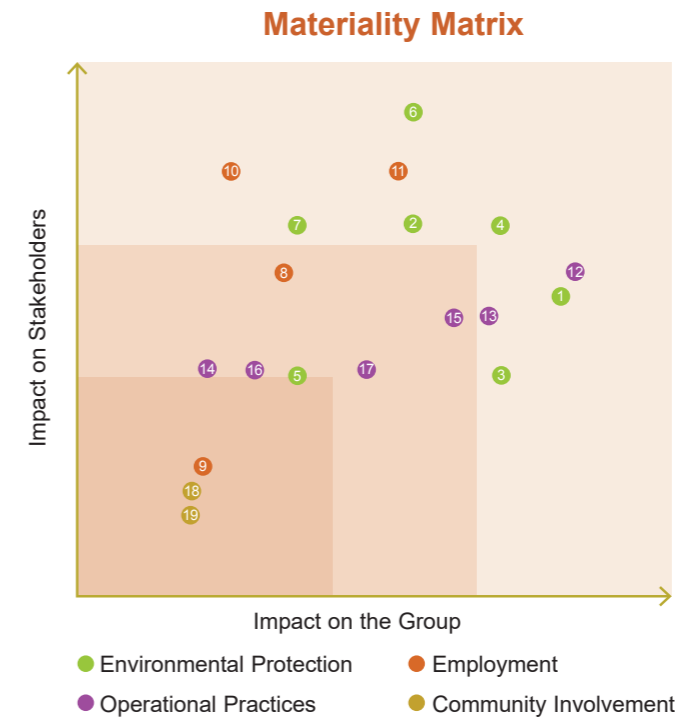
- Obtained the materiality assessment questionnaire results;
- The materiality ranking of the ESG issues was analyzed from two dimensions including "Impact on Business" and "Impact on Stakeholders" after obtaining the assessment results;
- Report the assessment results to the management;
- Approve the results of the materiality assessment; 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 chapters 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 key participant in the natural resources industry, CITIC Resources regards sustainable development as a core value and remains committed to green and low-carbon practices. We integrate environmental principles into corporate governance and decision-making at the strategic level, and extend them across the value chain – from oilfield exploration through development and production. In daily operations, we strictly comply with applicable environmental laws and regulations in our operating locations and align with relevant international standards, supported by a robust environmental management system that includes regular risk assessments, pollution prevention and control measures, and emergency response plans.

These efforts not only ensure compliance, but also help safeguard ecological balance and long-term sustainability. To enhance resource efficiency, we apply innovative green and low-carbon technologies wherever practicable and implement a suite of decarbonization action plans to reduce energy and resource consumption and minimize impacts on air, soil, and water. We regularly collect and analyze key performance indicators, adjust our approach in a timely manner, and continue advancing our sustainability objectives – striving to deliver economic value while supporting social progress and environmental stewardship.

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)”.



CITIC Resources remains steadfast in its commitment to ESG, continuously dedicating resources to drive the Group's long-term sustainable development. We actively participate in various environmental initiatives and have been recognized with multiple ESG awards, underscoring our dedication and efforts in the field of sustainability.

During the Reporting Period, the Group was honored to receive the 'Climate Action Award' at the World Green Organization's 13th Anniversary Celebration, distinguishing us as the sole recipient within the integrated resources and energy sector. This accolade recognizes organizations with outstanding achievements in ESG, evaluating criteria such as carbon audits, decarbonization planning, and climate innovation. Through this recognition, we aspire to inspire and lead other enterprises to translate corporate responsibility into tangible climate action, actively contributing to Hong Kong's green development and carbon neutrality goals in response to the challenges of climate change.



Staff from the food waste recycling service (1st and 2nd from left), renowned Hong Kong music industry visionary Mr. Alex Chan (Center), and representative from the organizer Riskory S (Right), showing their strong support for food waste recycling.



Furthermore, CITIC Resources was invited to participate in the 'ESG Xchange 2025' international summit, organized by the World Green Organisation in Hong Kong. The summit gathered government and business leaders, as well as experts and scholars from around the globe, including representatives from authoritative international bodies such as the Science Based Targets initiative (SBTi), the United Nations Environment Programme Finance Initiative (UNEP FI), and the International Sustainability Standards Board (ISSB). This exchange enabled the Group to stay abreast of the latest ESG regulations and strategies, accelerating our ESG transformation while demonstrating our resolve to uphold ESG principles.

In support of environmental protection, 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. At the same time, CITIC Resources is a signatory to the Energy Saving Charter launched by Hong Kong's Environment and Ecology Bureau and the Electrical and Mechanical Services Department, demonstrating our commitment to enhancing energy efficiency and reducing carbon emissions. Moving forward, we will continue implementing various energy-saving initiatives, including optimizing energy consumption, improving equipment operational efficiency, and promoting the use of renewable energy.



The Group is committed to advancing sustainable development through concrete actions, actively supporting projects that align with our corporate values and create positive social impact. During the Reporting Period we supported Hong Kong's first community-initiated carbon-neutral concert, "Chill & Decarbonize: ESG Charity Concert!", organized by Riskory S, a brand of Riskory Consultancy Limited. The event aimed to promote carbon neutrality for all, using music to reach a wider audience and unite the community to build a sustainable culture. At the same time, it supported local music development in Hong Kong to create a lasting, positive impact on society. Circular economy principles were integrated throughout the planning and execution of the event, including the use of natural bamboo pulp tissues, reusable stainless-steel cutlery, the provision of craft beer upcycled from surplus bread, and comprehensive food waste recycling. A portion of the event's proceeds will be donated to Food Angel, reflecting Riskory S's commitment to food waste management and resource circularity, thereby amplifying the social impact.

With respect to the greenhouse gas (GHG) emissions generated by the event, Riskory conducted a carbon audit, which was subsequently verified by an independent, globally recognized third-party testing and certification organization. To achieve carbon neutrality for the event, the event organizer purchased and retired carbon credits via the Hong Kong Exchanges and Clearing Limited (HKEX) Core Climate platform to offset the remaining emissions². By supporting this project, we aim to play a demonstrative and catalytic role, fostering collaboration across the value chain and encouraging suppliers, business partners, and other stakeholders to jointly participate in Scope 3 emissions management, thereby laying a solid foundation for our long-term carbon reduction goals and working together to create a more sustainable future.



A group photo of local Hong Kong singers.



A group photo of representatives from various green suppliers and supporting organizations.

The audience enjoyed the concert with great enthusiasm.



Citic Resources was awarded the 'Carbon Neutral Event Participation Certification', in recognition of its support for the event.

- The event was originally scheduled for November 28, 2025 but was postponed to January 23, 2026 due to unforeseen circumstances and scheduling adjustments. The name of the event "Chill & Decarbonize: ESG Charity Concert 2025" is translated from 《Chill 住減碳》ESG慈善音樂會 2025, in case of any discrepancy, the Chinese version shall prevail.
- The carbon credits used for this offset were procured and retired via the HKEX Core Climate platform, sourced from the "Panzhou County Chicken Farm Manure Composting Project (Project ID: 5210)". This project is issued under the Verified Carbon Standard ("VCS"), which is a globally widely adopted standard for GHG emission reduction credits.

In the "Our Environment" chapter, the content is structured into four main sections to comprehensively detail CITIC Resources' practices and achievements regarding the environment and climate change. Within each section, we will present the specific conditions and highlights of our three oilfield assets – Yuedong Oilfield, Seram Block, and the Karazhanbas Oilfield – demonstrating how the Group implements its sustainable development philosophy across different projects.



Environmental Impact and Management

- As a responsible enterprise, CITIC Resources is deeply aware of its environmental protection responsibilities. We regard environmental stewardship as a core value and integrate it into every aspect of our daily operations. By implementing rigorous and comprehensive environmental management measures, we continuously improve our environmental performance and actively mitigate the impacts of our business activities on the natural environment.



Resources Usage

- CITIC Resources is acutely aware that energy and water resources are vital to our operations, particularly within our oilfield segment. Given that our oilfields are predominantly located in remote onshore or offshore regions, securing a stable supply of these resources often poses significant challenges. To address this, we continuously drive technological innovation, equipment upgrades, and refined operational management. These efforts enable us to steadily enhance energy and water efficiency, achieving optimized and conservation-oriented resource allocation. By ensuring the stability of resource management in our operating areas, we bolster the Group's sustainable development.



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 are committed to eliminating spill risks at source by dedicating substantial resources to both prevention planning and execution. Concurrently, we continuously upgrade our emergency response mechanisms to ensure the fastest and most effective intervention in the event of an incident.



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 firmly believes that long-term corporate development must be founded on harmonious coexistence with the natural environment. Accordingly, we view environmental protection as a fundamental corporate responsibility and integrate it into our overall operational strategy.

In our production processes, underpinned by a rigorous environmental management system, we support cleaner production and exercise strict control over the discharge of various pollutants. Through a series of tangible environmental measures, we actively safeguard the natural ecology of our operating regions, striving to achieve a dynamic balance between robust business growth and environmental preservation.

Concurrently, we strictly mandate that all subsidiaries and joint ventures adhere to local environmental laws and regulations. We maintain highly transparent communication and cooperation with government regulatory authorities to collectively drive regional sustainable development.

To manage and continuously improve our environmental performance more systematically, we have categorized the potential environmental impacts of our operations into the following four main areas, formulating targeted management measures and mitigation strategies for each:



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.

Greenhouse Gas ("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

- Major waste streams include pollutants such as oily sludge and contaminated sand generated during oilfield exploration and development, as well as drilling cuttings and drilling fluids from drilling operations. Other waste comprises domestic waste from employee accommodation facilities 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.

To address the distinct environmental challenges across our oilfields, Tincy Group, CITIC Seram, and KBM have each implemented site-specific environmental management programs tailored to local conditions, and remain committed to consistently upholding these policies. During the Reporting Period, we conducted a comprehensive review of progress against our environmental targets and action plans. Through regular performance assessments and timely strategic adjustments, we strive to optimize the effectiveness of our environmental measures, aiming to minimize potential impacts on the ecological environment to the greatest extent possible.

Tincy Group – Yuedong Oilfield

Air and GHG Emissions

Targets for Reducing Air Emissions				
Targets and Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
<p>In the context of not exceeding applicable limits specified in the “Integrated Emission Standard of Air Pollutants” (GB16297) and “Emission Standard of Air Pollutant for Bulk Petroleum Terminals” (GB20950), gradually take measures to reduce emissions.</p>	<p>1. During crude oil extraction, we conduct oil-gas separation to recover and utilize associated natural gas dissolved in the crude oil, thereby reducing air emissions.</p> <p>2. Repair hazardous waste storage areas to reduce fugitive emissions.</p>	December 31, 2025	HSE Department	Organized Non-methane Hydrocarbon emissions peaked at 1.15 mg/m ³ , far below the 120 mg/m ³ standard limit. Also, fugitive Non-methane Hydrocarbon emissions peaked at 1.06 mg/m ³ , below the 4 mg/m ³ standard limit as well.
Targets for Reducing GHG Emissions				
<p>1. Company vehicles to meet National Stage V Emission Standard for heavy-duty vehicles.</p> <p>2. 15% reduction in gasoline consumption, diesel consumption increase not to exceed 10% year on-year.</p>	<p>1. Maintain regular vehicle maintenance.</p> <p>2. Promote the use of public transport for business travel.</p>	December 31, 2025	Production and Operation Department	Introduced and implemented vehicle management and business travel measures to ensure all corporate vehicles undergo scheduled maintenance for optimal efficiency. Advocate prioritizing public transportation for business travel and has refined our vehicle usage approval protocols to uphold green and low-carbon travel principles.

To further reduce greenhouse gas emissions and support national “Dual Carbon” goals, Tincy Group has implemented several internal policies, such as “Regulations on Power Saving Management”, “Yuedong Oilfield Power Limit Plan”, “Daily Management System for Gas Wells” and incorporated them into the company’s HSE management system documents and regulations. Relevant implemented measures are:

1. Strengthening education and promotion of “Dual Carbon” knowledge to raise energy conservation and emission reduction awareness among all employees;
2. Adopted various measures to save purchased electricity;
3. Improving boiler fuel efficiency by dynamically adjusting the gas supply from Island C gas wells based on the operational status of high- and low-pressure boilers on Islands B and C. This ensures boiler operational needs are met while minimizing unnecessary energy loss;
4. Implementing the D island natural gas utilization project, aiming to comprehensively utilize energy and reduce emissions;
5. 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, reducing continuous vehicle emissions and helping improve regional air quality;
6. 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
7. 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.



Case Study: System Retrofit and Upgrade to Reduce GHG Emissions

Oily wastewater has long been a primary environmental pollutant in crude oil extraction and production processes. Yuedong Oilfield has actively optimized its wastewater treatment workflow by subjecting de-oiled wastewater to multi-stage filtration and treatment. This ensures that all wastewater indicators meet external transport standards before transmission. Following system retrofits and improvements, the external transport pumps and tanks have been decommissioned. This measure has not only lowered electricity consumption but also reduced greenhouse gas emissions.



Waste Generation, and Discharges into Water and Land

Targets for Reducing Waste Generation				
Targets and Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
<p>Improve the waste resource utilization rate:</p> <p>1. Recover and reuse drilling mud, with a target to reduce the volume of disposed mud by 10% compared to the previous year.</p> <p>2. Recycle drilling cuttings, converting at least 40% into road-paving materials.</p>	<p>1. Implement refined management and treatment of drilling mud to achieve quality standards suitable for reuse.</p> <p>2. Strengthen process management to achieve complete solid-liquid phase separation and enhance resource recycling, reducing the production of waste at the same time.</p>	December 31, 2025	Drilling Department and HSE department	<p>1. By adopting centralized batch drilling, we successfully reduced the volume of mud requiring treatment by 12% compared to the previous year.</p> <p>2. Drilling cuttings processed through filter pressing at the plant achieved a recycling conversion rate of over 50%.</p>
Targets for Reducing Non-hazardous Waste				
<p>1. Promote paperless office, aim to reduce the use of paper by 5%</p> <p>2. Increase food waste recycling.</p> <p>3. 5% reduction in food waste generation.</p>	<p>1. Promote simplified office operations, ensure concise materials and summaries to improve office efficiency.</p> <p>2. Promote "Clean Plate" campaign and healthy eating.</p>	December 31, 2025	Comprehensive Management Department of Office Building of the company, Offshore Platform Production and Operation Department, and Comprehensive Management Department of Canteen	<p>1. Establish a paper consumption ledger to analyze data monthly, and collect single-sided waste paper for internal use as drafts and notepads.</p> <p>2. Implement a dynamic personnel tracking mechanism to enable precise meal planning and minimize food waste.</p>
Targets for Reducing Hazardous Waste				
<p>Limit the year-on-year increase in oily pollutants to no more than 10%, while achieving a 10% year-on-year reduction in the volume of oil sludge treated.</p>	<p>1. Increase the reuse of tools and materials to reduce the consumption of single-use items.</p> <p>2. Strengthen sand control measures in oil wells to minimize sand production from the formation.</p>	December 31, 2025	Oil Production and Transportation Department	Targets are reached.

To institutionalize waste and discharge management, Tincy Group has established a comprehensive management system, strictly adhering to internal policies such as the "Tincy Group Energy Resources Limited Hazardous Waste Management Measures", "Tincy Group Energy Resources Limited Ecological Environmental Protection Management Measure", "Tincy Group Energy Resources Limited Environmental Monitoring and Environmental Information Management Measures", and "Sewage Treatment and Discharge Management Regulations". These are implemented in conjunction with several synchronized measures:

1. Implemented "Environmental Protection Three Simultaneities" during project construction. This mandates detailed recording of pollutants—such as waste gas, wastewater, and waste materials—generated from project inception through construction and operation. Records must cover discharge and recycling matters, data recording/statistics and reporting, issue inspection and governance, environmental tracking and monitoring, as well as emergency response and drills for sudden environmental incidents;
2. Conducting automatic online monitoring of wastewater, ensuring wastewater discharges consistently meet compliance standards;
3. Carrying out regular monitoring of air and noise emissions, ensuring real-time reporting of waste gas emissions; and
4. Ensuring compliant disposal and recycling of solid waste by establishing a complete mechanism for data recording and declaration.

Other 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. Gather and transport all wastewater from offshore platforms to the onshore terminal processing station for unified treatment. Discharge 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 ≤ 300mg/L, ammonia nitrogen ≤ 30mg/L and petroleum ≤ 20mg/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 chemical oxygen demand in the GB4914-2008 "Emission Concentration Limit of Pollutants for Offshore Petroleum Exploration and Development" is ≤ 300mg/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.



During the year, drilling operations generated 7,808 tonnes of waste mud and 6,405 tonnes of cuttings. These were collected in cuttings boxes and transported onshore by qualified companies commissioned by the drilling contractor. We aim to maintain zero discharge of drilling fluid and cuttings to the ground during transit to prevent environmental pollution. Subsequently, all waste underwent unified compliant treatment. We also actively promoted the reuse of mud to minimize waste generation.



The onshore terminal wastewater processing station generated 555.54 tonnes of oily sludge this year, all of which was entrusted to qualified companies possessing hazardous waste treatment certifications for compliant disposal.



This year, offshore platforms collected 1,109.6 tonnes of oily waste and domestic waste. All waste was consolidated in dedicated containers for transport onshore and entrusted to qualified entities for proper and compliant treatment.

Water Usage

Targets for Reducing Water Usage				
Targets and Indicators	Action Plan	Timeframe for Completion	Applicable Department	Status of Completion
Encourage appropriate water usage, with the goal of maintaining water consumption at a level no higher than the previous year.	1. Promote cleaner production and preventive maintenance.	December 31, 2025	Oil Production and Transportation Department	This year, we successfully reduced water consumption by 120,000 cubic meters year-on-year. Specifically, Island B adjusted its water supply in a timely manner based on Island A's demand. Through real-time monitoring, we prevented overflows and avoided water wastage.
	2. Maintain robust management practices to minimize the probability of water wastage and leakage.			
	3. Reduce water consumption for washing decks and other facilities.			

Tincy Group sources fresh water from its offshore platform wells and the municipal water network. During the Reporting Period, the Group encountered no issues in sourcing water that is fit for purpose and introduced various measures to conserve water resources:

- Utilizing cameras for real-time monitoring of intake wells, complemented by regular well inspections, to ensure immediate detection and repair of any leakage points;
- Encouraging employees to cultivate the habit of turning off taps when not in use; and
- Strictly prohibiting vessels from using fresh water for deck washing.

Changes to the Natural Environment Around the Operating Locations

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

Also, Tincy Group requires contractors and suppliers to adhere to biodiversity conservation management procedures during relevant operations. Furthermore, we mandate that both Tier-1 and non-Tier-1 suppliers implement biodiversity protection actions.

CITIC Seram – Seram Block

Air and GHG Emissions

Targets for Reducing Air Emissions				
Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators
1. Committed to reducing overall air pollutant emissions, ensuring full compliance with regulatory standards set by the Ministry of Environment and Forestry.	1. Conduct ambient air monitoring every 3 months.	During the production process	HSE Department and Formality Department	Carried out scheduled ambient air and air emission monitoring to ensure compliant and qualified discharges.
	2. Conduct air emission monitoring every 6 months.			
Targets for Reducing GHG Emissions				
1. Committed to reducing overall GHG emissions, ensuring full compliance with regulatory standards set by the Ministry of Environment and Forestry. 2. Reduce diesel consumption to achieve lower carbon dioxide emissions compared to 2024.	1. Conduct ambient air monitoring every 3 months.	During the production process	Operation Department and HSE Department	Carried out scheduled ambient air and air emission monitoring to ensure compliant and qualified discharges. Also, maintenance was performed on turbines, and their primary fuel source was switched from diesel to natural gas to reduce carbon dioxide emissions.
	2. Conduct air emission monitoring every 6 months.			

CITIC Seram strictly adheres to local regulations regarding emission reduction in its operating locations. In accordance with environmental regulatory requirements, CITIC Seram continuously monitors environmental parameters, including gas emissions during operations. Current emission levels remain well within recommended quality standards. To ensure professional management, CITIC Seram appoints government-certified personnel to oversee air pollution control efforts.

To reduce greenhouse gas emissions, CITIC Seram maximizes the effective utilization of natural gas to lower the demand for fuel gas. This is achieved by using wellhead gas as fuel and fully integrating it into industrial activities:

- Installing compression and filtration systems at the wellhead to pre-separate associated natural gas from crude oil;
- Capturing associated natural gas during oilfield extraction and processing it to supply the turbine generators at the Company's main production facilities; and
- Conducting regular emission monitoring and measurement of the turbines.

Waste Generation, and Discharges into Water and Land

Targets for Reducing Waste Generation				
Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators
Committed to increasing the resource utilization rate of waste and actively promoting recycling and conversion applications, with the goal of reducing solid waste by 5%.	1. Promote the use of recycled paper.	During the production process	HSE Department	The HSE Department conducted awareness campaigns on using recycled paper and has successfully transitioned to a paperless office environment to reduce paper consumption.
	2. Implement paperless office initiatives.			
	3. Repurpose waste drums for use as trash bins			

CITIC Seram has formulated and implemented internal policies including “Environmental Management”, “HSE Policy”, “Incident Reporting and Investigation”, and “Management of Changes”. CITIC Seram actively execute various environmental protection policies and conduct regular environmental monitoring of air, water bodies, soil, and surrounding communities to ensure all environmental indicators comply with regulatory requirements.



