



中国石化
SINOPEC



2025 SINOPEC CORP. SUSTAINABILITY REPORT

CLEANER ENERGY BETTER LIFE

Report Information

The 2025 sustainability report (hereinafter referred to "SR") is the 20th sustainability report of China Petroleum & Chemical Corporation (hereinafter referred to as "Sinopec Corp.", "the Company" or "We"). The report introduces our sustainability philosophy and policies and our environmental protection, social responsibility, and corporate governance (hereinafter referred to as "ESG") undertakings and performances in 2025, and addresses the expectations and concerns of our stakeholders.

Report Perimeters

This report covers our business activities from 1 January to 31 December 2025, with some content from beyond this time span for continuity reasons. The information herein comes from internal data and relevant public information. Unless otherwise specified, all monetary figures shown in this SR are expressed in RMB (yuan).

Unless otherwise specified, the data in this SR covers the data of Sinopec Corp. and its wholly-owned and controlled subsidiaries.

The Company's Board of Directors reviewed and approved this report on March 20, 2026. The report is available in Chinese and English versions, and the Chinese version shall prevail in case of any conflict or inconsistency. The report can be downloaded at the website:

<http://www.sinopec.com/listco/en/000/000/070/70545.shtml>

References

This report is prepared in accordance with the *Guidelines No.14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* and the *Environmental, Social and Governance Reporting Code* issued by the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange" or "HKEX"), and with reference to the *Implementation Guidance for Climate Disclosures under HKEX ESG Reporting Framework* issued by HKEX, the *Ten Principles of the United Nations Global Compact (UNGC)* and the criteria of the *Global Compact Advanced Communication on Progress*, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the *2021 GRI Universal Standards (GRI Standards)* and *GRI 11: Oil and Gas Sector 2021* issued by the GRI Global Sustainability Standards Board (GSSB). This report provides a quantified coverage of the management of key ESG issues of the Company, covering both environmental performance and social performance (see the "Performance Report" and other sections of this report for details). This report adheres to the principle of consistency to ensure the comparability of disclosed data historically. Unless otherwise specified, the statistical scope and calculation methods of key ESG performance indicators disclosed in this sustainability report remain basically consistent with the previous year, with no significant adjustment.

Disclaimer

This report includes certain forward-looking statements with respect to the results of our business operations and certain plans and conditions. All statements that address activities, events or developments that we expect will or may occur in the future, other than statements of historical fact, are forward-looking statements and by their nature involve risk and uncertainty. This means that actual results may differ materially from those indicated in the forward-looking statement due to a number of factors and uncertainties. The forward-looking statements are made by 20 March 2026 and the Company undertakes no obligation to update these forward-looking statements unless required by an appropriate regulatory authority.

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Letter from Chairman



Dear Friends,

On behalf of the Board of Sinopec Corp., I would like to express our sincere gratitude for your ongoing attention and support.

In 2025, in adherence to the development philosophy of "innovation, coordination, green, openness, and sharing", Sinopec Corp. made solid progress in corporate governance, technological innovation, green and low-carbon initiatives, safety and environmental protection, and other tasks in a coordinated manner, actively fulfilling social responsibilities and continuously strengthening the foundation for sustainable development.

Further enhancing the efficiency of corporate governance

In accordance with the latest corporate governance requirements, we comprehensively completed the revision of 18 rules and regulations including the *Articles of Association*. The revisions were highly recognised and supported by shareholders, further consolidating the foundation of robust corporate governance for the Company. With further stressed Board diversity, the training for directors, supervisors, and senior executives to perform their duties has been enhanced. We focused on operational compliance, effectively preventing risks in key areas. We strengthened stakeholder engagement and made continuous efforts to improve ESG disclosure quality and ESG management. We also maintained a consistent and stable dividend policy, and continuously implemented share repurchases, safeguarding our corporate value as well as shareholders' equity.

Further unleashing the momentum of green development

We actively practiced the philosophy of green development, and promoted concerted efforts to reduce carbon emissions and pollution, enhance efficiency and expand green areas. We refined our medium and long-term carbon reduction targets and steadily advanced the "Eight Actions for Carbon Peaking", and achieved a recovery of approximately 2.05 million tonnes of CO₂ and 1.164 billion cubic meters of methane in 2025. We vigorously implemented the Energy Efficiency Improvement Plan and the Phase Two of the Green Enterprise Initiative. We intensified the management of carbon trading and carbon footprint, with those subsidiaries listed in emission-controlled enterprises completing their national carbon market compliance obligations as scheduled. We attached great importance to biodiversity protection, and made continuous efforts to enhance our ecological environment governance capabilities and performance. We further advanced the Campaign on Pollution Prevention and Control, realising a steady decline in total industrial wastewater discharges and sulphur dioxide emissions. We optimised our resource conservation and utilisation efforts, reducing our industrial fresh water intake by 1.8% year-on-year. We implemented the Three-Year Enhancement Action for a "Zero-Waste Group", with all solid waste 100% properly disposed of.