CITIC Seram is committed to waste reduction by implementing a waste minimization plan focused on source reduction. The Company advocates the “3R” principles of Reduce, Reuse, and Recycle. We encourage minimizing plastic waste generation – for example, by avoiding the purchase of plastic water bottles – and implementing recycling and reuse for usable waste materials to lower both new material consumption and waste volume. Furthermore, through comprehensive assessment, we identify and analyze waste types in our operational processes, collaborating with suppliers and contractors to promote the application of recycled materials.

Regarding hazardous waste management, CITIC Seram strictly adheres to regulatory requirements, establishing Standard Operating Procedures (SOPs) for the proper handling and disposal of hazardous waste. To strengthen waste management, we not only provide regular training to employees on correct handling, sorting, and disposal methods but also invest resources in introducing advanced waste treatment and disposal technologies. Through regular audit and inspection mechanisms, the CITIC Seram continuously monitors the compliance of management practices and identifies areas for improvement.

In oilfield development, water injection is commonly employed to assist crude oil extraction. The resulting oily wastewater is known as “produced water.” CITIC Seram strictly monitors produced water to minimize pollution impacts on the surrounding environment. Since 2023, CITIC Seram has utilized the “SPARING” continuous monitoring system to track produced water quality in real-time, treating the wastewater to meet regulatory standards before discharge into the sea. The Company conducts regular environmental monitoring, collecting plankton and benthos samples to monitor and verify impacts on the surrounding environment.

Water Usage

CITIC Seram sources fresh water from groundwater. During this Reporting Period, CITIC Seram encountered no issues in sourcing water that is fit for purpose.

KBM – Karazhanbas Oilfield

Air and GHG Emissions

Targets for Reducing Air Emissions				
Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators
1. Install additional exhaust gas treatment facilities. 2. Regular overhaul and maintenance of the pressure control system.	1. Plan the application of flue gas waste heat recovery and utilization system.	Long-term	Production Department, Drilling and Maintenance Department, Safety and Environmental Protection Department	In progress
	2. Regularly test well control equipment to prevent accidents such as blowouts.			
Targets for Reducing GHG Emissions				
1. Reduce GHG emissions from the vehicle fleet. 2. Increase the proportion of renewable energy. 3. Enhance the oilfield greening rate and increase the number of trees planted.	1. Strengthen the management of corporate vehicles by recording fuel consumption, performing regular maintenance, and minimizing usage frequency.	Long-term	Vehicle Transportation Department, Production Department, Social Department	In progress
	2. Explore the feasibility of applying wind power generation in oilfield operations.			
	3. Encourage employee participation in tree-planting activities.			

KBM regards environmental protection as a core issue for sustainable corporate development and integrates it into its overall development strategy. KBM has formulated and strictly implements internal policies such as the “Associated Gas Application Plan”, “Annual Environmental Protection Work Plan”, and “Production Environmental Management Plan”. The following measures have been adopted to enhance energy efficiency:

1. Formulated a comprehensive facility maintenance plan, with close monitoring of high-energy-consuming equipment. Concurrently, regular maintenance and upgrades are scheduled to optimize the energy efficiency of electronic equipment within offices and the oilfield;
2. Established an equipment replacement schedule to gradually replace aging, high-energy-consuming equipment with more energy-efficient alternatives; and
3. Developed a robust energy conservation management work plan and measures to reduce electricity consumption.

Waste Generation, and Discharges into Water and Land

Targets for Reducing Waste Generation				
Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators
<p>1. Increase the waste reuse rate.</p> <p>2. Reduce the use of paper and single-use items.</p> <p>3. Improve the treatment rate of drilling waste.</p> <p>4. Minimize the generation of food waste.</p>	<p>1. Implement waste sorting at source, actively recycle waste, and promote paperless office initiatives.</p> <p>2. Stop providing plastic bags and single-use cutlery by default in the canteen, and promote the "Clean Plate Campaign."</p>	Long-term	Administration Department, Safety and Environmental Protection Department, Drilling and Maintenance Department	In progress

KBM is committed to reducing waste generation and implements immediate sorting and proper disposal for oily sludge and sand, domestic waste, construction waste, and electronic/chemical waste. This ensures compliant treatment and minimizes environmental impact.

Water Usage

Targets for Reducing Water Usage				
Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators	Targets and Indicators
<p>Encourage appropriate water usage.</p>	Formulate water conservation measures, such as posting "Save Water" signage in restrooms and other relevant areas.	Long-term	Administration Department	In progress

KBM's produced water treatment plant has introduced membrane filtration deep purification technology to purify produced water destined for reinjection, converting it into a water source for the oilfield's steam thermal recovery process. From its trial operation launch on July 1, 2022, to the last day of the Reporting Period, the project has produced 12.215 million tonnes of clean water. This technology has reduced the oilfield's water consumption, alleviated water stress for surrounding residents, significantly lowered environmental pollution risks, and achieved the resource utilization of produced water.



KBM sources fresh water from river and groundwater. During this Reporting Period, KBM encountered no issues in sourcing water that is fit for purpose.

Changes to the Natural Environment Around the Operating Locations

KBM consistently adheres to local environmental laws and regulations, dedicated to integrating environmental protection into daily production operations. In accordance with its plan, KBM regularly monitors the quality of air, soil, and drinking water in the oilfield area, while also tracking flora and fauna ecology, Caspian Sea water conditions, and radiation levels.

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. Also, to contribute to ecological protection, KBM organized employees to participate in volunteer beach cleaning activities over several weekends, removing marine debris and improving the coastal environment to create a clean living and recreational space for local residents. KBM also participated in the "Clean Kazakhstan" campaign, conducting cleaning activities in Aktau City and surrounding areas to raise environmental awareness among employees and the community.

Furthermore, to minimize negative impacts on the environment – particularly the Caspian Sea ecology – and protect fragile ecosystems, while balancing future corporate development, KBM signed an agreement with the Samruk Innovation Center, 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. During the Reporting Period, KBM completed a 3D seismic survey using the elastic wave vibrator method in the Caspian littoral zone. Compared to traditional blasting methods, this new technology is more accurate, less damaging to the environment, and safer, allowing operations in hard-to-access areas. Upon project completion, there are plans to expand the application of this technology to environmentally sensitive nature reserves, such as the Caspian transitional ecological zone, striking a balance between business development and ecological impact.



Case Study: Oilfield Patrols Rescue Seals and Return Them to Natural Habitat, Embodying Ecological Protection

KBM places high importance on the conservation of Caspian seals. As the number of seals arriving near the Karazhanbas oilfield increases, KBM's environmental protection team has implemented high-frequency daily patrols – conducted four times a day – to ensure the safe return of these "marine visitors." Employees act as ecological guardians, immediately reporting any seal sightings. Through close collaboration between KBM's environmental experts, frontline staff and Mangystau Regional Territorial Inspectorate of Forestry and Wildlife, approximately 10 seals have been safely returned to their natural habitat to date.



Resource Usage

CITIC Resources attaches great importance to resource utilization. While ensuring operational safety, we actively implement measures for energy conservation and consumption reduction, optimizing energy and material inputs at the source. Also, through refined resource management, we strive to continuously lower resource consumption per unit of production.

The Group closely integrates its environmental management system with technological innovation, effectively reducing natural resource consumption through process improvements and equipment upgrades. Firmly upholding the development philosophy of a green, low-carbon, and circular economy, we continuously advance practices such as the resource utilization of waste. We strive to reduce overall resource consumption while achieving steady business growth, thereby laying a solid foundation for the Company's sustainable development.

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.



Tincy Group – Yuedong Oilfield

As illustrated below, Tincy Group has implemented improvements in resource utilization across the following areas:

	Transport	<ul style="list-style-type: none"> Vessel Operations Management Crude Oil Transportation
	Oil Extraction	<ul style="list-style-type: none"> Technology Upgrade Electricity Usage Management
	Drilling and Well Workover	<ul style="list-style-type: none"> Equipment Management Waste Utilization
	Future planning	<ul style="list-style-type: none"> Research on Clean Technologies



Transport

The Production and Operation Department coordinates vessel operation management to reasonably optimize inter-island transportation schedules. It actively implements a vessel resource-sharing mechanism with contractors, effectively reducing ineffective or inefficient shuttle voyages. Meanwhile, under refined management, it is easier to set economical cruising speeds for vessels to lower fuel oil consumption. During berthing, we prioritize the use of shore power to replace auxiliary engine power generation, thereby reducing exhaust emissions and greenhouse gas generation.



In addition, the Oil Production and Transportation Department fully implements resource-saving measures through refined management and technological optimization:

1. Precisely control oil transmission temperatures (increasing by 3°C) and storage tank temperatures, selecting high-efficiency dehydrating agents, and recovering waste heat from production wastewater for winter heating, we effectively improve crude oil transmission efficiency and reduce the volume of purchased steam;
2. Implement staggered operations during peak electricity periods and dynamically adjust heating and lighting systems based on weather conditions to save power resources;
3. Utilize chemical additives to lower the load on oil wells, thereby reducing equipment energy consumption;
4. Use recyclable packaging materials for chemical agents such as corrosion inhibitors and viscosity reducers to minimize waste generation;
5. Promote water conservation by ensuring taps are turned off immediately after use to prevent wastage. Simultaneously, we utilize video surveillance systems to monitor the status of water intake wells in real-time. Coupled with a regular inspection mechanism for water source wells, this ensures the immediate detection and repair of any pipeline leaks; and
6. Ensure water consumption is minimized while guaranteeing operational safety.

Oil Extraction

In addition to strengthening fuel management for boiler operations and promoting the natural gas utilization project on Island D to increase natural gas usage and reduce crude oil consumption, Tincy Group has successfully saved significant resources in the oil extraction process through the adoption of various technologies and upgrades.



1. Optimized wellbore viscosity reduction methods, and conduct research on microbial viscosity reduction to balance resource consumption with production output;
2. Applied coaxial dual hollow rod hot water circulation heating, technology, achieving an average daily electricity saving of 800 kWh per well;
3. Implemented peak-shifting power usage to maximize electricity savings. Operating schedules for electric heating and electric heat tracing are adjusted based on dynamic parameters such as oil well viscosity-temperature characteristics, fluid volume, and load. Furthermore, the nitrogen skid activation schedule during steam injection was optimized to intermittent operation, reducing equipment idling time while ensuring system safety, effectively lowering both electricity and nitrogen consumption;
4. Conducted pilot tests to replace standard tubing with thermal insulated tubing in wells HN-D2ST01 and D15, resulting in a daily electricity saving of 1,000 kWh per well;
5. Through measures such as optimizing downhole pipe strings, adjusting production parameters, and improving balance rates, the unit energy consumption for oil lifting (excluding electric heating) was reduced to 6.7 kWh/tonne. This represents a year-on-year decrease of 0.3 kWh/tonne and a 4% reduction in electricity consumption; and
6. Optimized temperature controls for the terminal station's dehydration and sewage treatment systems. As a result, unit steam consumption for liquid treatment dropped to 11 kg/tonne, a year-on-year decrease of 1 kg/tonne, representing an 8% reduction in unit steam consumption.



Drilling and Well Workover

The Drilling Department primarily reduces resource usage through two main aspects – equipment management and waste reuse:

1. Optimize diesel engine parameters to achieve optimal operating conditions;
2. Reasonably adjust the duration and intensity of drilling rig lighting according to seasons and time periods;
3. 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;
4. 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; and
5. Adopt "batch drilling of 4-5 wells" mode maximizes the recycling of drilling mud. Through proper storage and recovery, approximately 120 cubic meters of mud is reused per well, saving water resources and drilling materials while reducing the generation of drill cutting waste.



Well workover primarily reduces resource usage through equipment management and the application of green technologies:

1. The workover site is paved with impermeable membranes to prevent oil spills from contaminating the ground and polluting the island's surface;
2. Strict implementation of waste sorting measures to reduce pollution and waste disposal costs;
3. The minimum volume of well-washing fluid required is calculated and controlled based on wellbore volume and leakage conditions;
4. Optimize the scheme design, strengthen the operation management, improve the operation efficiency, and save the electricity and fuel consumption of equipment operation; and
5. Insulation treatment is applied to well cleaning and pressure equipments to effectively reduce heat loss.



Case Study: Green Innovation Technology – Usage of Grid-Powered Workover Rigs

On Islands B, C, and D, the use of grid-powered workover rigs has been promoted for workover operations. This technology utilizes electric and hydraulic drives to replace traditional diesel-driven workover rigs, reducing air pollutant emissions and noise pollution. Additionally, plastic membranes are laid in the pipe rack area at the operation site, and turnover pipes/rods are stored in custom-made large baskets. This slows down pipe/rod corrosion and prevents oil contamination of the ground.



Future Planning

As climate change trends continue to evolve, Tincy Group maintains a proactive stance. We will continue to deepen the R&D and feasibility studies of green, low-carbon technologies to enhance energy utilization efficiency:

1. Conduct research and investigation regarding the recovery and treatment of volatile organic compounds; and
2. Plan to carry out testing on the saturated vapor pressure of crude oil storage tanks.

CITIC Seram – Seram Block

Regarding resource usage, CITIC Seram has formulated measures focusing on two key directions:

Low Carbon Technology:

Energy Structure Optimization	<ul style="list-style-type: none"> • Convert associated natural gas from crude oil extraction into fuel for driving turbines. This reduces greenhouse gas emissions from flaring while enhancing the energy self-sufficiency rate. • Focus on the upgrading and retrofitting of high-efficiency equipment to develop low-carbon technologies.
R&D of Green Technology	<ul style="list-style-type: none"> • Track global clean energy policies and technological trends to promote the research, development, and adoption of green technologies within the company. • Evaluate and explore the feasibility of carbon capture and air pollutant emission trapping technologies to best prepare for future and long-term climate goals.

Green Operations:

Green Office	<ul style="list-style-type: none"> • Promote a paperless office, digitalization of documents, and paper recycling. • Implemented a zero-waste policy by ceasing the distribution of plastic bottles and encouraging employees to bring their own water bottles. • Established green open spaces within the office.
Energy Conservation	<ul style="list-style-type: none"> • Manage air conditioning usage by turning systems off promptly to avoid waste. • Switch off non-essential electrical equipment and prioritize the use of natural light. • Promote energy-saving methods to all employees.

KBM – Karazhanbas Oilfield

KBM is dedicated to fully implementing sustainable development, ranging from daily operations to core businesses. Internally, we practice a “Green Office” strategy in both offices and oilfield sites, reducing resource waste through measures such as replacing energy-saving equipment, optimizing power management controls, and establishing designated waste paper recycling zones.



During the Reporting Period, KBM also participated in “Earth Hour 2025,” organized by the World Wide Fund for Nature (WWF), to demonstrate our commitment to reducing energy consumption and carbon footprint, as well as our resolve to combat climate change. During the “Earth Hour 2025” event, KBM switched off all non-essential lighting and electronic devices in offices, implemented partial power cuts at oilfield sites, and fostered environmental awareness among employees and stakeholders to build a green culture.



Regarding the core oilfield operations, the “Karazhanbas Oilfield Water Treatment Plant” project, jointly invested in and constructed by KBM and CITIC Envirotech Co. Ltd., officially commenced operations in July 2022. This project utilizes advanced membrane treatment technology, with a designed capacity to treat 42,500 tonnes of produced water per day and produce 13,000 tonnes of purified water daily. By the end of December 2025, it had cumulatively produced 12.215 million tonnes of clean water. KBM converts deeply treated produced water into boiler feedwater required for steam recovery in the oilfield. This technology not only lowers the risks of extensive water seepage and environmental pollution associated with reinjecting produced water but also achieves the goal of resource recycling. This initiative allows

KBM to reduce its reliance on water from the Volga River, reserving precious water resources for local agricultural and industrial development. Furthermore, the project realizes a multi-win situation involving resource circulation, energy conservation, and cost control, while creating employment opportunities for the local community, embodying our dual commitment to the environment and society.

Oil Spill Prevention

As a large-scale and responsible integrated resources and energy enterprise, CITIC Resources is fully aware of the severity of crude oil spills. Once they occur, such incidents can cause irreversible long-term impacts on the ecological environment. In view of this, the Group integrates oil spill prevention measures into the core of its operational management and ensures strict implementation. Furthermore, the Group requires all subsidiaries and joint ventures to formulate comprehensive prevention and contingency plans to fundamentally control and manage potential risks and prevent spill accidents. In the event of an accident, the Group will immediately activate its emergency response mechanism, sparing no effort to minimize the impact on personnel, the environment, and the community, while actively assuming its due responsibilities.

Tincy Group – Yuedong Oilfield

Precautionary Measures

Workover Operations



1. Equipped workover sites with compliant well control equipment and engage qualified third parties for regular inspections. For example, blowout preventer stacks are inspected every six months, while other well control ancillary equipment is inspected annually.
2. Formulated well control operational requirements and blowout emergency contingency plans based on actual oilfield conditions. Conduct regular on-site screenings and drills to ensure rapid risk control in the event of anomalies.

Oil Extraction and Transport



1. Conduct routine inspections, monitoring, and maintenance of offshore oil and gas production facilities. Perform annual inspections of artificial islands and topside production facilities, and conduct professional testing on key equipment such as oil storage tanks, separators, boilers, and pressure vessels to ensure the reliability and availability of critical safety systems.
2. Regularly inspect crude oil pipelines on the islands and measure wall thickness, timely replacing pipe sections with higher leakage risks.
3. Established comprehensive emergency contingency plans and conduct continuous drills to handle various emergencies.
4. Perform pigging operations on subsea oil pipelines at least twice a year. Each operation includes a complete plan and a post-completion evaluation summary to ensure the long-term safe and stable operation of the pipelines.

Engineering Department



1. Commission qualified entities every two years to conduct comprehensive inspections of subsea pipelines and cables, examining their routing, burial depth, and usage conditions to ensure safe and normal operation.
2. Promptly repair any detected issues such as exposure or suspension of pipelines or cables to reduce the risk of damage and leakage.

Real-time Monitoring and Inspection



1. Strictly execute inspection protocols; general areas are inspected every 4 hours, while key critical locations are inspected more frequently at every 2 hours to maintain awareness of on-site conditions and ensure production safety.
2. Assign designated personnel on offshore production platforms and terminals to patrol and observe the subsea pipeline areas and sea surface conditions daily, maintaining logs of these activities.
3. Production departments regularly dispatch vessels to patrol along the subsea pipeline routes to comprehensively safeguard pipeline security.

Oil Spill Management

System

- Formulated internal emergency contingency plans, such as the “Comprehensive and Special Emergency Response Plans”, “Special Contingency Plan for Oil Transportation Pipeline Rupture Emergency”, and “Yuedong Oilfield Offshore Oil Spill Emergency Plan”.
- Ensure there are established protocols to follow during critical moments.

Equipment

- Equipped all production facilities with comprehensive oil spill emergency response equipment.
- Ensure the capability for an immediate self-initiated response in emergency situations.

Collaboration

- Signed the “Emergency Rescue Procedures between PetroChina Liaohe Oilfield Company and Tincy Group Energy Resources Limited” and renew cooperation agreements annually with qualified offshore rescue units to ensure timely assistance during emergencies.
- Established long-term partnerships with offshore engineering maintenance companies to ensure timely repairs and remediation in the event of damage to subsea pipelines.

Oil Spill Prevention

System

- Established internal contingency plans.
- The emergency response team conducts comprehensive oil spill emergency drills annually to test personnel reaction speeds and collaboration capabilities.

Equipment and Facilities

- Established a standalone “Crude Oil Spill Emergency Equipment Building” in the terminal cargo area specifically for the centralized storage and maintenance of relevant supplies.
- Deployed physical barriers and automated safety protection systems in core areas such as crude oil processing and storage to construct a physical line of defense.
- Assigned designated personnel to inspect and maintain emergency equipment weekly, ensuring materials are always in an optimal state of readiness.

Departmental Collaboration

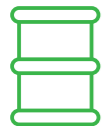
- Formed a cross-departmental special crude oil spill emergency response team, with members selected from the Production, Maintenance, and HSE departments. To ensure professional handling capabilities, all team members have obtained Level 1 and Level 2 certifications as stipulated by the International Maritime Organization, possessing emergency operational competencies that meet international standards.

CITIC Seram – Seram Block

Precautionary Measures

Storage Facility Protection

All storage tanks are constructed in strict accordance with leak prevention standards, with outer walls designed to contain any leakage of stored crude oil.



Tanker Transportation Control



Equipment:

1. Conduct regular, strict pressure testing on crude oil loading hoses to ensure the structural integrity of the transfer pipelines.
2. Perform routine inspections and tests on safety devices and pipelines to ensure a stable and safe oil transfer process.
3. Equipped facilities with oil spill response equipment.

Operators:

1. Operators are proficient in using the uninterruptible power supply metering system and standby generator sets, ensuring the timely activation of backup power sources.

KBM – Karazhanbas Oilfield

Precautionary Measures

Wellhead Operations

Executed the “Annual Oil Well Holes Inspection Plan” to screen exploration sources and conduct integrity testing on wellhead facilities, preventing leakage risks at the source.

Crude Oil Transportation

Executed the “Annual Valves and Process Pipelines Inspection Plan” and the “Annual Crude Oil Processing and Processing Workshops”. These plans mandate regular inspections of valves and process pipelines across the entire line to ensure the structural integrity of the transmission pipelines.

Process Equipment

Executed the “Annual Process Equipment Flaw Detection and Inspection Plan” to inspect core crude oil processing equipment and procedures, preventing leakages during crude oil treatment.



Oil Spill Prevention

KBM has formulated systems such as the “Emergency Plans” and the “Accident Reporting Procedure and Crisis Management Code”. Furthermore, in accordance with the “Regulations on Temporary Stacking, Storage, Counting, and Clearance of Production Waste in KBM Oilfield”, KBM has established a crude oil spill control system with clear rights and responsibilities and standardized processes, ensuring every environmental incident is properly handled and recorded.



1. Implement a responsibility and accountability system. In the event of a spill accident, on-site employees and their direct supervisors are designated as the primary responsible persons. They must be directly responsible for handling the accident and will be subject to corresponding disciplinary actions;
2. Activate emergency disposal and remediation mechanisms. Launch emergency handling procedures immediately upon a spill. Oily waste generated by the accident is detailed in records and handed over to the Environmental Protection Section for professional disposal. Simultaneously, remediation works for contaminated land are initiated immediately to minimize environmental impact; and
3. Maintain compliance records and reporting. Record all crude oil and petroleum product spill accidents must be recorded in a set format and confirmed by signature. The accident registration reporter is required to submit information regarding crude oil spill accidents to the environmental protection department at the beginning of each month to maintain information transparency and regulatory compliance.

Climate Change

As a comprehensive resources and energy enterprise with cross-regional development, we recognize that global attention to climate change issues continues to rise, reshaping the industry’s operational and compliance landscape. More frequent extreme weather events, such as high temperatures and rainstorms, may put pressure on oilfield operations, asset resilience, and business continuity. Meanwhile, the accelerated evolution of the global regulatory environment may raise compliance thresholds and costs, impacting medium- to long-term strategic deployment.

With the international community placing increasing importance on climate issues, relevant regulations have also increased significantly. In China, the “Dual Carbon” goals are driving industry transformation. In Hong Kong, the Stock Exchange has enhanced climate information disclosure requirements. This global regulatory trend indicates that climate action is no longer merely a compliance option but a necessary component of core corporate strategy.

In view of this, we have formulated a comprehensive low-carbon operational strategy and strengthened our internal policy framework to not only ensure strict compliance but also contribute to achieving carbon neutrality goals. Through these robust policies, we are committed to managing carbon emissions, energy usage, and related risks to minimize environmental impact. Furthermore, we actively cultivate environmental awareness among employees, encouraging them to integrate sustainable practices into their daily work.

Against the backdrop of intensifying global scrutiny and action, our disclosure aligns with the requirements of the HKEX Environmental, Social and Governance Reporting Code, elaborating on the Group’s strategic approach to managing climate-related risks and their potential impacts. For details regarding specific disclosure requirements, please refer to Appendix 4 Climate-related Disclosures Index.



Governance

The Board is the highest decision-making body for ESG and climate-related matters, responsible for formulating and regularly reviewing ESG strategies, policies, and targets, and incorporating climate considerations into long-term business planning and investment decisions. Within the overall risk management framework, the Board identifies, assesses, and manages ESG risks (including climate-related physical and transition risks), allocates human, financial, and technical resources for ESG initiatives, monitors performance through ESG KPIs and progress reviews, and ensures disclosures are accurate, complete, and timely.

To ensure the Board has the capability to oversee climate-related strategies, Board members include individuals with ESG knowledge, and the Company will provide regular climate-related professional training to keep the Board updated on the latest climate developments. The Company has also appointed an independent consultancy firm to provide expert advice on major decisions when needed.

The Board oversees the Company’s overall climate-related risks and opportunities and integrates them into governance processes, aligning them with strategy and risk management. The Board is responsible for appointing an ESG working group to formulate and review climate change-related policies, plans, and performance, and to convene at least annually to communicate emerging climate-related issues to the Board and the Risk Management Committee. For details on how the risk management process considers relevant risks, please refer to the “Risk Management and Internal Control” section of the Group’s 2025 Environmental, Social and Governance Report. A key component of oversight is establishing structured processes to monitor climate performance and progress.

Clear division of responsibilities is maintained between the Board and management to ensure effective execution: the Board approves climate governance policies and mechanisms and ensures sufficient resources, while management is responsible for implementation and works closely with regional companies and their management teams to deliver climate actions.

For climate-related matters (including setting targets for climate-related risks and opportunities and monitoring progress), submissions are required to be tabled for Board review at least once per year.

The Company regularly reviews these mechanisms and arrangements to ensure alignment with evolving regulations and best practices and to drive continuous improvement in climate governance and performance.

Strategy and Risk Assessment

Climate-related Risks Assessment

CITIC Resources fully recognizes that climate change poses various risks to our business and may trigger potential financial impacts. Simultaneously, climate change creates opportunities for corporate development, driving us to continuously innovate in our core businesses, accelerate the transition towards a low-carbon economic model, and maintain our competitive edge in the market. In view of this, we have initiated the identification and assessment of climate-related risks. Referencing the TCFD recommendations framework, we identify climate change matters that could have material impacts from two main dimensions: physical risks and transition risks. We have also identified ESG risks and climate change risks related to the integrated resources and energy markets as long-term emerging risks that will significantly affect future business, and we continuously monitor their potential financial impacts.

During the Reporting Period, we took further action by engaging professional consultants to conduct analysis. Combining this with peer benchmarking results, we performed a preliminary assessment of climate risks relevant to our business operations. Referencing the implementation guidance of the Hong Kong Stock Exchange and market practices, we have categorized climate risks into three time horizons: short-term (over the next five years), medium-term (5-25 years) and long-term (over 25 years). The table below summarizes the climate risks identified by the Group and their potential impacts:

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	Strategy and Decision-making
CITIC Resources	Transition Risk: Implementation of low-carbon policies or regulatory requirements, transition to a low-carbon economy, market volatility, peer competition			
	Medium-long term	<ul style="list-style-type: none"> The emergence and application of new low-carbon technologies, coupled with the continued decline in renewable energy costs, pose a threat to the structure and demand of the traditional energy industry. According to the International Energy Agency (IEA) report, over 40 countries globally have already implemented carbon taxes or carbon emissions trading systems, while the domestic carbon trading market is gradually becoming standardized. As government management of corporate carbon emissions becomes increasingly strict, carbon allowance policies may impact the company’s cost expenditures and profits. 	<ul style="list-style-type: none"> Declining investor confidence, or increased emphasis by investors on corporate climate-related disclosures and decarbonization performance. 	<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.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	Strategy and Decision-making
		<ul style="list-style-type: none"> Concurrently, governments worldwide are continuously strengthening climate-related supervision and regulations. For instance, the Hong Kong Stock Exchange continually introduces new disclosure requirements and rules for listed issuers, which may necessitate adjustments to the company's operational model to adapt to relevant regulatory shifts. If the company fails to attach sufficient importance to climate issues and formulate appropriate response plans, it may lead to reputational impacts. 		<ul style="list-style-type: none"> 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	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	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.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	Strategy and Decision-making
Tincy Group	Medium-long term	In response to climate change, the state is constantly updating or issuing more stringent laws, regulations, standards, and requirements	<ul style="list-style-type: none"> Declining investor confidence, or increased emphasis by investors on corporate climate-related disclosures and decarbonization performance. Due to potential increases in operating costs, customers may have to bear higher oil prices. 	Company management, together with the HSE Department, closely tracks the latest developments in national climate-related laws, regulations, and standards to ensure external regulatory requirements are promptly translated into internal management systems and operational protocols. Strict compliance and execution are maintained throughout production and business operations. In the event of any non-compliance arising from updates to regulations, standards, or requirements, company management will increase the budget to rectify such non-conformities, ensuring that business activities remain in compliance with national regulatory standards and requirements.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	Strategy and Decision-making
CITIC Seram	Medium-long term	<ul style="list-style-type: none"> The continuous evolution of environmental regulations and emission reduction policies has shifted the regulatory landscape. As disclosure content and requirements become increasingly stringent, this may lead to a dual rise in both compliance and operational costs. Changes in oil and gas demand triggered by climate policies, technological iteration, and shifts in consumption patterns may lead to market volatility. To adapt to extreme weather and higher environmental standards, infrastructure and operations may require upgrading and adjustment, resulting in increased operating costs. 	<ul style="list-style-type: none"> Declining investor confidence, or increased emphasis by investors on corporate climate-related disclosures and decarbonization performance. Due to potential increases in operating costs, customers may have to bear higher oil prices. 	<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 nongovernmental organization. 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.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	Strategy and Decision-making
Acute Physical Risk: Extreme weather events and natural disasters are more frequent and more intense				
CITIC Resources	Short-medium term	More frequent and intense extreme weather (such as typhoons, flooding, droughts, heat waves) 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"> Threats to the personal safety of employees. Restriction or interruption of utility services. 	<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	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	Strategy and Decision-making
Tincy Group – Yuedong Oilfield	Short-medium term	Climate change leads to more frequent and severe extreme weather events, such as typhoons, floods, droughts, and heatwaves. Concurrently, severe sea conditions like strong winds, swells, and storm surges may affect vessel operations, posing severe challenges to offshore activities.	<ul style="list-style-type: none"> Threats to the personal safety of employees. Rising insurance premiums or tightening underwriting conditions. Restriction or interruption of utility services. 	<ul style="list-style-type: none"> Commission customized sea condition forecasts for operational waters from the National Marine Environmental Forecasting Center, pushed twice daily. Optimize vessel operations based on these forecasts and receive timely early warning information in case of special or sudden sea conditions. Simultaneously, establish emergency contingency plans to ensure crisis response capabilities. When the average heat stress index at the workplace exceeds 25°C, reasonably arrange labor intensity and working hours, and increase rest breaks. Provide salt-replenishing drinks and heatstroke prevention supplies on-site to alleviate discomfort from high-temperature work and reduce the risk of heatstroke. Before winter, implement thermal insulation work according to plan to prevent extreme low-temperature weather impacts, and add anti-slip measures to pedestrian walkways and workplaces.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	Strategy and Decision-making
CITIC Seram Block	Short-medium term	<ul style="list-style-type: none"> The geographical location of the oilfield site is not significantly affected or threatened by extreme weather. However, severe sea conditions such as strong winds, swells, and storm surges can still impact vessel berthing and operations, and may even cause damage to the jetty. 	<ul style="list-style-type: none"> Restriction or interruption of utility services. 	<ul style="list-style-type: none"> Conduct regular risk inspections to identify potential damage. Formulate emergency response plans and establish an emergency response team to ensure a rapid and effective reaction in emergency situations.
Chronic Physical Risk: Increase in average temperature/change in rainfall patterns				
Tincy Group – Yuedong Oilfield	Long term	<ul style="list-style-type: none"> Prolonged high temperatures may challenge the physical endurance of frontline workers, resulting in reduced operational efficiency and shorter effective working hours. Frequent rainfall not only deteriorate onsite safety conditions but may also force outdoor operations to be suspended for safety reasons, thereby reducing actual working time. 	<ul style="list-style-type: none"> Threats to the personal safety of employees. Restriction or interruption of utility services. 	<ul style="list-style-type: none"> 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.

Affected Business	Time Horizon	Climate-related Risks Impacts on Business	Impact on Value Chain (Employees/ Customers/Supplier/ Insurance Company/ Investor)	Strategy and Decision-making
KBM – Karazhanbas Oilfield	Long term	<ul style="list-style-type: none"> Frequent rainfall can not only deteriorate onsite safety conditions but may also force outdoor operations to be suspended for safety reasons, thereby reducing actual working time. 	<ul style="list-style-type: none"> Threats to the personal safety of employees. Restriction or interruption of utility services. 	<ul style="list-style-type: none"> Frequent rainfall can not only deteriorate onsite safety conditions but may also force outdoor operations to be suspended for safety reasons, thereby reducing actual working time.
Opportunities: Resources efficiency				
All Business Operations	Short-medium term	<ul style="list-style-type: none"> Recycling and reuse Reduce water usage and consumption Adopt more efficient transportation methods Reduce Energy Consumption 		<ul style="list-style-type: none"> Improve efficiency Reduce expenses



Climate Resilience

We conducted scenario analysis in 2025 to assess the resilience of our business model under different climate pathways, with the following inputs and results:

Scope and Boundary

- Consistent with the reporting scope of this ESG Report

Scenarios Used

Name & Description Network for Greening the Financial System (“**NGFS**”) Current Policies (representing a pessimistic pathway) – This scenario assumes that only currently implemented policies are preserved, leading to high physical risks.

NGFS Net Zero 2050 (representing an optimistic pathway) – This scenario limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero carbon dioxide emissions around 2050.

- Rationale**
- Industry sector** – The NGFS framework is relevant across a broad spectrum of sectors, including The Group’s operations
 - Types of risks to be assessed** – The scenarios developed take reference from NGFS, which covered the transition risk we assessed
 - Scenarios with high contrast** – The NGFS Current Policies and Net Zero 2050 scenarios are equivalent to >3 °C and <1.5 °C stated in the Paris Agreement respectively)
 - Time horizons determined and alignment to latest international agreements** – The scenarios selected provide time frames (Up to 2100) that align with our strategic planning time horizon (Up to 2050) and align with the Paris Agreement (Up to 2050)

Time Horizons

Short-term	2030
Medium-term	2050

Key Assumptions

- The analysis was conducted in 2025 and expected the parameters (e.g. the greenhouse gas emissions and operating costs) will remain broadly comparable over the time horizons.

Risk	Relevance and assumptions	NGFS Net Zero 2050	NGFS Current Policies
Increased cost of carbon Pricing	<p>In assessing this risk, we considered the greenhouse gas emissions and operating costs for the reporting period ended 31 December, 2025 as a reference point and assumed these parameters would remain broadly comparable over the time horizon.</p> <p>The assessment is subject to uncertainties, including future policy developments, carbon market conditions and technological advancements. The potential impacts in the short term and medium term are assumed to be broadly similar. Nevertheless, we will explore ways to quantify the impacts in the future.</p> <p>We will continue to monitor regulatory developments and explore opportunities to reduce greenhouse gas emissions.</p>	<p>Under this scenario, global climate policies are assumed to become more stringent over time, which may lead to higher carbon pricing levels. Such developments could increase the Group’s operating costs if carbon pricing mechanisms become more widely implemented or strengthened.</p>	<p>Under this scenario, climate policies are assumed to continue broadly in line with existing commitments. As a result, potential cost impacts associated with carbon pricing are expected to be comparatively more moderate, although policy developments remain uncertain.</p>

Metrics and Targets

We pay high attention to greenhouse gas (GHG) emissions generated during our operations. We are committed to progressively reducing air and GHG emissions and conducting our business operations in an environmentally responsible manner. We work closely with regional companies and oilfield management teams to control emissions and continuously improve environmental performance. We conserve resources by reducing unnecessary electricity wastage at the source and enhance the environmental awareness of employees and residents through internal communication, training, and friendly reminders. We also communicate our environmental protection policies and requirements to suppliers, working together to protect the environment.

For our complete emissions data, please refer to Appendix II: Key Performance Indicators.

During the Reporting Period, our Scope 1 GHG emissions primarily originated from direct GHG emissions such as stationary combustion sources, vehicle usage, and flaring. Scope 2 GHG emissions were derived from purchased electricity and purchased steam. Scope 3 GHG emissions came from business travel (flight), fresh water treatment and paper waste disposed at landfill. The calculation methodology remains unchanged compared to the previous reporting period. According to the guidelines of the *Greenhouse Gas Protocol*, the GHG emissions data was as follows:

GHG Emissions ¹	Unit	2025	2024
Scope 1 GHG Emission ²	tonnes of CO ₂ e	93,437.19	80,764.70
Scope 2 GHG Emission ³ (Location-based)	tonnes of CO ₂ e	38,697.02	34,888.29
Total GHG Emission (Scope 1 and Scope 2)	tonnes of CO ₂ e	132,134.21	115,652.29
GHG Emission Intensity ^{4, 5}	tonnes of CO ₂ e per barrel of crude oil	0.039	0.032
Scope 3 GHG Emission ⁶	tonnes of CO ₂ e	122.16	Disclosure began in 2025

Notes:

- The calculation standards and methodologies for GHG emissions are based on “Appendix 2: Reporting Guidance on Environmental KPIs” of “How to Prepare an ESG Report” by HKEX and the Greenhouse Gas Protocol (“**GHG Protocol**”).
- Scope 1 emissions included direct GHG emissions from: the combustion of fuels in stationary and mobile sources. The Emission Factors adopted are based on “Appendix 2: Reporting Guidance on Environmental KPIs” published by the HKEX and guidance from the U.S. Environmental Protection Agency. The Global Warming Potential (“**GWP**”) rates from the Intergovernmental Panel on Climate Change (“**IPCC**”) Sixth Assessment Report (AR6).
- Scope 2 emissions included indirect GHG emissions from the consumption of purchased electricity. The emission factor of purchased electricity for Hong Kong-based operations referenced the latest emission intensity published by CLP Power Hong Kong Limited; the emission factor for Chinese Mainland-based operations referenced the Ministry of Ecology and Environment of the People’s Republic of China; the emission factor for other operation locations referenced the latest officially published electricity grid emission factors, national greenhouse gas inventory factors, or sustainability reports issued by the relevant governmental authorities, environmental agencies, electricity regulators, or national/state-owned electricity providers of the respective jurisdictions.
- In 2024, the Group has produced 3,628,030 barrels of crude oil.
- In 2025, the Group has produced 3,423,548 barrels of crude oil.
- Due to the complexity of Scope 3 emissions and the broad range of categories involved, current disclosure is limited to cover Category 1: Purchased Goods and Services (fresh water processing), Category 5: Waste Generated in Operations (paper waste disposed at landfill) and Category 6: Business Travel (flight) as defined by the GHG Protocol. The emission factors adopted are from the Department for Energy Security and Net Zero of the UK, Hong Kong Water Supplies Department of the Government of the Hong Kong Special Administrative Region, and the Environmental Protection Department and Electrical and Mechanical Services Department of the Government of the Hong Kong Special Administrative Region.

The Group plans to formulate targets for reducing GHG emissions. Some subsidiaries have already begun setting and implementing GHG emission reduction targets during this year, including:

- | | |
|-------------|---|
| Tincy Group | <ul style="list-style-type: none"> • Company vehicles to meet National Stage V Emission Standard for heavy-duty vehicles; and • 15% reduction in gasoline consumption, diesel consumption increase not to exceed 10% year-on-year. |
| CITIC Seram | <ul style="list-style-type: none"> • The emission air quality standards have complied with regulation standards from the Ministry of Environment & Forestry. |
| KBM | <ul style="list-style-type: none"> • Reduce the overall fuel consumption; • Reduce the usage of official vehicles; • Increase the percentage of renewable energy; and • Increase the area greening rate, and number of trees planted. |

In addition to improving operational efficiency, the Group has set its own target to support at least one climate-related activity or initiative annually. This initiative aims to actively fulfill corporate environmental responsibilities and make a substantial contribution to addressing global climate change. By participating in and funding carbon reduction projects, we not only help reduce greenhouse gas emissions but also bring positive social impacts to local communities, including improving livelihoods, creating employment opportunities, and fostering community development. We will review progress towards this target annually and disclose any modifications. During the Reporting Period, we participated in the Energy Saving Charter organised by the Environment and Ecology Bureau of Hong Kong, demonstrating our determination to reduce emissions and accelerate the transition to a low carbon future.

During the Reporting Period, we purchased carbon credits from Gold Standard and UNCDM to offset our greenhouse gas emissions. We engaged a third-party ESG consultant, Riskory Consultancy Limited, which possesses qualifications as Carbon Auditors and Carbon Traders, to conduct a carbon audit for us. They assisted our offices in Hong Kong, Liaoning, Beijing, Australia, and Indonesia in achieving their net greenhouse gas emission targets. Through purchasing the Gold Standard and UNCDM carbon offset projects in China, we reduce our greenhouse gas emissions and respond to China's 3060 "Dual Carbon" goal to achieve carbon peak in 2030 and carbon neutrality in 2060. The Gold Standard carbon offset project we have utilized is Muyuan Nanyang Swine Farm Animal Waste Management System GHG Mitigation Project located in Henan (Project ID: 11255) of China, and the UNCDM carbon offset project is the Hebei ChengAn Biomass Cogeneration Project (Project ID: 3797). The Gold Standard carbon offset project we selected utilized an upgraded farm waste management system to cut GHG emissions and convert biogas into renewable energy, maximizing resource recycling efficiency. This approach also drives greener farming practices, making a real impact on local environmental conservation and sustainable community growth. The UNCDM carbon offset project we selected utilized local cotton straw to generate electricity and sold the generated electricity to the Hebei Provincial Power Grid to replace the capacity of coal-fired power plants. The project contributes to greenhouse gas emission reduction, comprehensive utilization of resources, environmental protection, and providing job opportunities and increasing income of residents. CERs from this project were used for carbon neutrality at the Hangzhou 2022 Asian Games and the 4th Asia Para Games.



Carbon Offset Certificates

We will continue exploring opportunities made possible by technologies and products that could enable us to go forward on the path of sustainability within the business operation in the future.