Further advancing technological innovation achievements

With a commitment to in-depth integration of technological innovation with industrial development, we have made a series of remarkable technological innovation achievements. The differentiated three-dimensional development technology for shale oil in continental faulted basins has played a key role in ensuring the efficient development of shale oil; the heterogeneous composite flooding technology has been successfully applied to various oil reservoirs with high salinity and high calcium-magnesium content; significant breakthrough achieved in high-end polypropylene cable insulation materials; the industrial production of 60K large-tow carbon fibre has been realised; the "AI +" initiative has been steadily implemented; the Great Wall large AI model has delivered remarkable empowerment effects; and, a number of our subsidiaries have been certified as national-level intelligent factories. In 2025, a total of 9,953 domestic and overseas patent applications were filed throughout the year, with 5,768 patents granted.

Further accelerating business transition and upgrading

We focused more on business transition and upgrading towards high-end, intelligent, and green development. We strengthened high-quality exploration and profitable development, successfully completing the construction of the Shengli Jiyang Shale Oil National Demonstration Zone with high quality, and oil and gas equivalent output as well as the profitability of the natural gas industrial chain hit record highs. We steadily advanced the low-cost "refined oil products to chemical feedstocks" transition and high-value "refined oil products to refining specialties" strategy, became China's leader in high-end carbon materials output, and accelerated the development of chemical new materials such as POE. We made every effort to transform into an integrated energy service provider of petrol, gas, hydrogen, power and service, and achieved top position in domestic LNG and hydrogen refuelling market, with more than 50,000 newly-added charging terminals, as well as significant year-on-year volume growth in automotive LNG refuelling, power charging and hydrogen refuelling. Our green and low-carbon business also developed rapidly, with steady progress made for hydrogen production from wind and solar power, as well as scaled-up development of the green power business.

Further strengthening safety and health management

We continuously strengthened our HSE management system adhering to the safety principles of "people-oriented, safety-first, prevention-focused, and comprehensive governance". We implemented the safety production responsibility system for all employees, and rigorously carried out the 2025 Action for Fundamental Improvement in Safety Production. With well-performed targeted actions for the investigation and rectification of safety hazards and targeted rectification of the entire hazardous chemicals chain, the level of intrinsic safety was further improved. We further strengthened contractor safety management, establishing a robust safety performance process evaluation mechanism for contractors to enhance their proactive safety awareness and capabilities. We've proactively promoted the development of healthy enterprises and strengthened source control of occupational disease hazards, achieving a 99.9% rate of employee occupational health examinations, which ensures that our health management is both comprehensive and down to earth.

Further dedication to social responsibilities

We actively fulfilled our corporate citizenship responsibilities, closely combining enterprise development with services to society and support for improving people's livelihood. We continued to support rural revitalisation with our distinctive assistance mode of "industry + consumption + education", and contributed to public welfare with our charity programmes such as the "Driver's Home" and "Warm Stations". We continuously broadened talent development paths to provide employees with ample opportunities for growth. We adhered to the philosophy of green procurement and actively promoted the construction of a transparent, honest, and mutually beneficial industrial ecosystem, and constantly optimised the quality of products and services to maximise value for customers. We also focused on strengthening community communication mechanisms and worked together with our stakeholders to foster mutual development of the enterprise and communities.

During the "14th Five-Year Plan" period, Sinopec Corp. steadfastly pursued a green, low-carbon, safe, and responsible path for high-quality development, striving to contribute to the sustainable development of the economy and society. Over the past five years, with an increasingly refined modern enterprise system with Chinese characteristics, we have been continuously optimising our corporate governance efficiency and compliance management, as well as sharing the achievements of our continuing development with shareholders with sustained emphasis on shareholders' return. Over the past five years, the Company has been actively embracing energy transition, steadily advancing the clean