Our Employees

"An enterprise thrives with people and halts without them." CITIC Resources regards its employees as valuable assets and a fundamental pillar of business operations. The Group is committed to optimizing human resources policies to create a more competitive working environment and comprehensive compensation and benefits system. To provide a safe and harmonious workplace, the Group regularly organizes employee activities and team-building programs to enhance cohesion across all levels, while also paying close attention to employees' mental health.

In addition, the Group places great importance on employees' career development and the enhancement of professional capabilities. A comprehensive and systematic training policy and program have been established to support employees in fully realizing their potential in suitable roles. The Group continues to invest resources in employee development, as improvements in professional skills and work efficiency contribute back to the organization, fostering a virtuous cycle of personal and corporate growth. This approach not only creates a win-win scenario for employees and the Group but also continuously strengthens the Group's core competitiveness.

Regarding employee rights, the Group regularly reviews and updates its human resources policies to foster a better working environment and safeguard employee interests. We strictly comply with laws and regulations relating to recruitment, remuneration, promotion, termination, working hours, leave, and benefits, and periodically assess our HR policies to ensure regulatory compliance. The Group has developed and implemented an Employee Handbook, which clearly outlines policies on recruitment, remuneration, promotion, termination, benefits, working arrangements during adverse weather, employee code of conduct, business conduct, equal opportunity, other employment policies, and occupational health and safety. These defined employee rights and business standards serve as a reference for subsidiaries and joint ventures to align with local regulations and establish applicable employment policies.

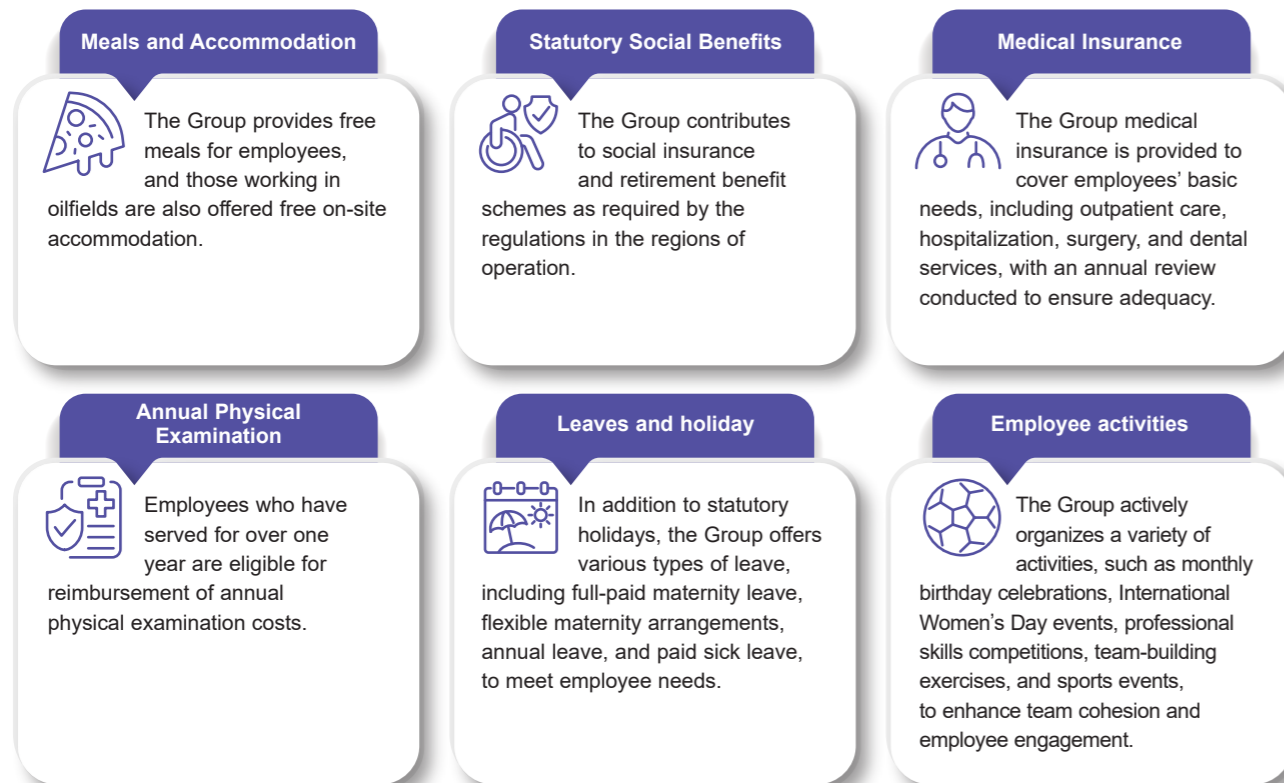
This section addresses the key material topics: "Protection of Employee's Right", "Diversity and Equal Opportunities", and "Employee Training and Development".



Policies and Benefits

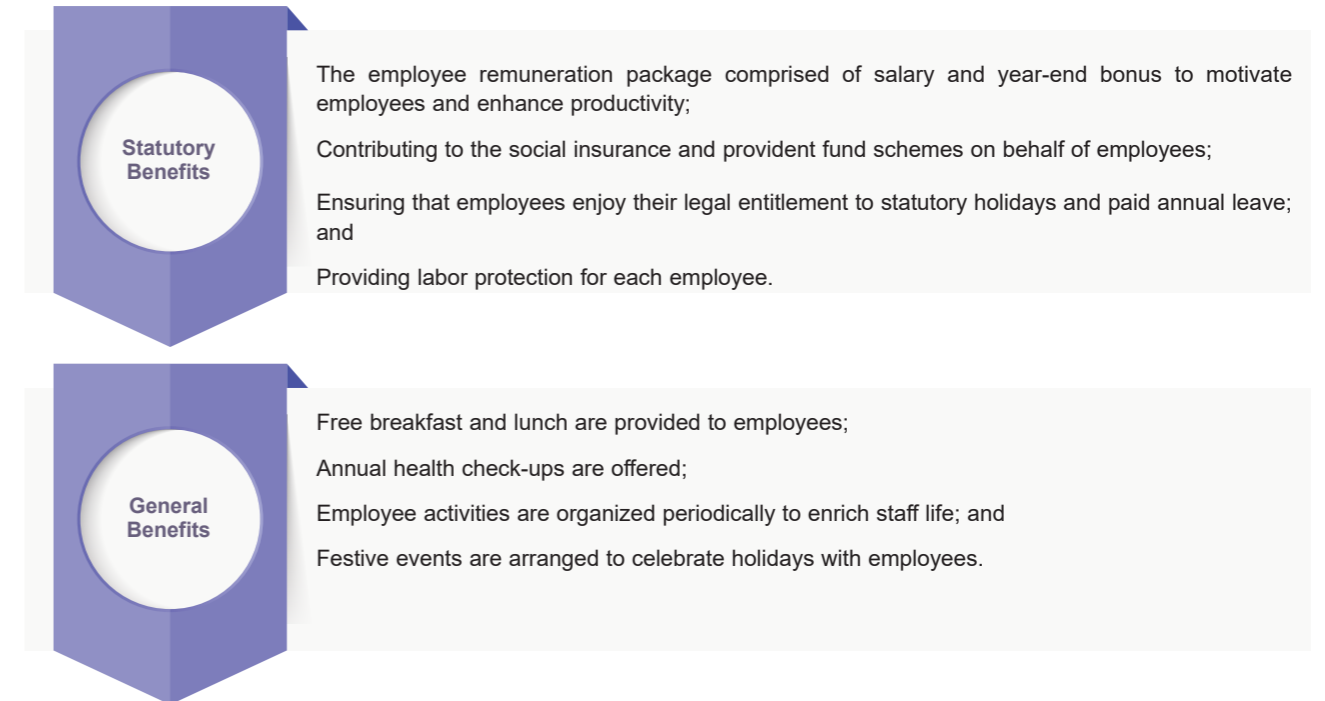
CITIC Resources regards human capital as a key asset for driving the Group’s long-term development and regularly reviews and optimizes employee compensation and benefits policies to ensure alignment with market standards and industry practices, maintaining competitiveness and incentivizing performance. The Group determines fair and reasonable remuneration based on employees’ professional capabilities, work commitment, and performance, while taking into account the Company’s annual business and financial position. At the same time, the Group values employee opinions and feedback, integrating relevant suggestions into the review and refinement of policies through continuous communication mechanisms, while safeguarding employees’ lawful rights. This open feedback system helps foster a collaborative and trusting work environment, ensuring employees feel their contributions are recognized, while supporting the continual improvement of overall corporate performance.

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 foster a fair, reasonable, and employee-friendly working environment, Tincy Group strictly implements the principle of equal pay for equal work, standardizes employee rights and benefits, and has established a competitive compensation system to ensure all employees are treated fairly. Tincy Group has also implemented comprehensive compensation, benefits, and employment policies in line with its internal framework, ensuring that HR processes, including recruitment, termination, and promotion, comply with applicable laws and regulations. Beyond statutory benefits, Tincy Group provides additional general employee benefits to demonstrate care and respect for staff, which helps enhance work efficiency and engagement, thereby supporting the Group’s long-term stable development.



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.

CITIC Seram – Seram Block

CITIC Seram strictly complies with all applicable labour-related laws and regulations and regards employees as a vital asset to the Group. To clearly define the rights and obligations of both the Company and its employees, and to ensure that human resources procedures and policies are aligned with Group requirements and applicable regulations, CITIC Seram has established comprehensive management systems and relevant policies. These policies clearly set out employee compensation, benefits, and employment arrangements, including but not limited to employment relationships, recruitment, working hours, overtime policies, statutory holidays, paid annual leave, special leave arrangements, occupational health and safety, remuneration and benefits, and medical assistance. This framework is designed to foster a healthy and harmonious employment relationship between both parties.



- Medical insurance benefits are provided to employees;
- Annual health check-up services are offered; and
- Female employees are entitled to maternity leave, menstrual leave, and cervical smear examinations.



The Group has established a corporate social responsibility programme and allocates a dedicated budget for annual employee activities, encouraging staff to actively participate in a wide range of recreational and wellness initiatives, including:

- Various sports activities, such as badminton, jogging, and tennis;
- Staff gatherings and religious-related activities; and
- Scheduled fishing activities during designated periods to promote relaxation, well-being, and team interaction.



In addition, assistance is provided to employees affected by natural disasters, with support distributed in a fair and equitable manner.



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.

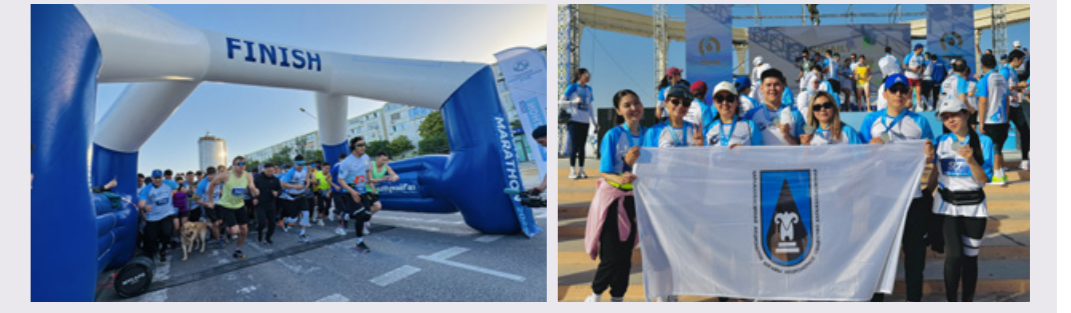


To ensure employees' healthcare needs, KBM has signed a long-term medical service contract with healthcare institutions for the period of 2024-2026 and organizes annual health check-ups for employees on a regular basis.

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 regularly organizes a variety of sports and cultural activities to enrich employees' lives and enhance their physical fitness and overall well-being.



KBM – Karazhanbas Oilfield

KBM consistently upholds a people-oriented approach and strictly complies with the Group's policies and the labour laws of Kazakhstan. The Company has established a comprehensive employee rights protection framework and is committed to safeguarding employees' fundamental rights and interests. 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.

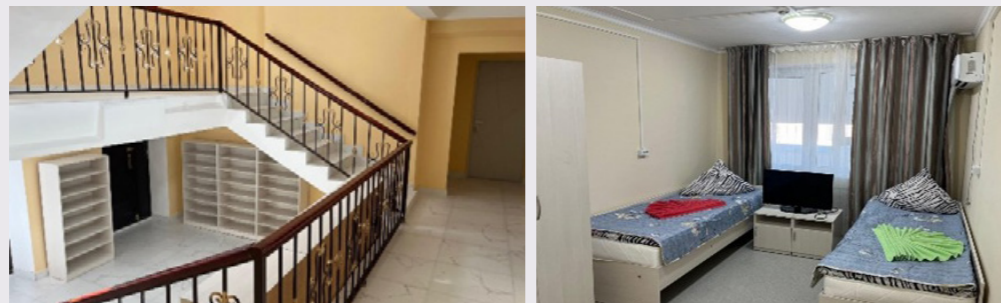


KBM places great importance on the physical and mental health of employees as well as their cultural life, actively organizing various recreational and holiday activities to create a warm and harmonious work environment. To celebrate the Kazakh New Year, KBM hosted a grand festive gala at the sports 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.



With regard to accommodation arrangements, KBM is committed to addressing employees' housing needs by implementing dormitory construction projects equipped with heating systems, ventilation facilities, and other modern and essential living amenities. These initiatives aim to continuously improve employees' working environment and living conditions.

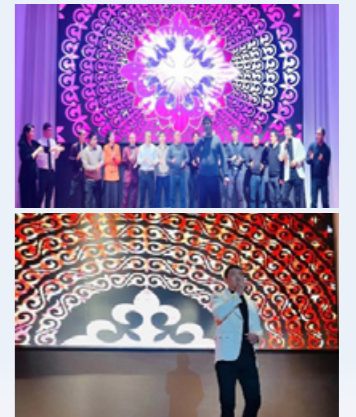
During the Reporting Period, KBM formulated and implemented a roadmap to improve employees' working and living conditions, and initiated renovation projects for dormitories, canteens, changing rooms, and garages, alongside the construction of a sports centre and other employee support facilities. As one of the first completed projects, Building No. 5 in the first dormitory zone underwent comprehensive renovation and now comprises 20 apartments with accommodation capacity for 117 employees, providing a safer, more comfortable, and more convenient living environment. Prior to Kazakhstan Oil Workers' Day, employees had moved into the renovated dormitory and began benefiting from the upgraded living conditions and supporting facilities.



Case Study: Literary and Music Evening

KBM's commitment to employee well-being extends beyond the workplace to encompass employees' living and cultural needs. On February 14, 2025, in commemoration of the birth anniversary of the renowned Kazakh poet Mukagali Makatayev, KBM organized a literary and music evening entitled "With Our Hearts in Dary!" at the oilfield site. Following the performance, participants gathered at the cultural and leisure centre to immerse themselves in the poet's classic works and appreciate the emotional depth and philosophical insights conveyed through his poetry.

Such cultural initiatives not only enrich employees' spiritual and cultural lives but also enhance communication and cohesion among staff, reflecting the Company's ongoing commitment to the holistic well-being of its employees.



Case Study: Encouraging Employee Participation in Sports Competitions

During the Reporting Period, KBM actively organized and participated in various employee sports competitions to promote physical and mental well-being and strengthen team cohesion.

At the Kazakhstan Indoor Five-a-Side Football Championship held in Taraz, KBM employees achieved a top-three finish. The tournament was organized by the Kazakhstan Veterans Football Association and featured six teams composed of players aged 50 and above.

At the table tennis championship held in Astana to mark the 20th anniversary of the Kazakhstan Energy Association (KAZENERGY), KBM employees also achieved a top-three placement. The tournament brought together 18 teams from across the country, comprising employees from oil, gas, and energy companies.

In addition, KBM employees actively participated in the "Oil Marathon 2025." Held during the "Year of the Worker," the event brought together employees of subsidiaries of KazMunayGas, professional athletes, and residents of Mangystau Region to compete in the 5-kilometre and 10-kilometre races, showcasing employees' positive spirit and commitment to a healthy lifestyle.





Case Study: Kazakh New Year Celebration

During the Reporting Period, KBM employees held celebratory activities to mark the beginning of the Kazakh New Year. Headquarters staff, dressed in traditional attire, gathered at dawn to participate in the festivities.

The AMAL festival symbolizes the start of the Kazakh New Year and represents unity, harmony, and friendship. This event not only strengthened interpersonal connections among employees but also reflected KBM's commitment to employees' cultural life and the preservation of multicultural traditions, enhancing internal cohesion and overall employee well-being.

To promote traditional culture, KBM also organized team competitions among production workshop employees at the cultural and leisure centre in the oilfield. During these activities, workers showcased creativity, actively engaged in various traditional cultural events, strengthened team collaboration, and enriched their cultural and recreational experiences.



Beijing Office

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. Regarding the compensation system, Beijing office determines and adjusts employee salaries based on positions and job levels, with remuneration benchmarked against market standards. Annual performance evaluations are conducted at year-end, and bonuses are awarded based on performance. To safeguard employees' long-term interests, Beijing office has established the "CITIC Resources Administrative Measures for the Corporate Annuity". In addition, the labour union has developed relevant policies to provide care and support for employees facing hardship or illness. Through this comprehensive compensation and benefits framework, the office seeks to attract and retain talent. 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. In addition, Beijing office regularly organizes a variety of employee activities, including health seminars, team-building workshops, and recreational and cultural events. The labour union also arranges seasonal outings, tree-planting initiatives, and walking activities. These initiatives aim to promote work-life balance and strengthen team interaction and cohesion.

Training and Development

CITIC Resources upholds a people-oriented approach, regarding employees as the cornerstone of the Group's sustainable development and continuously investing in talent development. Through its performance appraisal system, the Group links employee performance to salary and job-level adjustments, ensuring achievements are objectively measured and duly recognized, thereby enhancing employee engagement and overall productivity. At the same time, the Group has established an internal job rotation system to help employees broaden their professional skills and gain cross-departmental experience, enhancing their overall capabilities and career development opportunities.

Training content includes, but is not limited to:



CITIC Resources

CITIC Resources has established a comprehensive employee training system and clearly defines training content and allowance arrangements through the "Employee Training and Development Policy" and the "Employee Handbook". The Group encourages employees to participate in training courses offered by accredited institutions outside working hours and provides annual training allowances to support the continuous development of professional skills and knowledge.

Training Category



Case Study: CITIC Resources Cloud-Based File Upload Work Briefing



Tincy Group – Yuedong Oilfield

Tincy Group ensures that all personnel possess the professional competencies required for their roles and fully comply with applicable regulatory requirements. Based on the actual technical needs of each department and relevant regulations, the Group provides role-specific professional training for employees and employs diverse training methods to continuously expand the depth and breadth of learning. Tincy Group believes that a systematic training program enhances employees' ability to meet operational challenges and provides sustained innovative momentum and operational efficiency for the Company's development.



CITIC Seram – Seram block

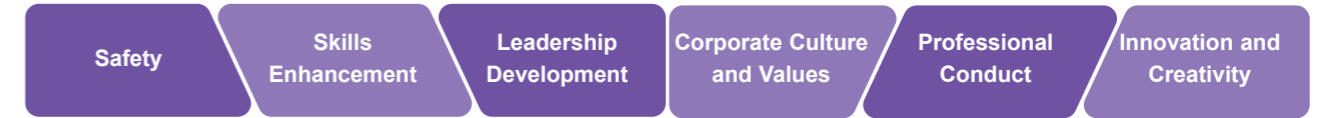
CITIC Seram actively enhances employees’ professional knowledge and work capabilities through a systematic approach to workforce development. CITIC Seram prioritizes the allocation of training budgets to organize mandatory certification courses, professional seminars, and opportunities for employees to participate in government and relevant stakeholder meetings, ensuring that staff possess the competencies required for their roles. At the same time, CITIC Seram collaborates with various institutions to provide ongoing, diverse training programs, expanding employees’ skills and knowledge and supporting their long-term career development.

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

KBM places great emphasis on talent development and the transfer of technical expertise. Every year, the Company conducts mineral industry training programs, covering six key areas: safety, skills enhancement, leadership development, corporate culture and values, professional conduct, and innovation and creativity.



In addition to training, KBM is among the first companies in Kazakhstan to implement an employee job rotation policy. This policy enables employees to develop diverse skills through rotational assignments, gain a deeper understanding of different departmental responsibilities, expand internal networks, and gain a comprehensive view of the Company’s overall operations, thereby promoting cross-departmental collaboration and knowledge sharing.


KBM’s steadfast commitment to this policy reflects the Company’s dedication to employee growth and development. By providing abundant learning opportunities, KBM not only motivates employees to continually challenge themselves but also encourages them to broaden their professional expertise, cultivating versatile, cross-disciplinary talent. This approach lays a solid foundation for both the Company’s sustainable development and employees’ long-term career progression.





Case Study: “Enhanced Oilfield Production” Young Expert Training
 During the Reporting Period, KBM organized employee participation in the “Enhanced Oilfield Production” young expert training program. Enhanced production is a key topic in the oil industry for improving operational efficiency and management standards and holds strategic significance for the current and future development of the Karazhanbas oilfield.

The training focused on enhancing the technical skills and management capabilities of young professionals, helping them gain a deeper understanding of the concepts and practical applications of enhanced oilfield production, thereby providing talent support for efficient oilfield operations and the Company’s sustainable development.



Case Study: “Youth Career Committee” Meeting
 During the Reporting Period, KBM convened a meeting of the “Youth Career Committee” to discuss and formulate the work plan for 2025. During the meeting, participants engaged in in-depth discussions on initiatives and programs aimed at promoting the professional development and personal growth of young employees. Several constructive suggestions and recommendations were put forward, laying the foundation for the Company to continuously improve its youth talent development mechanisms and enhance the competitiveness of its human capital.

Case Study: “7 Qadam” Leadership Development Training Program Organized by Samruk

Aigerim Bopilova, an employee at KBM’s logistics base, participated in the first phase of the “7 Qadam” Leadership Development Training Program organized by Samruk. The program is designed to enhance the leadership and overall capabilities of young talent. The first phase, lasting four days, covered both theoretical and practical knowledge on topics such as effective communication, project management, and sustainable development including environmental, social, and corporate governance.



In subsequent modules, participants will further study subjects including financial literacy, refined management methods, and artificial intelligence and cybersecurity. These learning opportunities aim to comprehensively enhance professional skills and management capabilities, laying a solid foundation for assuming higher-level leadership responsibilities in the future.



Case Study: Student Internship and University–Enterprise Collaboration Program

On February 4, 2025, under the framework of a memorandum of understanding signed between KBM and local education authorities, a new group of students participated in hands-on learning at the oilfield site. Over the past five years, approximately 120 students from regional educational institutions have taken part in this internship program, gaining valuable opportunities to apply theoretical knowledge in practical operations.



This initiative not only helps cultivate young professional talent but also promotes university-enterprise collaboration and regional human capital development. KBM remains committed to fulfilling its corporate responsibilities to local development and society, supporting education and talent development through diverse initiatives and contributing to sustainable social development.

Beijing Office

Case Study: Systematic Talent Development Program

To strengthen the talent pipeline, Beijing office has designed a systematic development program for new graduates joining in 2025, aimed at nurturing young talent into professional technical backbones. The program follows a “Grassroots Experience – Intensive Training – Multi-Disciplinary Development” framework and adopts a mentorship approach, focusing on core technical areas such as geological exploration, development dynamics, oil recovery processes, and drilling and well intervention techniques.






The development program includes headquarters foundation training to familiarize employees with management systems and corporate culture, on-site oilfield practice to master production and operational processes and accumulate professional experience, overseas project learning to understand technology applications and industry development trends, and outcome application through specialized research projects and professional reports, integrating theoretical knowledge with practical skills.



Respect for Rights

CITIC Resources upholds the principle of mutual respect and protects employee rights in accordance with the law, ensuring fair and equitable treatment while fostering an inclusive and diverse working environment. The Group strictly complies with employment laws in all operating regions, prohibits the use of child and forced labour, and emphasizes the rights of female employees and ethnic minorities, safeguarding the legal rights of employees of different nationalities, races, genders, and cultural backgrounds. These policies apply across all subsidiaries and joint ventures, including Tincy Group, CITIC Seram, and KBM and their respective oilfield operations. The following highlights key areas of focus.

 <p>Preventing Child Labor</p> <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. 	 <p>Prohibiting Forced Labor</p> <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. 	 <p>Collective Bargaining</p> <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.
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CITIC Resources believes that a diverse and inclusive workplace culture enhances employee satisfaction and innovation, allowing employees to realize their full potential in an environment of respect and inclusion. Diversity also supports a better understanding of, and response to, customer needs, thereby strengthening the Company’s competitiveness and business performance. The Group continuously promotes a diverse and equitable employment environment, viewing it as both a commitment to employees and a key pillar for long-term sustainable development, while striving to foster a more dynamic and inclusive corporate culture.

CITIC Resources

CITIC Resources places great importance on employees' individual rights, safeguarding privacy and the security of personal information. The Group upholds principles of non-discrimination and equal opportunity and strictly prohibits any actions that infringe upon or disregard human rights. 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 "Employee Handbook", 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
<p>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.</p>	<p>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.</p>	<p>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.</p>

CITIC Seram – Seram block

To foster a fair, equitable, and inclusive working environment, CITIC Seram is committed to implementing human rights policies, enforcing anti-discrimination and equal opportunity measures, and eliminating all forms of discrimination and harassment. In the event of such incidents, the Company provides support to ensure prompt and effective resolution, safeguarding employee dignity and rights.

At the same time, CITIC Seram continuously raises employee awareness through training and communication initiatives, promoting a corporate culture grounded in respect and equality.

KBM – Karazhanbas Oilfield

KBM is committed to fostering a diverse, equitable, and inclusive workplace. Recruitment and employment decisions are made based on merit, without discrimination on the grounds of gender or race, and employees are ensured equal access to fair benefits. The Group has also entered into the "2022-2027 Collective Contract" with Employees with the labour union, under which provisions relating to the protection of female employees' rights and the promotion of women's well-being are strictly implemented.

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 committed to providing a positive working environment and safeguarding employees' lawful rights and interests. Labour contracts clearly stipulate arbitration clauses for the resolution of labour disputes. Through regular communication with the labour union, the Group listens to employees' concerns in a timely manner and appropriately resolves various labour-management issues. 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.

Case Study: Talent Development Programme

To strengthen its talent pipeline and enhance the effectiveness of graduate development, KBM aligned its talent succession planning with the development needs of its professional and technical workforce. In 2025, the Group designed and implemented a structured 12-month development programme for newly recruited graduates. Built around the core principles of “grassroots exposure, enhanced development, and diversified growth,” the programme supports young employees’ transition from new entrants to professional and technical backbones, promoting a long-term, standardised, and institutionalised approach to talent development.



In view of the predominantly technical background of employees recruited in 2025, KBM adopted a mentorship-based development model as the core approach, delivering in-depth training along technical career pathways. The programme systematically enhances new employees’ professional competencies and practical capabilities, covering key technical areas such as geological exploration, oilfield development dynamics, oil production processes, as well as drilling and workover operations. Training is delivered in phases to ensure the effective integration of theoretical learning and on-site practice.

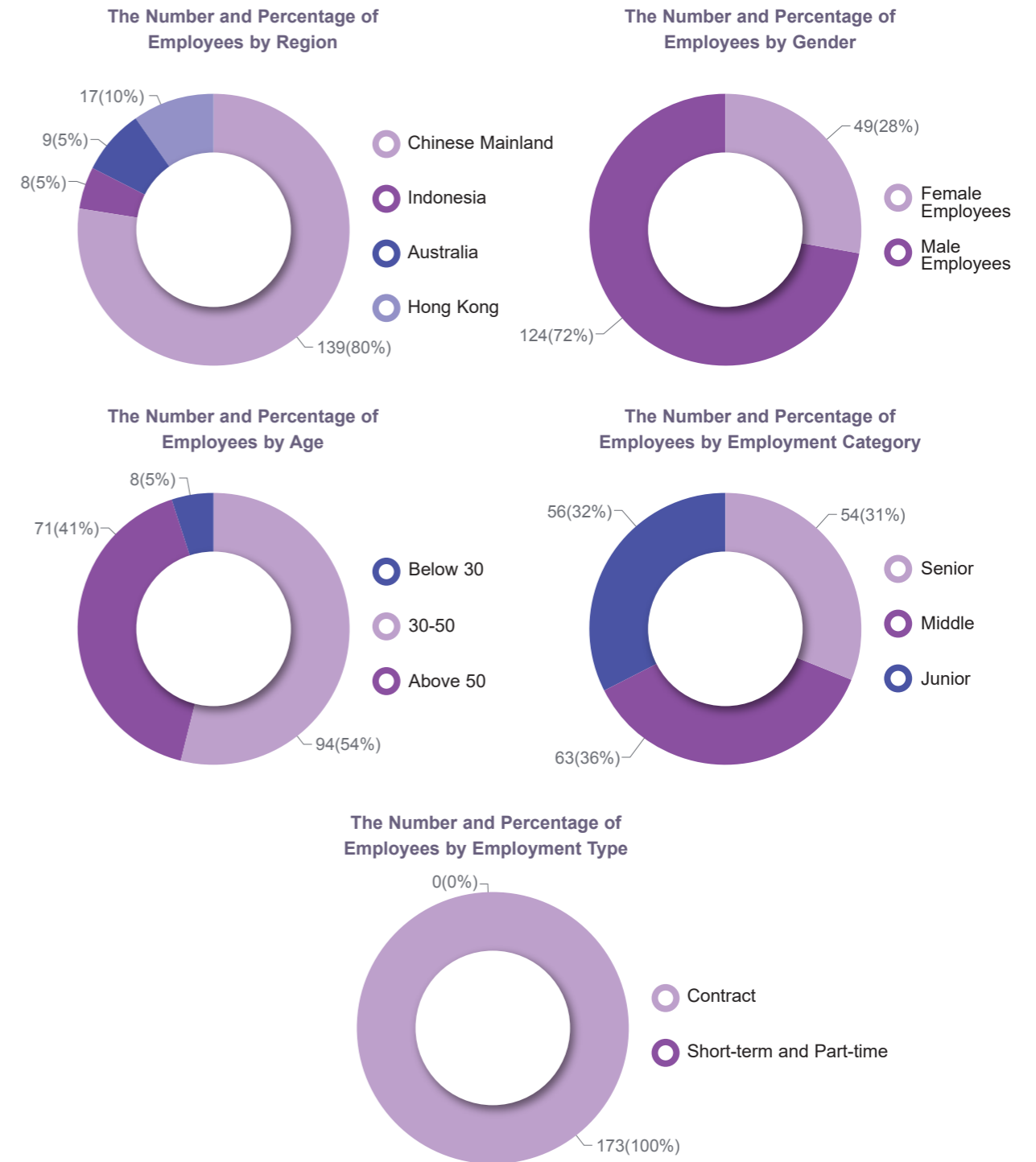


During the initial stage, new employees receive centralised training at the headquarters, where they gain a comprehensive understanding of corporate management requirements, internal control systems, operational standards, and corporate culture. This enables them to adapt quickly to the organisational structure and complete their role transition. Subsequently, they are assigned to frontline oilfield

operations to gain first-hand exposure to production processes and operational requirements, laying a solid foundation of field experience for future technical roles.

Building on this foundation, KBM arranges for new employees to gain exposure to overseas project operations and technical applications. Leveraging their respective professional backgrounds, participants analyse key technical challenges, development bottlenecks, and future technological trends in oilfield development, thereby broadening their international perspective and strengthening their systematic and strategic thinking capabilities. In the later stages of the programme, KBM places emphasis on the application of learning outcomes. New employees continue to undertake hands-on practice across core settings, including oilfield sites, operational areas, and overseas projects, progressively mastering standard operating procedures. Under the guidance of mentors, they also take the lead in completing specialised research projects, generating professional outputs with practical application value.

As at the end of the Reporting Period, the Group had 173 employees. The following is the details of the Group’s employees:



Our Operations

CITIC Resources has consistently regarded “safety first, prevention-oriented, and comprehensive management” as its core operating principle. In pursuit of the goal of zero accidents, the Group strictly complies with applicable laws and regulations in the jurisdictions where it operates, and is committed to the effective implementation of its HSE management system. The Group continues to strengthen compliance management to ensure that its operational 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 its daily operational management, the Group strictly complies with all applicable laws and regulations relating to intellectual property, quality control, information security, and data privacy and confidentiality. 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”



Health and Safety

CITIC Resources places the health and safety of its employees as its top priority and is committed to preventing all types of incidents through the continuous enhancement of risk management and process controls, as well as the improvement of its safety management system. The Group implements a “management accountability” responsibility system, under which accountability rests with those in charge, and requires all oilfields to strictly adhere to safety management systems and operating procedures. Regular equipment inspections are conducted to mitigate operational risks.

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

To ensure a comprehensive and safe working environment for its employees, CITIC Resources provides ergonomically designed facilities, such as height-adjustable desks and back-supportive chairs, and regularly organises health seminars to enhance employees’ health and safety awareness. The Group 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 are incorporated into a unified safety management system to ensure that they comply with the same HSE policies and procedures as internal employees across all operational sites. Through standardised controls and protective mechanisms, the Group seeks to prevent accidents arising from improper operations.



Emergencies

Based on the risk profiles of various emergency scenarios, the Group continuously enhances its prevention and emergency response mechanisms. These efforts are supported by operational guidelines, safety alerts, and dedicated training programmes, with the aim of strengthening on-site personnel's resilience and preparedness in responding to potential hazards.



Personal Protection

All operational personnel are required to wear approved personal protective equipment while on oilfield sites. For specific high-risk tasks, the Group reinforces compliance by conducting targeted inspections of PPE and safety gear usage to ensure the protection of personnel.



Equipment Maintenance

The Group conducts routine risk assessments and targeted controls for critical facilities. All production equipment is integrated with automated monitoring and security systems to provide real-time oversight of key parameters, including pressure, temperature, liquid levels, safety valves, and gas detection. In the event of abnormal readings or system malfunctions, an immediate warning mechanism is triggered, enabling operators to promptly carry out emergency responses and replace components as needed.

Tincy Group – Yuedong Oilfield

Operational Safety Management

Tincy Group is committed to preventing all avoidable safety incidents and strictly complies with the Production Safety Law of the People's Republic of China and other relevant safety regulations. The Group continuously improves and implements its HSE management system, which encompasses standards for creating a safe and healthy working environment. This includes the "Occupational Health Management Procedures", the "Personnel Health Management Regulations", the "Personal Protective Equipment Management Regulations", the "Health and Safety Environment Inspection Regulations", and the "Hidden Danger Reporting and Rectification Management Regulations".

Among them, the "Occupational Health Management Procedures" stipulates that the 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.

To prevent safety incidents, Tincy Group implements a range of inspection mechanisms, including routine, comprehensive, special, monthly, and departmental checks. All offshore platforms are equipped with automated external defibrillators (AEDs) and instructional videos. Through these inspections, the Group strengthens the identification and management of potential hazards, ensuring that issues are promptly detected and corrected.

During the Reporting Period, Tincy Group continued to refine its HSE system documentation and revised the HSE rewards and penalties management guidelines. The Group also plans to engage in safety exchanges with Sinopec Shengli Oilfield Offshore Production Plant, PetroChina Daqing Oilfield Zhaodong Operations Company, and CNOOC Bohai Oilfield Liaodong Operations Company, aiming to explore a safety supervision and management model suited to the specific conditions of the Yuedong Oilfield. These efforts support the continuous promotion of innovation and standardisation in on-site safety management.

Emergency Drills

To ensure that employees can respond quickly and effectively in the event of an incident, Tincy Group has established a comprehensive emergency management system and related policies, including but not limited to the "Emergency Management Procedures" and "Emergency Drill Management Regulations". The Group regularly conducts various emergency drills in accordance with the Offshore Petroleum Safety Management Regulations, ensuring that contractors involved in oil production and workover operations at all production facilities are familiar with the relevant procedures.

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. These drills included fire response, platform evacuation, well control, man-overboard rescue, hydrogen sulfide prevention, oil spill, and oil vapor leakage exercises.

Prevention and Management of Occupational Diseases

Following a thorough assessment, Tincy Group has identified multiple potential factors that may pose risks to employees' occupational safety and health, including harmful substances such as carbon monoxide, nitrogen dioxide, ozone, and metal fumes. The Group has implemented corresponding measures to prevent occupational illnesses among its employees.

 <p>Occupational Disease Hazard Assessment</p>	<p>The Group regularly conducts occupational hazard assessments and monitoring, using precise data analysis to identify potential risks. These insights serve as a scientific basis for the continuous optimization of the occupational health environment, comprehensively enhancing workplace safety.</p>
 <p>On-the-job Training</p>	<p>Onboarding Training – Specialized training is provided to employees engaged in high-risk operations, covering relevant laws, regulations, and occupational health knowledge. Employees are clearly informed of workplace risk factors, such as carbon monoxide, toluene, and ozone, as well as their associated health hazards, ensuring proficiency in emergency response procedures and the correct use of protective equipment.</p> <p>Targeted Safety Education – For specific work environments, the Group conducts training on hydrogen sulfide protection, offshore personnel certification (the “Four Certificates”), offshore transportation safety, and fundamental HSE knowledge, strengthening employees’ ability to protect themselves in extreme conditions.</p>
 <p>Protective Facilities and Personal Protective Equipment (PPE)</p>	<p>On-Site Protection – Protective facilities operate in parallel with production processes at operational sites. In areas with toxic or hazardous substances, alarm systems, first-aid supplies, and emergency wash stations are installed, ensuring that evacuation routes and hazard relief zones are always accessible.</p> <p>Personal Equipment – Employees are strictly provided with standard-compliant protective gear, including earplugs, AN2-grade safety shoes, helmets, anti-static workwear, and UV-protection safety glasses, comprehensively reducing individual exposure risks.</p>
 <p>Emergency Support and Medical Protection</p>	<p>For offshore or special operational environments, the Group equips personnel with hydrogen sulfide positive-pressure respirators, life jackets, lifeboats, life rafts, and emergency standby vessels. In addition, medical clinics and on-site doctors are stationed on each island to provide immediate medical care and emergency support.</p>
 <p>Occupational Disease Prevention Budget and Resource Allocation</p>	<p>Expenditures for occupational disease prevention are formally incorporated into the cost budget, with dedicated funds allocated to hazard mitigation, facility maintenance, health monitoring, occupational health training, and work injury insurance. This ensures that the safety management system is supported with adequate resources.</p>

CITIC Seram – Seram Block

Operation Safety Management

CITIC Seram regards employee well-being as the cornerstone of corporate development. The Group strictly complies with regulatory standards and actively fosters a safe and healthy working environment through continuously updated management measures. Through institutionalized occupational health management and sustained resource investment, we ensure that every employee can perform to their full potential in the safest possible environment, achieving mutual growth for both the company and its workforce.

 <p>Risk Assessments</p> <p>Conducts regular risk assessments, including Health Risk Assessments (HRA), Health Impact Assessments (HIA), and hygiene inspections, to identify potential hazards in both workplaces and living areas.</p>	 <p>Workspace Design</p> <p>Workspaces are designed in accordance with ergonomic principles and maintained with adequate ventilation, lighting, and temperature control to enhance employee comfort and well-being.</p>	 <p>Sanitary Standards</p> <p>Adequate sanitary facilities are provided, and stringent hygiene standards are implemented to safeguard health and cleanliness.</p>
 <p>Training and Education</p> <p>Provide comprehensive training on safety procedures and protocols. Educate employees about potential risks and how to mitigate them.</p>	 <p>Health and Safety Policy</p> <p>Develop and clearly communicate health and safety policies to ensure that employees understand the policies and their responsibilities.</p>	 <p>Effective Stress Management</p> <p>Implement measures to address and manage work-related stress, and provide mental health resources and counselling services.</p>
 <p>Sustainability Practices</p> <p>Implement measures to reduce the environmental impact of the workplace, promoting the conservation of the environment and natural resources.</p>	 <p>Monitoring and Evaluation</p> <p>The effectiveness of health and safety measures is regularly monitored, with employee feedback collected and adjustments made accordingly.</p>	 <p>Continuous Improvement</p> <p>Foster a culture of continuous improvement in health and safety, regularly review and update policies and procedures based on feedback and changing circumstances.</p>

To ensure operational safety and foster a strong safety culture in the Seram Block, CITIC Seram has established an internal Safety Committee and Emergency Response Team. The Group implements its HSE management system and contractor safety management framework, and encourages employees to proactively report unsafe equipment and behaviours.

Prevention and Management of Occupational Diseases

CITIC Seram conducts regular occupational health risk assessments to evaluate and identify potential risks in the workplace. Through occupational health risk monitoring, CITIC Seram has identified four key risks: exposure to hydrogen sulfide, inhalation of asbestos and glass wool, noise exposure, and inhalation of chemical fumes. The Group has implemented effective measures to protect both its employees and contractors from occupational health impacts, including but not limited to:

	Building a Safe and Healthy Culture	<p>Professional Safety Training – Comprehensive training is provided on safe work practices, equipment operating procedures, and first-aid skills to ensure employees possess strong risk prevention awareness and effective emergency response capabilities.</p>
	Health Monitoring and Care	<p>Annual Health Screening – Free annual medical examinations are offered to employees to establish long-term health records and proactively monitor and prevent potential occupational health risks.</p>
	Hazard Exposure Management and Technical Protection	<p>Dual Control Mechanism – Targeted controls are implemented across both technical and administrative dimensions. Through process improvements and optimisation of administrative procedures, the Group minimises or avoids exposure to workplace hazards to the greatest extent possible.</p> <p>Dynamic PPE Assessment – The effectiveness of personal protective equipment (PPE) is regularly assessed against identified hazards, with enhanced user training to ensure correct and efficient use of protective equipment.</p>
	Transparent Reporting and Safety Communication Mechanisms	<p>Two-way Communication Channels – Effective communication channels are established to enable employees to report safety concerns, fostering a culture that encourages the proper identification and resolution of safety issues.</p>

Physical and Mental Health

CITIC Seram is committed to safeguarding the health and safety of its employees by reducing occupational risks at source through risk assessments, ergonomic arrangements, and high-noise early warning measures. At the same time, the Group has established a comprehensive safety training system covering both employees and visitors, complemented by regular environmental monitoring and equipment inspections to ensure the continuous improvement of workplace safety conditions.