utilisation of fossil energy, scaling up clean energy, and lowering carbon emissions in the production process. With a strong dedication to providing cleaner products and services, we have significantly increased the proportion of integrated energy stations, with a total of 141 thousand charging terminals and 150 hydrogen refuelling stations in operation. We successfully conducted the first fuelling to domestically-made aircraft with our self-developed bio-jet fuel and the test flight was a great success. We implemented nearly 2,400 energy efficiency improvement projects with energy conservation about 4 million tonnes of standard coal. Since we built China's first million-tonne class CCUS project, it has been in steady operation. We also built China's first 10,000-tonne class continuous pyrolysis industrial demonstration project for waste plastics, aiming to achieve efficient recycling of resources and contribute to the construction of a beautiful China through our practice. Over the past five years, we have ensured secure supply for oil, gas and key materials. Our assistance in rural revitalisation initiatives, such as the "One County, One Chain" industrial assistance initiative has won widespread acclaim. Each year, our "Sinopec Lifeline Express" programme brings back sunlight and hope for around 3,000 cataract patients in underdeveloped regions. The Company's high-quality development and our efforts to enrich people's well-being have been mutually beneficial.

The Company is formulating and refining its plan for the "15th Five-Year Plan" period, focusing on the dedication to building a world-leading modern energy and chemical company. In 2026, upholding and carrying forward the esteemed tradition of the petroleum and petrochemical industry, the Company will broaden its horizons, fully embark on the journey of Entrepreneurship 2.0, and vigorously implement six major strategies: innovation-driven development, business transition and upgrading, resource security, market expansion, cost effectiveness and open cooperation. The Company will focus on strengthening its ESG governance, actively serve high-quality economic and social development, courageously shoulder social responsibilities, hand-in-hand with stakeholders to promote sustainable development, and foster harmonious coexistence of our enterprise and the society.

We cherish your valuable suggestions for the Company's sustainable development and look forward to joining hands with you to build a better life, and creating a brighter future.

Hou Qijun
Chairman
March 20, 2026

Board's Statement on ESG Governance

The Company's Board of Directors made the following statement in accordance with the requirements of the *Environmental, Social and Governance Reporting Code* of the Hong Kong Stock Exchange.

The Board of the Company promises that the Company and its Board of Directors strive to follow the *Code of Corporate Governance for Listed Companies* issued by the China Securities Regulatory Commission, the *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)* issued by Shanghai Stock Exchange, the *Corporate Governance Code* and the *Environmental, Social and Governance Reporting Code* issued by Hong Kong Stock Exchange, and continuously optimise its environmental, social and corporate governance (hereinafter referred to as "ESG") mechanism. We will further strengthen the Board's role in supervising and participation in ESG related issues, and vigorously integrate ESG considerations into the Company's development strategies, major decision-making processes and various business practices.

Board's Role in ESG Governance

The Board of Directors is the highest responsibility and decision-making agency, bearing the ultimate responsibility for Sinopec Corp.'s ESG governance. The Sustainability Committee under the Board of Directors is responsible for reporting to the Board on matters related to the Company's sustainability (including environmental, social, and governance aspects) related issues and making relevant recommendations, including overseeing and deliberating the implementation and progress of the Company's sustainability and ESG strategies and plans; overseeing the commitments and performances of the Company on key ESG issues such as climate change, safety and occupational health, technological innovation, product quality management, environmental protection, and compliance management; overseeing key information regarding sustainability issues related to the Company's businesses and conducting relevant researches on sustainability related topics; and approving the Company's annual sustainability reports and reporting to the Board of Directors the sustainability performances of the Company. The Sustainability Committee is composed of five directors, including two independent non-executive directors, with the Vice Chairman of the Board serving as the chairperson of the committee. The Sustainability Committee convenes at least once each year to inform the Board on ESG related issues. Ad hoc meetings can be convened when proposed by either the chairperson of the committee or two or more committee members.

ESG Management Strategy and Policies

The Company attaches great importance to ESG management, adheres to the development philosophy of "innovation, coordination, green, openness, and sharing", and deeply implements development strategies of "value-leading, market-oriented, innovation-driven, green and clean, open and cooperation, and talents to revitalise the enterprise". The Company regularly analyses ESG-related risks and opportunities in the context of macro policies, socio-economic environment, industry trends, corporate strategy, production and operation results, and stakeholder engagement of the Company. It also carries out materiality analysis by interviewing key departments, trainings and exchanges, expert assessment, and stakeholder engagement, to identify the impacts, risks and opportunities of the Company's key ESG issues, determine its core financially material issues, and continuously optimise its ESG management and risk control, and improve the overall ESG governance of the Company.