Emergency Response

As the final line of defence for employee safety, CITIC Seram has established a comprehensive emergency response framework to enhance overall risk resilience. Measures include, but are not limited to:

	Advanced Monitoring and Early Warning Systems	<p>Multi-Sensor Detection Network – An integrated fire monitoring system is deployed across operational sites, incorporating smoke detectors, heat sensors, and flame detectors to ensure that alarms are promptly triggered and response mechanisms activated in the event of a fire.</p>
	Physical Protection and Firefighting Equipment	<p>Thermal Early Warning – Thermal and fire detection devices are installed to enable early identification of abnormal temperature increases, effectively preventing the spread of fires and securing optimal response timing.</p> <p>Diversified Firefighting Equipment Deployment – Approximately 230 dry powder fire extinguishers are installed across production sites and facilities, suitable for Class A, B, and C fires. Fire hoses and hydrants are also provided to ensure a stable water supply for firefighting.</p> <p>Automated Fire Suppression Systems – Foam fire suppression systems are installed in high-risk areas (covering a capacity of approximately 7,000 gallons) and equipped with 3% AFFF foam concentrate to address oil and chemical fires. In addition, sensor-activated automatic deluge systems are in place to activate upon detection of abnormal heat sources.</p>
	Response Organisation and Practical Drills	<p>Emergency Shutdown Systems – Emergency shutdown systems are installed at operational sites and refineries, enabling the rapid isolation of production processes in the event of a fire, preventing escalation and effectively limiting the impact of incidents.</p> <p>Dedicated Emergency Response Teams – Specialised emergency response teams are established to manage fire and chemical spill incidents, and to conduct regular inspections of firefighting equipment to ensure readiness at all times.</p> <p>Professional Training and Simulation Drills – Emergency evacuation drills and response training are conducted on a regular basis, including hands-on instruction on the proper use of fire extinguishers and the donning of professional firefighting equipment. These activities ensure that all personnel are familiar with emergency procedures and clearly understand their respective roles and responsibilities.</p>
	External Coordination Mechanisms	<p>Regional Emergency Support and Joint Response – Formal emergency service agreements are established with external fire departments and rescue organisations. When incidents exceed on-site response capacity, these arrangements ensure the rapid mobilisation of external professional resources, providing effective contingency support.</p>

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.

KBM — Karazhanbas Oilfield

Safety Management

KBM strictly adheres to industry operational standards and has established comprehensive oilfield operating procedures. Standardised processes are in place for high-risk activities such as fire management, civil engineering, and confined-space operations, and both internal employees and contractors undergo systematic training to reinforce safety awareness. To safeguard personnel, all work sites are required to maintain complete technical specifications, safety operation manuals, and first-aid medical supplies, alongside well-structured emergency response plans to address unexpected incidents.

In terms of monitoring and improvement, KBM's Labour Protection and Safety Technology Department is responsible for recording work-related injuries of employees and contractors. Through bi-weekly safety and technical meetings with contractors, the Group conducts in-depth discussions, performs root-cause analyses of on-site operations and past incidents, and develops and implements preventive measures. By continuously optimising management mechanisms, KBM effectively prevents the recurrence of similar incidents.

Case Study: Ambulance Fleet Upgrade Programme

In a previous Reporting Period, KBM approved the "2023-2025 Vehicle Upgrade Programme" to further enhance on-site emergency support capabilities. Under this programme, on January 15, 2025, three ambulances were delivered and officially put into service at the site. These vehicles are equipped with advanced emergency medical equipment and dedicated mobile medical facilities, enabling the rapid and safe transport of injured or ill personnel during emergencies. They are also designed to respond flexibly to various ground-level incidents, providing timely medical care and support to on-site employees.



Case Study: KBM Receives "Environmental Protection Contribution Award"

On January 27, 2025, KBM participated in the 9th annual forum on Leadership in Cultural Safety Development, hosted by KazMunayGas. During the forum, delegates engaged in in-depth discussions on industrial safety, labour protection, and environmental protection, sharing practical experiences and best practices. In recognition of its sustained commitment and notable achievements in labour and environmental protection, KBM was awarded the Environmental Protection Contribution Award, receiving high acclaim from industry peers.



Labor Protection Certification

KBM regards safe production as the foundation of its operations. In addition to continuously optimising its occupational health and safety management system, the Group actively aligns its practices with international oil and gas industry safety standards. 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 ILO-OSH2001 of the International Standard).

Case Study: Flood Response Tactical Exercise

During the Reporting Period, KBM organised and participated in a specialised flood response exercise at the Karazhanbas Oilfield, focused on mitigating flood risks caused by dam breaches in the oilfield area. The exercise mobilised approximately 40 personnel and 15 specialised vehicles and equipment, with a focus on testing emergency command, coordination, and on-site response capabilities.

Throughout the exercise, participants demonstrated rapid and efficient organisational and response skills. Their performance was highly commended by on-site observers, who provided positive evaluations of the exercise's effectiveness.



Case Study: Occupational Safety Training Programmes

During the Reporting Period, KBM conducted multiple training activities focused on safety and labour protection, including the Safety and Labour Protection Training Course and the Occupational Safety Enhancement and Management Training for Production Accident Prevention, aimed at continuously strengthening employees' safety awareness and risk prevention capabilities.

The Safety and Labour Protection Training Course targeted supervisors in petroleum production workshops. Spanning three days, the course attracted over 20 professionals from relevant fields. Training content covered key topics such as corporate safety standards, safety culture development, and critical management principles, further consolidating participants' professional knowledge and practical skills in occupational safety and labour protection.

Additionally, the Occupational Safety Enhancement and Management Training for Production Accident Prevention aimed to reduce production accident risks and engaged over 600 employees. Through systematic training, participants enhanced their understanding of safety management requirements, supporting the effective implementation of a safety culture across operational levels.



Fire Drills

KBM is committed to establishing a comprehensive joint emergency response system and coordinates large-scale annual emergency drills across all functional departments. These exercises simulate extreme scenarios, such as fires on oil tank tops, to test the efficiency of inter-unit emergency coordination and the technical performance of critical facilities and equipment, thereby creating a robust safeguard for oilfield safety and employee well-being.

In addition, to address seasonal risks during autumn and winter, KBM conducts specialised comprehensive emergency drills involving all personnel from workshops, firefighting teams, medical services, catering, security, and external transportation providers. Through such cross-organisational and multi-disciplinary exercises, the Group strengthens the overall supply chain's capacity to respond to emergencies, ensuring rapid activation of rescue procedures in any scenario while minimising the impact of incidents.

Beijing Office

To strengthen the institutional safeguards for employee safety and health, Beijing Office strictly complies with occupational safety and health-related laws and regulations. The Safety Production Department has also implemented the "CITIC Resources Occupational Health and Safety Management System", aiming to achieve a scientific and systematic approach to production safety management. 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.

Building on this foundation, the Safety Production Department has further advanced the development of CITIC Resources' HSE management system, ensuring that the Company's environmental, health, and safety practices are fully aligned with national and industry laws and regulations, occupational health and safety management systems, environmental management systems, and standards for production safety standardisation. The system clearly defines the Company's HSE policies and objectives, specifies the management framework, scope, processes, and requirements, and references relevant system documents. It serves both as an internal management guideline and as an external demonstration of the Company's commitment to environmental and safety management. Additionally, it provides a basis for audits and evaluations under production safety standardisation. During the Reporting Period, following expert review and training, the HSE management system was officially implemented, providing institutional safeguards for production safety and environmental management, and promoting the coordinated development of environmental, health, and safety practices across operational activities.

Integrity in Business

CITIC Resources upholds business ethics, treating anti-corruption and integrity as fundamental principles of corporate operations, and strictly prohibits all forms of corruption, bribery, and fraud. In addition to fully complying with anti-corruption and anti-bribery laws and regulations in its operating jurisdictions, the Group has established an anti-corruption and anti-commercial bribery management system that exceeds legal requirements. Through the implementation of the "CITIC Resources Holdings Limited Anti-Fraud and Anti-Corruption Policy", the Group clearly defines standard procedures for preventing, identifying, reporting, and investigating various forms of fraud, money laundering, and regulatory violations.

To ensure effective implementation of these policies, the Group adopts a multi-level management approach, including the establishment of a rigorous internal audit mechanism, ongoing compliance training for employees and contractors, and regular updates to the Code of Conduct within the "Employee Handbook". These measures ensure that the compliance management system remains current and continuously enhances the Group's corporate governance standards.

The Group continues to enhance its integrity governance framework and has issued the "CITIC Resources Holdings Limited Regulations for Ethical Conduct of Expatriate Employees (Trial)", further clarifying standards of ethical conduct and compliance requirements. At the same time, a comprehensive reporting and whistleblower protection mechanism has been established, allowing employees and business partners to confidentially and anonymously report misconduct directly to the Audit Committee. The "Employee Handbook" has also been updated to include reporting channels and handling procedures that allow employees to raise work-related concerns through multiple channels, including department supervisors, the Human Resources Department, and management, ensuring fair handling and appropriate follow-up. All complaints are treated with strict confidentiality, and any form of retaliation, intimidation, or misconduct is strictly prohibited and subject to disciplinary action in accordance with company procedures to ensure timely and effective resolution of reported cases. In the future, the Group will continue to enhance its whistleblowing mechanism and consider engaging independent third-party providers to establish a multilingual, 24/7 anonymous reporting channel with real-time responsiveness, in order to improve fairness and timeliness.

In terms of compliance awareness training, the Group incorporates anti-corruption requirements into the onboarding programme for new employees and regularly distributes awareness materials to all directors and staff, continuously reinforcing a culture of integrity and compliance. During the Reporting Period, neither the Group nor its employees were involved in any concluded corruption-related litigation, and all relevant personnel have completed anti-corruption training.

Tincy Group – Yuedong Oilfield

Anti-Corruption Training

Tincy Group is committed to establishing a multi-layered, systematic integrity risk protection framework, embedding ethical business practices at the core of corporate governance through the implementation of “Integrity Risk Prevention and Control Measures” and a tiered accountability system. The framework classifies integrity risks into Levels A, B, and C, applying a “graded management, graded supervision, graded responsibility” approach, with key leaders personally overseeing implementation to ensure timely and precise risk mitigation. For potential misconduct such as bribery, extortion, fraud, and money laundering, the Group has developed a robust early-warning and prevention system to foster a transparent and fair business environment.

In terms of oversight and reporting channels, Tincy Group actively leverages collective monitoring by establishing physical suggestion boxes and dedicated reporting channels, supported by full-time discipline inspection officers responsible for handling reported cases. During the Reporting Period, no misconduct by personnel was identified, and no related reports were received.

Regarding awareness and conduct guidance, Tincy Group employs diverse anti-corruption training methods, including legal seminars and warning videos, to strengthen employees’ commitment to integrity and anti-corruption. The disciplinary inspection mechanism focuses on key periods and critical matters, issuing integrity reminders via social media ahead of major festivals, and strictly regulating personal affairs of management, including ceremonial events and business dealings involving relatives. These measures proactively prevent conflicts of interest at the source and ensure that corporate operations adhere to high ethical standards.

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. The following outlines Tincy Group’s anti-corruption management requirements:

	Meeting Review and Personnel Arrangements	Meetings with bidders must be formally authorised and approved in advance, and are strictly limited to office hours and designated venues. At least two commercial and technical bid evaluation personnel must be present at all such meetings.
	Process Monitoring and Record Retention	The bid opening and negotiation processes must be fully audio- and video-recorded. All related electronic records shall be properly retained for inspection and audit purposes.
	Code of Conduct and Contact Restrictions	Unauthorised contact with bidders in relation to the tender process is strictly prohibited, including any engagement outside office hours or at non-designated locations.

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.

CITIC Seram strictly adheres to its “Procurement Guidelines” and requires members of the Procurement Committee and relevant personnel to sign integrity declarations. In their daily operations, all personnel are required to comply with the Code of Conduct, maintain independence and impartiality, and avoid any conflicts of interest, in order to safeguard the Company’s reputation. In parallel, CITIC Seram explicitly incorporates provisions on gifts and hospitality, the CITIC Seram Code of Conduct, and compliance with anti-corruption laws and regulations into contracts signed with suppliers. These measures serve to remind suppliers to comply with relevant requirements, mitigate potential risks, and ensure integrity and transparency across the supply chain.

CITIC Seram 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 strengthen its compliance management framework and is committed to establishing a long-term risk control mechanism. The KBM Management Committee has formally approved and promulgated the “Anti-corruption Regulations of Karazhanbas Petroleum Co., Ltd”. These regulations strictly align with the anti-corruption laws and regulations of Kazakhstan as well as the Company’s Articles of Association, and are intended to standardise the conduct of all employees and business units in their interactions with government authorities and external enterprises. By implementing a zero-tolerance approach to corruption, KBM actively upholds an open and integrity-driven corporate image.

To ensure clear delineation of authority and responsibility, KBM has established and continuously refined departmental Business Process Passports and Cross-Departmental Collaboration Procedures, clearly defining the scope of responsibilities, rights, and obligations of each functional unit. This mechanism effectively strengthens compliance oversight across key areas such as procurement, sales, taxation, and legal affairs, thereby preventing potential risks of commercial crimes, including bribery, extortion, fraud, and money laundering, at the source.

In addition, KBM has established a dedicated compliance hotline to ensure accessible and effective reporting channels. KBM encourages all employees and stakeholders to report any suspected illegal or non-compliant conduct, either on a named or anonymous basis, in order to promote transparent governance and enable the timely identification and management of compliance risks.

Case Study: Anti-Corruption Thematic Meeting

During the Reporting Period, KBM convened a thematic meeting with representatives from the Mangystau Regional Department of the Anti-Corruption Agency of Kazakhstan. Participants included the Company’s management, heads of various departments, representatives from the compliance department of the National Oil and Gas Company of Kazakhstan, as well as compliance personnel from local petroleum enterprises.



During the meeting, participants engaged in in-depth discussions on the critical role of compliance functions within state-owned enterprises, their importance in strengthening corporate culture, and practical measures for corruption prevention. Representatives from the Anti-Corruption Agency also introduced relevant anti-corruption standards and compliance requirements, and provided professional insights on emerging compliance risks and corresponding mitigation strategies.

Beijing Office

Beijing Office upholds the highest standards of corporate integrity and adheres to a zero-tolerance approach to corruption, committed to establishing a robust integrity management system and anti-corruption mechanisms. To embed compliance awareness into the corporate culture, the office has implemented a series of key preventive education initiatives:



Regularly convene anti-corruption thematic meetings and reinforce employees’ integrity awareness through case-based learning, including viewing warning and educational videos and on-site training at anti-corruption education centres.



Strictly implement pre-appointment collective integrity briefings, providing targeted compliance guidance for key positions.

Through these initiatives, the office has effectively strengthened daily supervision and institutional mechanisms, advancing anti-corruption efforts toward a more systematic and routine practice, thereby laying a solid foundation for a clean and efficient operational environment.

CRA

CRA strictly complies with all laws and regulations related to anti-corruption and anti-bribery, and continues to advance corporate integrity governance.

During the Reporting Period, CRA carried out multiple anti-bribery, anti-extortion, and anti-corruption awareness activities, while rigorously enforcing financial work standards and maintaining comprehensive oversight of management and employee conduct. Special financial audits were conducted on several occasions, and internal audits by CITIC Resources were completed, with no corruption or compliance violations identified throughout the year.

To further strengthen employees’ integrity awareness and business ethics, CRA organized internal audit and business ethics and integrity training in August 2025, with a total of 14 employees participating, ensuring all staff understand and adhere to CRA’s anti-corruption policies and Code of Conduct.

In addition, CRA has established a dedicated whistleblower management system to provide effective protection and safeguard the legal rights of whistleblowers. During the Reporting Period, no whistleblowing incidents were reported, demonstrating the Company’s effective execution of integrity governance and risk control measures.

Supply Chain and Product Quality Management

Guided by the principle of “Growing Together, Advancing Together,” CITIC Resources regards suppliers and contractors as strategic partners in promoting sustainable development. The Group requires all partners to strictly comply with local laws and regulations and to establish comprehensive product quality management systems. Through close collaboration with suppliers and contractors, we integrate environmental and social sustainability objectives into operational processes.

During the Reporting Period, the Group maintained an excellent quality record, with no complaints received regarding products or services. Looking ahead, we will continue to deepen strategic collaboration with suppliers and contractors to ensure the consistent delivery of high-standard products and services while upholding sustainable development principles.

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. During the Reporting Period, 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.

Privacy Protection Policy



The Group places a high priority on the protection of customer information and personal data, and requires relevant parties to enter into confidentiality agreements. Unless prior written consent is obtained from both parties, no related data or information may be disclosed to any third party, so as to ensure the security of customer information and personal data. To align with international standards, the Group is committed to maintaining robust cybersecurity and information security management across all operating units. It also considers adopting measures such as data classification and threat simulation technologies to safeguard critical assets against cyber threats. Meanwhile, the Group continuously strengthens its cybersecurity controls through ongoing assessments and testing, and considers engaging independent third-party professionals to conduct cybersecurity evaluations. The relevant reports will be submitted annually to the Risk Committee for review. During the Reporting Period, the Group did not identify any material third-party information security breaches.

Supply Chain Management

CITIC Resources is committed to implementing responsible supply chain management, with a focus on key areas such as environmental performance, procurement practices, labor rights, and occupational health and safety. The Group strictly enforces environmental and social risk controls across its supply chain, requiring all partners to comply with local laws and regulations and to consider their environmental and social performance as a priority in collaboration decisions. During the selection phase, the Group conducts multi-dimensional assessments of suppliers, including:

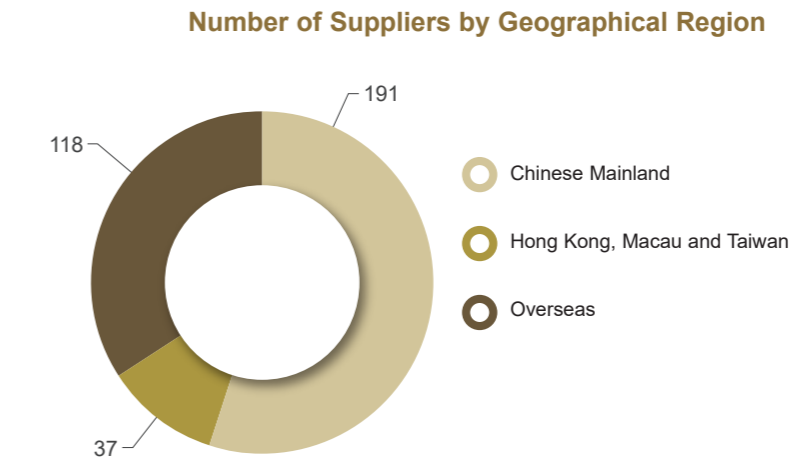
	Environmental Friendliness	Priority is given to suppliers offering low-carbon or environmentally friendly products;
	System Certifications	Verification of relevant professional certifications, including ISO 14001 Environmental Management, quality management, and occupational health and safety certifications;
	Compliance Record	Review of past non-compliance records to ensure partners demonstrate a high level of integrity; and
	Document Management	Systematic retention of supporting documents, such as ISO certificates, to ensure ongoing monitoring and effective implementation of practices.

Supply Chain Overview

	Contractors	Due to the nature of oilfield operations, contractor employees are required to work alongside the Group's personnel at multiple operational locations. Given that contractors face the same health and safety risks as the Group's employees, both parties are required to adhere to the same HSE management system and are entitled to the same safety protection measures.
	Suppliers	Suppliers are only responsible for providing services, materials, and equipment and do not participate in the direct operations of the Group's oilfields.

During the Reporting Period, the Group's suppliers and contractors covered various regions, among which we have implemented compliance assessments or required self-declarations from 184 suppliers (2024: 140).

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



Quality Management

CITIC Resources regards excellence in quality management as a cornerstone of its business operations. The Group strictly adheres to applicable laws and regulations and is committed to ensuring product safety and positive consumer impact through the optimization of management systems, the enhancement of standardized procedures, and the cultivation of a "Quality First" corporate culture.



Defect Response and Recall Mechanism

In the event of any product quality defects, products must be promptly recalled and centrally managed, followed by a thorough technical and process analysis to identify the root cause of non-compliance.



Customized Solutions and Customer Protection

Compensation plans, including full refunds or product replacements, are formulated based on the specific situation to ensure maximum protection of customer rights.

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.

Tincy Group – Yuedong Oilfield

Supplier and Contractor Management

Tincy Group regards product quality as a core commitment and fully integrates sustainable development principles into its supply chain governance. The Group continuously improves its “Procurement Procedures”, standardizing and enhancing the entire process, including procurement strategy, supplier management, tendering, acceptance and payment, and document management. Through strict implementation of the “Tincy Group Energy Resources Limited Procurement Management Measures”, the Group ensures that its supply chain operations maintain a high level of transparency and compliance.

Tincy Group has established a comprehensive supplier onboarding and assessment mechanism to ensure that all partners align with the Group’s core values:

	Environmental, Social, and Corporate Governance Assessment	Core assessment indicators include integrity, business ethics, anti-corruption performance, employee rights, and community engagement.
	Certification Review	Verification of suppliers’ attainment of international standards such as ISO 9001 (Quality), ISO 14001 (Environment), and ISO 18001 (Occupational Health and Safety).
	Safety and Environmental Supervision	Suppliers are required to strictly comply with the “Safety Production Management Agreement for Non-coal Mine Outsourcing Project” and HSE provisions. The Group implements end-to-end safety and environmental supervision of contractors in accordance with national safety and environmental regulations.
	Integrity Enforcement Mechanism	Key suppliers are required to sign the “Letter of Commitment to Integrity”, complemented by a supplier blacklist system to enforce strict risk control.

As of the end of the Reporting Period, Tincy Group engaged a total of 184 suppliers and engineering contractors. Among them, all partners have fully adopted and implemented the aforementioned supplier management measures, demonstrating the Group’s tangible achievements in advancing a responsible supply chain.

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.

Case Study: Water Blocking Technology Research

Tincy Group focuses on water-blocking technologies for oil wells, developing coordinated reservoir water control and overall stable oil-water management solutions. The Group has refined methods including segmental water injection control combining chemical and mechanical plugging, water-blocking and viscosity-reducing enhanced oil recovery formulations, and a novel dual-packer approach for upper-lift and lower-water blocking. The Company continuously optimizes its water-blocking systems, chemical formulations, and segmental plug volumes to significantly enhance water control effectiveness.

Based on drilling, completion, and trial production data from 20 wells in Hainan, Tincy Group continuously improves its development plans and conducts multiple technical studies, including feasibility analysis of chemical EOR, chemical water blocking in conglomerate reservoirs, and microbial throughput enhancement for ultra-high water-cut wells. These efforts identify technically feasible and economically viable solutions to increase production, providing long-term support for stable oilfield production and improved recovery rates.

Case Study: Acquisition of a Utility Model Patent

During the Reporting Period, Tincy Group continued to advance its technological research, focusing on extending the effective lifespan of sand-control technologies to ensure stable oil well operations. At the same time, the Group successfully obtained a utility model patent, demonstrating its ongoing commitment to technological innovation and the enhancement of production safety.



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

Tincy Group upholds the core mission of “creating value for customers” and regards product quality as the lifeline of corporate development. To ensure the fairness and accuracy of product specifications, the Group commissions China Certification & Inspection Group Co., Ltd. (CCIC) to conduct finished crude oil inspections, based on 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).

In addition, Tincy Group is committed to safeguarding the shared interests of both its customers and the Company. With respect to inspection sampling and loading operations at terminal stations, the Group has implemented the following stringent management measures:

	On-site HSE Supervision	In accordance with HSE requirements, full-process supervision is implemented for all parties entering the terminal stations to ensure operational safety and regulatory compliance.
	Multiple Parallel Sampling Mechanism	For each oil tank inspection, sampling is conducted by CCIC, with four sets of parallel samples sealed. This mechanism ensures that the terminal laboratory, CCIC laboratory, and SGS laboratory test identical samples. The remaining set is properly retained by the terminal station for record-keeping and serves as physical evidence for potential complaint handling.
	High-Precision Deviation Verification	It is clearly stipulated that the deviation in water content test results between CCIC and SGS shall not exceed $\pm 0.2\%$ (two per thousand). If the deviation exceeds this threshold, oil loading operations must be suspended immediately and re-testing conducted, thereby preventing quality disputes at the source and effectively safeguarding the interests of both transaction parties.

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

CITIC Seram regards product quality excellence as a core operating principle and has established a comprehensive quality assurance system built on three key pillars: people empowerment, data-driven management, and compliant handling. In terms of talent development, the Company provides regular professional training to employees to strengthen quality awareness and environmental responsibility, ensuring that production activities are aligned with sustainable development objectives. In operational practice, CITIC Seram implements real-time monitoring of key quality parameters and applies big data analytics to assess potential risks that may affect product quality. This approach enables the identification of management bottlenecks and supports continuous improvement. With respect to the handling of non-conforming products, CITIC Seram has established stringent product recall procedures. Upon identification of products that fail to meet required standards, the Company will initiate recall mechanisms in strict compliance with applicable laws and regulations of the operating locations as well as customer requirements, thereby ensuring that all products and services delivered consistently meet the highest compliance standards.

KBM — Karazhanbas Oilfield

Supplier and Contractor Management

KBM regards the compliance management of suppliers and contractors as a core element in building a sustainable supply chain and is committed to ensuring that its business partners strictly comply with applicable environmental, health and safety laws and regulations throughout their entire operational processes. 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 is committed to driving capacity optimisation and quality enhancement through technological innovation and has formally established a Technology Management Committee to oversee and formulate the medium- to long-term development plans for its oilfields. As the core structure for technical decision-making, the Committee aims to closely benchmark against industry best practices and proactively introduce advanced production technologies and innovative processes, thereby ensuring that product quality consistently meets high standards.

CRA

Supplier and Contractor Management

CRA strictly complies with all applicable anti-unfair competition and anti-monopoly laws and regulations and has established internal controls to prevent unfair practices. These measures include obtaining three quotations during procurement processes to ensure that procurement activities are conducted in an open, fair and transparent manner.

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

CITIC Resources adheres to the core principle of “coexisting with communities and growing together with society” and integrates social responsibility deeply into its long-term corporate development strategy.

The Group recognises that its oilfield operations are closely linked to local economic development, employment and community well-being. Accordingly, it is committed to implementing localisation strategies for its assets, proactively integrating into local cultures and establishing regular communication mechanisms to accurately respond to community needs. Through sustained investment in infrastructure development, social welfare, and healthcare, as well as the active organisation of various community engagement and charitable activities, the Group seeks to share the fruits of development with stakeholders and achieve mutual benefits for both the Company and society. At the same time, the Group regards compliant operations as the baseline for fulfilling its social responsibilities. It strictly adheres to and keeps pace with updates to applicable laws and regulations in its operating locations, ensuring that all business segments advance community development and sustainable development on a solid foundation of high compliance.

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

Tincy Group – Yuedong Oilfield

Tincy Group upholds the principle of “taking from society and giving back to society”, recognising the symbiotic relationship between corporate development and local communities, and is committed to transforming its operational activities into a driving force for local contributions. The Group has actively implemented a tiered localisation procurement strategy. For production and daily-use materials, priority is given to suppliers in the Liaohe oilfield and surrounding areas. For large-scale equipment and technical services with high technological requirements, procurement is strategically sourced from the Shengli oilfield or other well-established regions within China. In addition, major engineering works and technical services are carried out in collaboration with the CNOOC system and leading domestic marine engineering and port construction enterprises. This procurement policy not only provides targeted support to the development of local processing, technical services and logistics value chains, but also effectively reduces transportation costs by shortening supply chain routes and lowers the carbon footprint associated with logistics activities. As a result, the Group achieves a win-win outcome between local economic prosperity and environmental sustainability.

Case Study: Public Welfare Course on the Marine Economy at the National Maritime Museum

During the Reporting Period, Tincy Group, in collaboration with various government bodies and corporate partners, organised public welfare courses on marine economy themes for the general public at the National Maritime Museum.

During the activities, employees of Tincy Group drew on their industry experience to provide a systematic introduction to key sectors with high value-added contributions to the marine economy, including marine fisheries, offshore oil and gas, maritime transportation, and marine tourism. Sharing and exchanges were also conducted on topics such as the rational development of marine resources, energy security, and the coordinated development of marine industries. In addition, forward-looking perspectives were presented on the development of a high-quality “blue granary” and the promotion of the sustainable development of the marine economy.



Case Study: Visiting Shaling Beizheng School in Panshan County

Shaling Beizheng School in Panshan County hosted a marine science and technology lecture under the theme “Strategic Development of the Ocean.” Liu Wenzhou, an employee of Tincy Group Energy Resources Limited, and a member of the Doctoral Expert Workstation of the Jiusan Society Panshan Municipal Committee, used a model of an offshore drilling platform to systematically explain to students the basic principles and application scenarios of marine energy development.

The lecture focused on the development, utilisation, and protection of marine resources, highlighting the diversity of marine resources and the critical role of marine technology in expanding the “blue territory” and ensuring energy supply. Through intuitive model demonstrations, students gained a deeper understanding of the structural functions, operational processes, and safety concepts of offshore oil platforms. The session featured lively interactions, effectively stimulating young people’s interest in learning about marine science and technology.



CITIC Seram — Seram block

CITIC Seram is committed to fostering a symbiotic relationship between the Company and local communities and upholds a long-term strategic commitment to community development. Through the establishment of regular communication mechanisms, the Company ensures effective feedback and engagement. CITIC Seram conducts periodic on-site visits to grassroots areas and convenes stakeholder meetings with local residents, proactively incorporating community needs and suggestions to ensure that social investments are closely aligned with tangible livelihood priorities, thereby promoting community inclusion and harmonious operations. CITIC Seram also actively supports rural revitalisation, particularly in villages adjacent to its operating areas. Due to their relatively remote locations, these villages often face challenges in economic development and infrastructure.

In promoting local economic development and employment, CITIC Seram's operations effectively stimulate regional economic activity and generate a substantial number of job opportunities. Currently, approximately 90% of the Company's employees are sourced from local communities, demonstrating its commitment to supporting local employment and developing regional human capital, while providing the community with stable income sources and long-term development momentum.

Beyond its economic contributions, CITIC Seram actively participates in enhancing the overall well-being of surrounding communities by implementing community empowerment initiatives across multiple areas, including education, healthcare, infrastructure, and environmental protection, thereby addressing the practical needs of different groups. The Company has established medical and health facilities that, in addition to serving employees, are also open to local residents, providing support for patients and accident victims and delivering timely and tangible medical assistance to the community.

In addition, CITIC Seram collaborates with local government agencies, including SKK Migas, to participate in disaster management initiatives at both local and national levels. These activities are incorporated into the annual budget and form part of the Company's long-term standard planning. Simultaneously, CITIC Seram supports diverse community development projects across education, healthcare, sports, and infrastructure, including the provision of essential supplies to social institutions such as orphanages. All related initiatives are implemented under the supervision of SKK Migas to ensure the effective use of resources and the tangible enhancement 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

KBM is committed to fulfilling its corporate social responsibility by deeply integrating social welfare into its annual business strategy, systematically formulating charitable donation and community development plans each year. Through dedicated budgeting, KBM allocates resources precisely to support vulnerable groups and extends its social initiatives across multiple areas, including education, sports, culture, and healthcare, comprehensively supporting the full life-cycle development of local communities. In its active participation in local economic development, KBM not only focuses on contributions to industrial output but also proactively upholds its social contract. Through material donations, infrastructure empowerment, and the preservation of cultural values, the Company strives to build close ties with local communities, achieving synchronized growth between corporate development and regional well-being.

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: Organising Summer Camp Activities

On May 28, 2025, KBM, following its established practice, organised a summer camp for employees' children. During the five-day programme, the first group of over 200 children participated in a variety of engaging and diverse activities, enjoying a fulfilling and enjoyable holiday alongside their peers.

The holiday programme provided by KBM for children aged 7 to 14 is not limited to this initial session. Within the year, KBM plans to hold two summer camp sessions, benefiting over 2,000 children in total, offering safe, enjoyable, and educational holiday experiences.

Each year, KBM carefully designs children's summer activities with a focus on safety and learning through play, reflecting the Company's care for its employees and their families, and demonstrating its commitment to fulfilling social responsibility and supporting community development.



Case Study: Volunteer Activities

During the Reporting Period, as part of the “Clean Kazakhstan” campaign, KBM organised employees to carry out environmental cleanup activities in Aktau City and surrounding areas.

Environmental protection has consistently been one of KBM’s core focus areas. Such initiatives not only enhance employees’ environmental awareness and team cohesion but also contribute to the development of ecological culture at the societal level. KBM will continue to support and participate in social and ecological projects aimed at protecting the natural environment, actively fulfilling its corporate environmental responsibilities and promoting sustainable development.



Case Study: Ten-Year Charitable Activities for Nauryz Festival

KBM employees participated in a decade-long charitable initiative during the Nauryz Festival, providing “Ramadan gift baskets” to vulnerable groups, large families, and persons with disabilities, demonstrating tangible care for those in need within the community.

Under the advocacy of the President of Kazakhstan, since 2024, related charitable activities have been continuously held during the Nauryz Festival, combining the promotion of cultural traditions, national costume displays, sports activities, and environmental initiatives to further strengthen social cohesion and sustainable development. Through active participation in these activities, KBM continues to fulfil its corporate social responsibility and support the long-term development of local communities.



Case Study: Preparing Festive Meals for an Orphanage

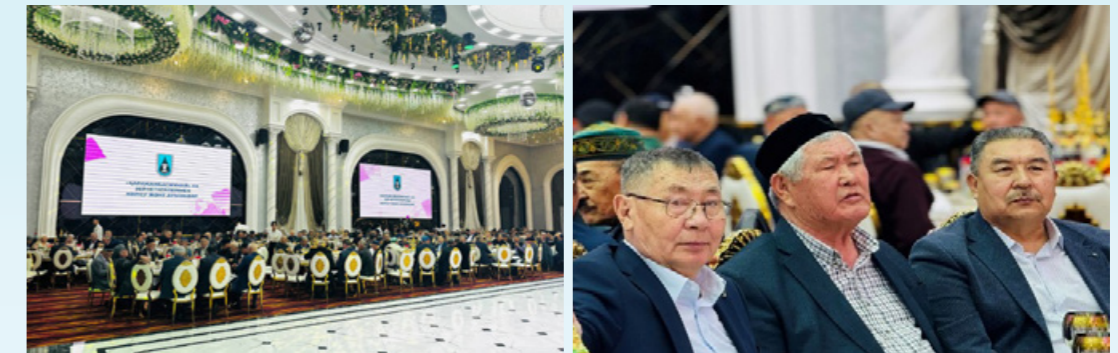
On June 1, 2025, International Children’s Day, KBM employees on site prepared a lavish festive meal for children at a local orphanage, creating a warm and caring holiday atmosphere.

Over the long term, KBM oilfield workers have consistently supported the development of local orphanages by providing material assistance and care services, demonstrating KBM’s concern for vulnerable groups and its commitment to fulfilling corporate social responsibility.



Case Study: Ramadan Care Activities for Retired Employees

On March 17, 2025, during the Ramadan period, KBM hosted an Iftar dinner for the Company’s retired employees. Held on the eve of the national holiday, the event brought together the Company’s management and retired staff, providing an opportunity to convey sincere greetings and best wishes.



Appendix 1

Material Laws and Regulations Complied with by the Group during the Reporting Period

Laws and Regulations corresponding to the aspects of the ESG Reporting Code 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		
<p>China</p> <p>Environmental Protection Law of the People's Republic of China</p> <p>Environmental Protection Tax Law of the People's Republic of China</p> <p>Atmospheric Pollution Prevention and Control Law of the People's Republic of China</p> <p>Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes</p> <p>Marine Environmental Protection Law of the People's Republic of China</p> <p>Emergency Response Law of the People's Republic of China</p> <p>Standard for Fugitive Emission of Volatile Organic Compounds</p> <p>Regulation on the Administration of Permitting of Pollutant Discharges</p> <p>National Directory of Hazardous Wastes</p> <p>Indonesia</p> <p>Environmental Protection and Management Law of the Republic of Indonesia</p> <p>Waste Management Law of the Public of Indonesia</p> <p>Forestry Act of the Republic of Indonesia</p> <p>Kazakhstan</p> <p>Environmental Code of the Republic of Kazakhstan</p> <p>Land Code of the Republic of Kazakhstan</p> <p>Forest Code of the Republic of Kazakhstan</p> <p>The Water Code of the Republic of Kazakhstan</p>	<p>Tincy Group</p> <p>"Hazard Identification and Risk Assessment Control Procedures"^{**A3}</p> <p>"Accidents and Incident Handling Control Procedures"^{**A3, B2}</p> <p>"Comprehensive and Special Emergency Response Plans"^{**A3, B2}</p> <p>"Emergency Plans for Emergent Environmental Incidents at the Onshore Terminal Processing Station"^{**A3}</p> <p>"Hazardous Waste Management Handbook"</p> <p>"Hazardous Waste Management System"</p> <p>CITIC Seram</p> <p>"Environmental Management"</p> <p>"Incident Reporting and Investigation"^{**B2}</p> <p>"HSE Policy"^{**B2}</p> <p>KBM</p> <p>"Environmental Monitoring and Control System"</p> <p>"Annual Environmental Protection Work Plan"</p> <p>"Production Environmental Management Plan"</p> <p>"Emergency Plans"^{**B2}</p> <p>"Accident Reporting Procedure and Crisis Management Code"^{**B2}</p>	<p>During the Reporting Period, the Group complied with relevant laws and regulations relating to the Group's air emissions and GHG emissions, discharges into 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 in accordance with the law.</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>

Notes:

1. Certain laws cover several topics regulated in the "Aspects"; these laws are marked with an asterisk and codes of the 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 written in Indonesian.
2. Particular policies and regulations cover several topics provided in the "Aspects"; these policies and regulations are marked with an asterisk and codes of the aspects being covered. Some policies are derived from the CITIC group; these policies and regulations are marked with a hash.

Laws and Regulations corresponding to the aspects of the ESG Reporting Code 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	<p>Tincy Group</p> <p>"Regulations on Power Saving Management"^{**A4}</p> <p>"Implementation Rules of Power-Saving Project Management Team"^{**A4}</p> <p>"Sewage Treatment and Discharge Management Regulations"</p> <p>"Domestic Sewage Treatment Plant Management Regulations"</p> <p>"Regulations on the Management of Vessel Island Shuttle"</p> <p>CITIC Seram</p> <p>"Management of Changes"</p> <p>KBM</p> <p>"Associated Gas Application Plan"</p> <p>"Wastewater Resource Utilization Plan"</p>	Not Applicable
Aspect A3: The Environment and Natural Resources		
<p>China</p> <p>Environmental Protection Law of the People's Republic of China</p> <p>Marine Environment Protection Law of the People's Republic of China</p> <p>Indonesia</p> <p>Indonesia Water Resources Law</p> <p>Indonesian Law on the Protection of Living Natural Resources and Their Ecosystems</p> <p>Indonesia's Licensing for Borrowing and Using Natural Resources</p> <p>Indonesia's Regulations on the Use of Natural Gases to Generate Electricity</p>	<p>Tincy Group</p> <p>"Hazard Identification and Risk Assessment Control Procedures"</p> <p>"Preparation Plan for Abandonment of Offshore Oil and Gas Production Facilities in Yuedong Block of Hainan Yuedong Cooperation Zone"</p> <p>"Special Contingency Plan for Oil Transportation Pipeline Rupture Emergency"</p> <p>"Management Document for the Completeness of Operation Stage of Tincy"</p> <p>CITIC Seram</p> <p>"Afforestation Program"</p> <p>KBM</p> <p>"Annual Oil Well Holes Inspection Plan"</p> <p>"Annual Valves and Process Pipelines Inspection Plan"</p> <p>"Annual Process Equipment Flaw Detection and Inspection Plan"</p> <p>"Annual Crude Oil Processing and Processing Workshops"</p> <p>"Regulations on Temporary Stacking, Storage, Counting, and Clearance of Production Waste at KBM Oilfield"</p>	Not Applicable
Aspect A4: Climate Change		
Not Applicable	<p>CITIC Resources</p> <p>"CITIC Resources Holdings Limited Comprehensive Risk Management Measures"</p> <p>Tincy Group</p> <p>"Power Saving Management Regulations"</p> <p>"Implementation Rules of Power-Saving Project Management Team"</p> <p>CITIC Seram</p> <p>"Afforestation Program"</p> <p>KBM</p> <p>"Environmental Monitoring and Control System"</p> <p>"Annual Environmental Protection Work Plan"</p> <p>"Production Environmental Management Plan"</p>	Not Applicable

Laws and Regulations corresponding to the aspects of the ESG Reporting Code ¹	The Group's major policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ²	Performance
B. Society		
Aspect B1: Employment		
<p>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 "Measures of the State Council on the Progressive Delay of the Statutory Retirement Age" Indonesia Concerning Manpower Law of the Republic of Indonesia^{*B4} Concerning Trade Union/Labor Union Law of the Republic of Indonesia Kazakhstan Labor Code of the Republic of Kazakhstan^{*B4}</p>	<p>CITIC Resources Share Option Scheme Contribution Contributory Retirement Benefit Plan "Employee Handbook" "Guidelines on Business Travel Reimbursement Procedures" "Regulation for Managing Office Items" "Management Measures for Employee Holiday Compensation" "CITIC Resources Recruitment and Employment Management Measures" Tincy Group "Tincy Group Management Manual"^{*B4} Social Security and Pension Scheme CITIC Seram "Company Policy"^{*B3, B4, B8} KBM "2022-2027 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" CRA "Guidelines on Business Travel Reimbursement Procedures" "CITIC Resources Australia Pty Ltd Implementation Rules for the Entitlements and Business Expenses of Senior Management"</p>	<p>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.</p>
Aspect B2: Health and Safety		
<p>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 the Administration of Outsourcing Non-Coal Mining Project Safety Indonesia Occupational Safety and Health Law of the Republic of Indonesia Kazakhstan Kazakhstan Occupational Safety and Health Regulations</p>	<p>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"</p>	<p>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.</p>
Aspect B3: Development and Training		
<p>Not Applicable</p>	<p>CITIC Resources "Employee Training and Development Policy" Tincy Group "Annual Employee Training Plan" KBM "Annual Employee Training Plan"</p>	<p>Not Applicable</p>

Laws and Regulations corresponding to the aspects of the ESG Reporting Code ¹	The Group's major policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ²	Performance
Aspect B4: Labor Standards		
<p>China Law of the People's Republic of China on the Safeguarding of 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 for Men and Women</p>	<p>KBM KBM clearly defined the welfare policies for female employees on maternity leave and child-rearing in the "2022-2027 Collective Contract with Employees"</p>	<p>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.</p>
Aspect B5: Supply Chain Management		
<p>Not Applicable</p>	<p>Tincy Group "Construction Safety and Production Management Agreement" CITIC Seram "HSE Management of Contract Services" KBM "Safety, Labor and Environmental Protection Requirements"</p>	<p>Not Applicable</p>
Aspect B6: Product Responsibility Tincy Group		
<p>Mainland Civil Code of the People's Republic of 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 Anti-Unfair Competition Law of the People's Republic of China^{*B7} Indonesia Indonesia Supply Chain Management On Trademarks and Geographical Indications Law of the Republic of Indonesia Kazakhstan Kazakhstan Personal Information Protection Law Kazakhstan Trademarks, Service Marks and Appellations of Origin Kazakhstan Oil General Technical Specifications</p>	<p>Tincy Group Tincy Group fulfills its confidentiality obligations in accordance with the terms of the contract with its customers regarding 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"</p>	<p>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 operating locations and customer requirements, and there were no incidents of product recall that had a significant impact on the Group.</p>

Laws and Regulations corresponding to the aspects of the ESG Reporting Code ¹	The Group's major policies and regulations to ensure compliance with applicable laws and regulations corresponding to the aspects ²	Performance
Aspect B7: Anti-corruption		
<p>China Criminal Law of the People's Republic of China Anti-Money Laundering Law of the People's Republic of China</p> <p>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 Eradication of the Criminal Act of Bribery Law of the Republic of Indonesia New Criminal Code of Indonesia</p> <p>Kazakhstan Kazakhstan Anti-Corruption Regulations</p>	<p>CITIC Resources "CITIC Resources Holdings Limited Regulations for Ethical Conduct of Expatriate Employees (Trial)" "Implementation Rules for the Integrity Conversation System for Overseas Personnel of CITIC Group"</p> <p>Tincy Group "Implementation Measures for Disciplinary Inspection and Reporting of CITIC Group" "CITIC Group's Implementation Opinions on the Clue Management of Discipline Inspection and Supervision"</p> <p>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.</p> <p>KBM "Internal Communication Plan" Whistle-blowing System</p>	<p>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 lawsuits relating to internal employees involved in bribery, extortion, and money laundering.</p>
Aspect B8: Community Investment		
Not Applicable	<p>CITIC Seram "Annual Community Relations Work Plan" "Community Development Policy and Plan"</p> <p>KBM "Annual Work Plan"</p>	Not Applicable

Appendix 2 Key Performance Indicators

Environmental Aspect

KPI ¹	Unit	2025	2024
Nitrogen Oxides (NO _x)	Tonnes	199.49	129.09
Intensity of NO _x Emissions	Tonnes per barrel of crude oil	5.83 x 10 ⁻⁵	3.56 x 10 ⁻⁵
Sulphur dioxide (SO ₂)	Tonnes	71.95	53.43
Intensity of SO ₂ Emissions	Tonnes per barrel of crude oil	2.10 x 10 ⁻⁵	1.47 x 10 ⁻⁵
Particulate Matter (PM)	Tonnes	22.25	28.32
Intensity of PM Emissions	Tonnes per barrel of crude oil	6.5 x 10 ⁻⁶	7.8 x 10 ⁻⁶

Notes:

- The emissions of air pollutants during the Reporting Period came from the combustion of fuel from stationary sources, road mobile sources and nonroad mobile sources. The standards and calculation methods are mainly based on internal monitoring data and 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.

KPI	Unit	2025	2024
Direct GHG Emissions (Scope 1) ¹			
Total Direct GHG Emission (Scope 1)	Tonnes of CO ₂ e	93,437.19	80,764.70
Emissions from Stationary and Mobile Sources	Tonnes of CO ₂ e	66,539.73	61,778.48
Flaring Emissions	Tonnes of CO ₂ e	26,897.46	18,993.12
Emissions Removal (Scope 1) by Newly Planted Trees	Tonnes of CO ₂ e	/	6.90
Energy Indirect GHG Emissions (Scope 2) ² (Location-based)			
Total Energy Indirect GHG Emissions (Scope 2)	Tonnes of CO ₂ e	38,697.02	34,888.29
Purchased Electricity	Tonnes of CO ₂ e	30,613.55	27,012.77
Purchased Steam	Tonnes of CO ₂ e	8,083.47	7,875.52
Total GHG Emissions			
Total GHG Emission (Scope 1 and Scope 2)	Tonnes of CO ₂ e	132,134.21	115,652.99
Intensity of Total GHG Emission ^{3,4}	Tonnes per barrel of crude oil	0.039	0.032
Other Indirect GHG Emissions (Scope 3) ⁵			
Total Other Indirect GHG Emissions (Scope 3)	Tonnes of CO ₂ e	122.16	Disclosure began in 2025

Notes:

- Scope 1 emissions included direct GHG emissions from the combustion of fuels in stationary and mobile sources. The Emission Factors adopted are based on "Appendix 2: Reporting Guidance on Environmental KPIs" published by the HKEX and guidance from the U.S. Environmental Protection Agency. The Global Warming Potential ("GWP") rates from the IPCC Sixth Assessment Report (AR6).
- Scope 2 emissions included indirect GHG emissions from the consumption of purchased electricity. The emission factor of purchased electricity for Hong Kong-based operations referenced the latest emission intensity published by CLP Power Hong Kong Limited; the emission factor for Chinese Mainland-based operations referenced the Ministry of Ecology and Environment of the People's Republic of China; the emission factor for other operation locations referenced the latest officially published electricity grid emission factors, national greenhouse gas inventory factors, or sustainability reports issued by the relevant governmental authorities, environmental agencies, electricity regulators, or national/state-owned electricity providers of the respective jurisdictions.
- In 2024, the Group has consumed 3,628,030 barrels of crude oil.
- In 2025, the Group has consumed 3,423,548 barrels of crude oil.
- Due to the complexity of Scope 3 emissions and the broad range of categories involved, current disclosure is limited to cover Category 1: Purchased Goods and Services (fresh water processing), Category 5: Waste Generated in Operations (paper waste disposed at landfill) and Category 6: Business Travel (flight) as defined by the GHG Protocol. The emission factors adopted are from the Department for Energy Security and Net Zero of the UK, Hong Kong Water Supplies Department of the Government of the Hong Kong Special Administrative Region, and the Environmental Protection Department and Electrical and Mechanical Services Department of the Government of the Hong Kong Special Administrative Region.

KPI	Unit	2025	2024
Hazardous Waste			
Total Hazardous Waste	Tonnes	14,769.66	6,972.62
Intensity of Total Hazardous Waste	Tonnes per barrel of crude oil	0.0043	0.0020
Generated and Treated Oil Sand	Tonnes	555.54	458.16
Intensity of Generated and Treated Drilling Waste Amount	Tonnes per barrel of crude oil	1.62 x 10 ⁻⁴	1.26 x 10 ⁻⁴
Generated and Treated Drilling Waste Amount ¹	Tonnes	14,213.00	6,513.20
Intensity of Generated and Treated Domestic Waste Amount	Tonnes per barrel of crude oil	0.0042	0.0020
Non-hazardous Waste			
Total Non-hazardous waste	Tonnes	1,166.29	1,141.07
Intensity of Total Non-hazardous Waste	Tonnes per barrel of crude oil	3.41 x 10 ⁻⁴	3.15 x 10 ⁻⁴
Generated and Treated Domestic Waste Amount	Tonnes	1,166.29	1,141.07
Intensity of Generated and Treated Domestic Waste Amount	Tonnes per barrel of crude oil	3.41 x 10 ⁻⁴	3.15 x 10 ⁻⁴
Wastewater			
Total Wastewater Discharge	Tonnes	1,864,891.00	2,807,239.57
Intensity of Total Non-hazardous Waste	Tonnes per barrel of crude oil	0.54	0.77
Treated Industrial Oily Wastewater Discharge	Tonnes	1,849,416.00	2,789,301.58
Domestic Sewage Discharge	Tonnes	19,033.30	17,937.99

Note:

1. Drilling waste includes drilling cuttings and drilling fluid.

KPI	Unit	2025	2024
Direct Energy Consumption			
Total Direct Energy Consumption	kWh in '000s	466,148.47	521,048.98
Associated Gas Consumption ¹	kWh in '000s	188,215.38	247,740.23
Intensity of Associated Gas Consumption	kWh in '000s per barrel of crude oil	0.05	0.07
Natural Gas Consumption	kWh in '000s	129,573.50	130,022.33
Intensity of Natural Gas Consumption	kWh in '000s per barrel of crude oil	0.038	0.036
Gasoline Consumption ¹	kWh in '000s	247.12	266.02
Intensity of Gasoline Consumption	kWh in '000s per barrel of crude oil	7.22 x 10 ⁻⁵	7.33 x 10 ⁻⁵
Diesel Consumption ¹	kWh in '000s	2,906.73	6,323.97
Intensity of Diesel Consumption	kWh in '000s per barrel of crude oil	8.49 x 10 ⁻⁴	1.74 x 10 ⁻³
Crude Oil Consumption ²	kWh in '000s	145,205.75	136,696.43
Intensity of Crude Oil Consumption	kWh in '000s per barrel of crude oil	0.042	0.038
Indirect Energy Consumption			
Total Energy Consumption	kWh in '000s	73,377.75	67,282.98
Purchased Electricity Consumption	kWh in '000s	52,964.93	47,379.28
Intensity of Purchased Electricity	kWh in '000s per barrel of crude oil	0.016	0.013
Purchased Steam Consumption ³	kWh in '000s	20,412.81	19,903.69
Intensity of Purchased Steam Consumption	kWh in '000s per barrel of crude oil	0.006	0.005
Total Energy Consumption			
Total Energy Consumption	kWh in '000s	539,526.22	588,331.95
Intensity of Total Energy Consumption	kWh in '000s per barrel of crude oil	0.16	0.16

Notes:

1. Direct energy consumption of the Group includes the consumption of diesel, petrol, natural gas, steam, and associated natural gas. The conversion factors for diesel, petrol, natural gas, and associated natural gas adopted are based on the conversion of fuel data issued by Carbon Disclosure Project ("CDP").
2. The unit conversion of crude oil refers to the Guidelines for GHG Accounting Reports for Enterprises in 24 Key Industries (Trial)
3. 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	2025	2024
Water Resources			
Total Water Usage	m ³	1,074,468.71	1,076,122.00
Intensity of Total Water Usage	m ³ per barrel of crude oil	0.31	0.30
Water Sourced from Wells	m ³	1,054,491.00	1,049,116.00
Water Sourced from Municipal Water Supply	m ³	19,977.71	27,006.00

KPI	Unit	2025	2024
Newly Planted Trees	No.	–	300.00

Social Aspect

KPI	Unit	2025	2024
Employees and Contractors¹			
Number of Employees and Contractors by Geographical Region			
Chinese Mainland	Person	139	143
Indonesia	Person	8	9
Australia	Person	9	14
Hong Kong	Person	17	14
Number of Employees by Gender			
Female	Person	49	52
Male	Person	124	128
Number of Employees by Age			
Below 30	Person	8	3
30-50	Person	94	98
Above 50	Person	71	79
Number of Employees by Employment Type			
Senior	Person	54	42
Middle Level	Person	63	30
Junior	Person	56	108
Number of Employees by Employment Category			
Contract	Person	173	178
Short-term and Part-time	Person	0	2

Notes:

1. During the Reporting Period, there were 443 contractor employees in Chinese Mainland and 0 in Indonesia (2024: 592 and 170 employees).

KPI	Unit	2025	2024
Resigned Employees¹			
Employee Turnover Rate by Geographical Region			
Chinese Mainland	%	6	9
Indonesia	%	13	33
Australia	%	33	36
Hong Kong	%	12	0
Employee Turnover Rate by Gender			
Female	%	6	13
Male	%	9	11
Employee Turnover Rate by Age			
Below 30	%	0	0
30-50	%	4	10
Above 50	%	14	14

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	2025	2024
Employee Training			
Percentage of Employees by Gender			
Female Employees	%	27	40
Male Employees	%	75	65
Percentage of Employees Trained by Employee Category			
Senior	%	30	21
Middle Level	%	37	80
Junior	%	38	66
Average Training Hours of Employees			
Average Training Hours of Employees by Gender¹			
Female Employees	Hours	18.19	8.27
Male Employees	Hours	14.57	15.11
Average Training Hours of Employees by Employee Category¹			
Senior	Hours	124.00	7.52
Middle Level	Hours	118.50	16.70
Junior	Hours	108.81	11.93

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	2025	2024
Number of work-related fatalities ¹	Person	0	0
Rate of work-related fatalities	%	0	0
Lost days due to work injury	Days	0	0

Notes:

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

KPI	Unit	2025	2024
Suppliers and Contractors			
Number of Suppliers and Contractors by Geographical Region			
Chinese Mainland	No.	191	566
Hong Kong, Macau and Taiwan	No.	37	58
Overseas Regions	No.	118	151

KPI	Unit	2025	2024
Community Investment			
Resources Used in the Following Areas	10,000 RMB	9.54	2.13
Supporting Disaster Relief	10,000 RMB	0	0
Supporting Disadvantaged Groups	10,000 RMB	0	0
Supporting Education	10,000 RMB	2.47	0.54
Supporting Sports	10,000 RMB	0	0
Supporting Cultural Activities	10,000 RMB	0	0.68
Supporting Healthcare	10,000 RMB	0	0
Supporting Poverty Alleviation	10,000 RMB	3.91	0.27
Supporting the Development of Environmental Protection	10,000 RMB	0.74	0.64
Others	10,000 RMB	2.41	0

Appendix 3 SEHK ESG Reporting Code Index

Categories, Aspects and Key Performance Indicators		Disclosure or explanation in the relevant sections of this Report
Mandatory Disclosure Requirements		
Governance Structure	A Statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets, with an explanation of how they relate to the issuer's businesses.	Our Governance
Reporting Principles	A description of, or an explanation of, the application of the following Reporting Principles 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 the 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 Standards and Principles
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 – Reporting Boundary
“Comply or explain” Provisions		
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 the generation of hazardous and non-hazardous waste.	Our Environment – Environmental Impact and Management Appendix 1 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 A1.3	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 emission target(s) set and steps taken to achieve them.	Our Environment – Environmental Impact and Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of the reduction target(s) set and steps taken to achieve them.	Our Environment – Environmental Impact and Management

Categories, Aspects and Key Performance Indicators		Disclosure or explanation in the relevant sections of this Report
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Our Environment – Resource Usage Appendix 1 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.	Our Environment – 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.	Our Environment – 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.	Our Environment – Environmental Impact and Management, Resource Usage, and Oil Spill Prevention Appendix 1 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.	Our Environment – Environmental Impact and Management, Resource Usage, and Oil Spill Prevention

Categories, Aspects and Key Performance Indicators		Disclosure or explanation in the relevant sections of this Report
B. Society		
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.	Our Employees – Policies and Benefits, and Respect for Rights Appendix 1 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	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.	Our Operations – Health and Safety Appendix 1 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.	Our Operations 0 Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Our Employees – Training and Development Appendix 1 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		Disclosure or explanation in the relevant sections of this Report
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 labor.	Our Employees – Respect for Rights Appendix 1 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 labor.	Our Employees – Respect for Rights
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Our Employees – Respect for Rights
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Our Operations – Supply Chain and Product Quality Management Appendix 1 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.	Our Operations – 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.	Our Operations – 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.	Our Operations – Supply Chain and Product Quality Management

Categories, Aspects and Key Performance Indicators		Disclosure or explanation in the relevant sections of this Report
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 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 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.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Our Operations Appendix 1 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 Material Laws and Regulations that the Group Complied with During the Reporting Period
KPI B6.4	Description of quality assurance process and recall procedures.	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.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Our Operations

Categories, Aspects and Key Performance Indicators		Disclosure or explanation in the relevant sections of this Report
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.	Our Operations – Integrity in Business Appendix 1 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.	Our Operations – Integrity in Business Appendix 1 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.	Our Operations – Integrity in Business
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Our Operations – Integrity in Business
Aspect B8: Social 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 Material Laws and Regulations that the Group Complied with During the Reporting Period
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Our Community – Community Building Appendix 2 Key Performance Indicators
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Our Community – Community Building Appendix 2 Key Performance Indicators

Appendix 4 Climate-related Disclosures Index

Paragraph	Section	Remarks and/or Interpretations
Governance		
19(a)(i)-(iii)	Climate change – Governance	Disclosed
19(a)(iv)	Not Applicable	The Group has not incorporated climate-related considerations into our remuneration policies.
19(b)(i)-(ii)	Climate Change – Governance	Disclosed
Strategy		
20(a)-(d)	Climate change – Strategy and Risk Assessment	Disclosed
21(a)-(b)	Climate change – Strategy and Risk Assessment	Disclosed
22(a)(i)	Climate change – Strategy and Risk Assessment	Disclosed
22(a)(ii)	Climate change – Strategy and Risk Assessment	Disclosed
22(a)(iii)	Not Applicable	The Group has not established a climate-related transition plan.
22(a)(iv)	Climate change – Strategy and Risk Assessment	Disclosed
22(b)	Climate change – Strategy and Risk Assessment	Disclosed
23	Climate change – Strategy and Risk Assessment, Metrics and Targets	Disclosed
24(a)-(b)	Not Applicable	The Group is currently refining the data for climate-related risks and opportunities. This information will be disclosed in the future once its accuracy can be fully verified.
25(a)-(b)	Not Applicable	The Group is currently refining the data for climate-related risks and opportunities. This information will be disclosed in the future once its accuracy can be fully verified.
26(a)(i)	Climate Change – Strategy and Risk Assessment, Climate Resilience	Disclosed
26(a)(ii)	Climate Change – Climate Resilience	Disclosed
26(a)(iii)	Climate Change – Strategy and Risk Assessment	Disclosed
26(b)(i)-(iii)	Climate Change – Climate Resilience	Disclosed
Risk Management		
27(a)	Climate Change – Governance	Disclosed
27(b)	Not Applicable	The Group has not established a monitoring process for assessing climate-related opportunities.
27(c)	Climate Change – Governance	Disclosed

Paragraph	Section	Remarks and/or Interpretations
Metrics and Targets		
28(a)-(c)	Climate Change – Metrics and Targets	Disclosed
29(a)-(d)	Climate Change – Metrics and Targets	Disclosed
30	Not Applicable	The Group is currently refining the data for the quantification of assets and business activities exposed to climate-related risks and opportunities. This information will be disclosed in the future once its accuracy can be fully verified.
31	Not Applicable	The Group is currently refining the data for the quantification of assets and business activities exposed to climate-related risks and opportunities. This information will be disclosed in the future once its accuracy can be fully verified.
32	Not Applicable	The Group is currently refining the data for the quantification of assets and business activities exposed to climate-related risks and opportunities. This information will be disclosed in the future once its accuracy can be fully verified.
33	Not Applicable	The Group is currently refining the data for the quantification of assets and business activities exposed to climate-related risks and opportunities. This information will be disclosed in the future once its accuracy can be fully verified.
34(a)-(b)	Not Applicable	The Group currently does not apply carbon pricing in our decision-making process.
35	Not Applicable	The Group currently does not incorporate climate-related considerations into our remuneration policies.
36	Not Applicable	The Group will consider increasing our disclosure content in accordance with these voluntary disclosure requirements in the future.
37(a)-(g)	Climate Change – Metrics and Targets; Environmental Impact and Management	Disclosed
37(h)	Not Applicable	The Group current targets are formulated based on the Group’s internal operational strategies and actual conditions, and currently do not reference specific international agreements or frameworks. Therefore, this item is not applicable.
38(a)	Not Applicable	The Group current targets are formulated based on the Group’s internal operational strategies and actual conditions, and currently are not validated by a third party. Therefore, this item is not applicable.
38(b)-(c)	Climate Change – Strategy and Risk Assessment, Metrics and Targets	Disclosed
38(d)	Not Applicable	The Group targets currently remain unchanged, this item is not applicable.
39	Climate Change – Strategy and Risk Assessment, Metrics and Targets	Disclosed
40(a)-(e)	Climate Change – Metrics and Targets	Disclosed

Appendix 5 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!

- What is your identity in relation to CITIC Resources?
 - Government and Regulator
 - Employee
 - Business Partners
 - Potential Investors & Financial Institutions
 - Media
 - Client
 - Community and the Public
 - Other (please specify):
- Your overall assessment of this Report is:
 - Very good
 - Good
 - Fair
 - Poor
 - Very Poor
- What do you think of the structure of this Report?
 - Very good
 - Good
 - Fair
 - Poor
 - Very poor
- What do you think of the design of this Report?
 - Very good
 - Good
 - Fair
 - Poor
 - Very poor
- What do you think of the readability of this Report?
 - Very good
 - Good
 - Fair
 - Poor
 - Very Poor
- What do you think of the quality of the ESG information in this Report?
 - Very good
 - Good
 - Fair
 - Poor
 - Very Poor
- Which issues in this Report did you pay attention to? (Please choose 3 issues at most)
 - Risk 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 Gas Emissions 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
- What is your feedback and/or suggestions on this ESG report and/or our performance?

You can email the above feedback form to the following email address:

Email: ir@citicresources.com

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





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