Targets, Indicators and Review of Progresses

The Company has established an ESG target management mechanism, and set up ESG performance targets in its development plans and key tasks on key issues that are highly related to the development of Company, such as addressing climate change, safety and occupational health, technological innovation, and product quality management. The Sustainability Committee regularly reviews the progress of the targets and reports to the Board of Directors accordingly. To ensure the fulfilment of these targets, the Company signs annual performance commitments with management staff and subsidiaries to integrate key ESG performance indicators into the performance appraisal system. To ensure the reliability of our ESG performance indicators, the Company contracted KPMG Hua Zhen LLP to conduct an independent assurance of the 2025 Sinopec Corp. Sustainability Report and issue independent assurance opinions regarding 29 ESG performance indicators of the Company.

Board of Directors
China Petroleum & Chemical Corporation
March 20, 2026

About Us

Sinopec Corp. was established on February 25, 2000, listed on the Hong Kong Stock Exchange in October 2000 and the Shanghai Stock Exchange in August 2001. Sinopec Corp. is one of the largest integrated energy and chemical companies in China, with its business scope all over the world, mainly including exploration and production segment, refining segment, marketing and distribution segment, and chemicals segment. It is a large oil and gas and petrochemical product manufacturer in China and has a complete sales network of refined oil and chemical products in China. The Company also actively explores new businesses in the fields of biofuel, hydrogen energy, new energy vehicle battery charging and swapping stations, as well as solar, wind and other new energy businesses.



Exploration and Production

Sinopec Corp. is a major oil and gas producer in China.

In 2025, Sinopec Corp.'s domestic crude oil production was 255.75 million barrels and natural gas production was 1,456.63 billion cubic feet.

Sinopec Corp. possesses a million-tonne class CCUS capacity.



Refining

Sinopec Corp. is the world's largest refining company.

In 2025, Sinopec Corp. processed 250.33 million tonnes of crude oil and produced 148.95 million tonnes of refined oil products.



Marketing and Distribution

Sinopec Corp. is the largest supplier of refined oil products in China and has the second-highest number of service stations in the world.

Sinopec Corp. sold a total of 177.56 million tonnes of refined oil products domestically in 2025.

Sinopec Corp. is China's largest transportation hydrogen operator, with its charging and swapping business ranking among the industry's forefront.

As of the end of 2025, Sinopec Corp. has built 31,195 service stations, 150 hydrogen refuelling stations, and 13.3 thousand battery charging & swapping stations cumulatively.



Chemicals

Sinopec Corp. is the largest supplier of petrochemical products in China and the second-largest chemical company in the world.

In 2025, Sinopec Corp. produced 15.28 million tonnes of ethylene.



International Trade

Sinopec Corp. is an important trader of crude oil in China, engaging in the international trade of crude oil, refined oil products, and chemical products.



Technology R&D

Sinopec Corp. has eight directly affiliated research institutes and over 60 enterprise-level research institutes. In addition, the Company has established 16 national-level R&D centres.

As of the end of 2025, Sinopec Corp. had been granted 66,653 domestic and overseas patents cumulatively, of which 5,768 were granted within the year.

Awards and Recognitions

China Securities Golden Bauhinia Award

Outstanding Listed Company
Outstanding Investor Relations Management Listed Company

The State-owned Asset Supervision and Administration Commission of Central Broadcasting Station

China ESG Listed Companies • Pioneer 100 (2025)
China ESG Listed Companies • Central SOE Pioneer 100 (2025)

Selected into the *Blue Book on ESG for Listed Companies of Central State-owned Enterprises (2025)*

ESG Practice Case

Selected into the Shanghai Stock Exchange publication, the *Shanghai Stock Market ESG Practice in Two Decades Guided by "Two Mountains" Theory*

ESG Practice Case

Hong Kong International ESG Alliance

Best ESG Pioneer Award
Best ESG Social Responsibility Practice Award
Best ESG Information Disclosure Award

China Association for Public Companies

Best Practices in Sustainable Development

China Association for Public Companies

A-Level Corporate Governance Evaluation

Institutional Investor

Best Investor Relations Company in Asia
Best Investor Relations Team in Asia
Best Investor Relations Company in China
Best Investor Relations Team in China

China Fund News

Yinghua Awards for A-Share Value Demonstration Case
Yinghua Awards for Hong Kong Stock Investor Relations Demonstration Case
Yinghua Awards for Hong Kong Stock ESG Demonstration Case

China Securities Journal

Hong Kong-Listed Company Shareholder Return Golden Bull Award

The 2nd Sino-European Corporate ESG Best Practice Conference

Best Practice for Technological Innovation

CNR Finance

"Golden Pinnacle" Excellent case

Securities Market Weekly

Crystal Ball Award for Information Disclosure
Crystal Ball Award for Investor Relations
Crystal Ball Award for ESG

Cailian Press

ESG Pioneer Award



CORPORATE GOVERNANCE



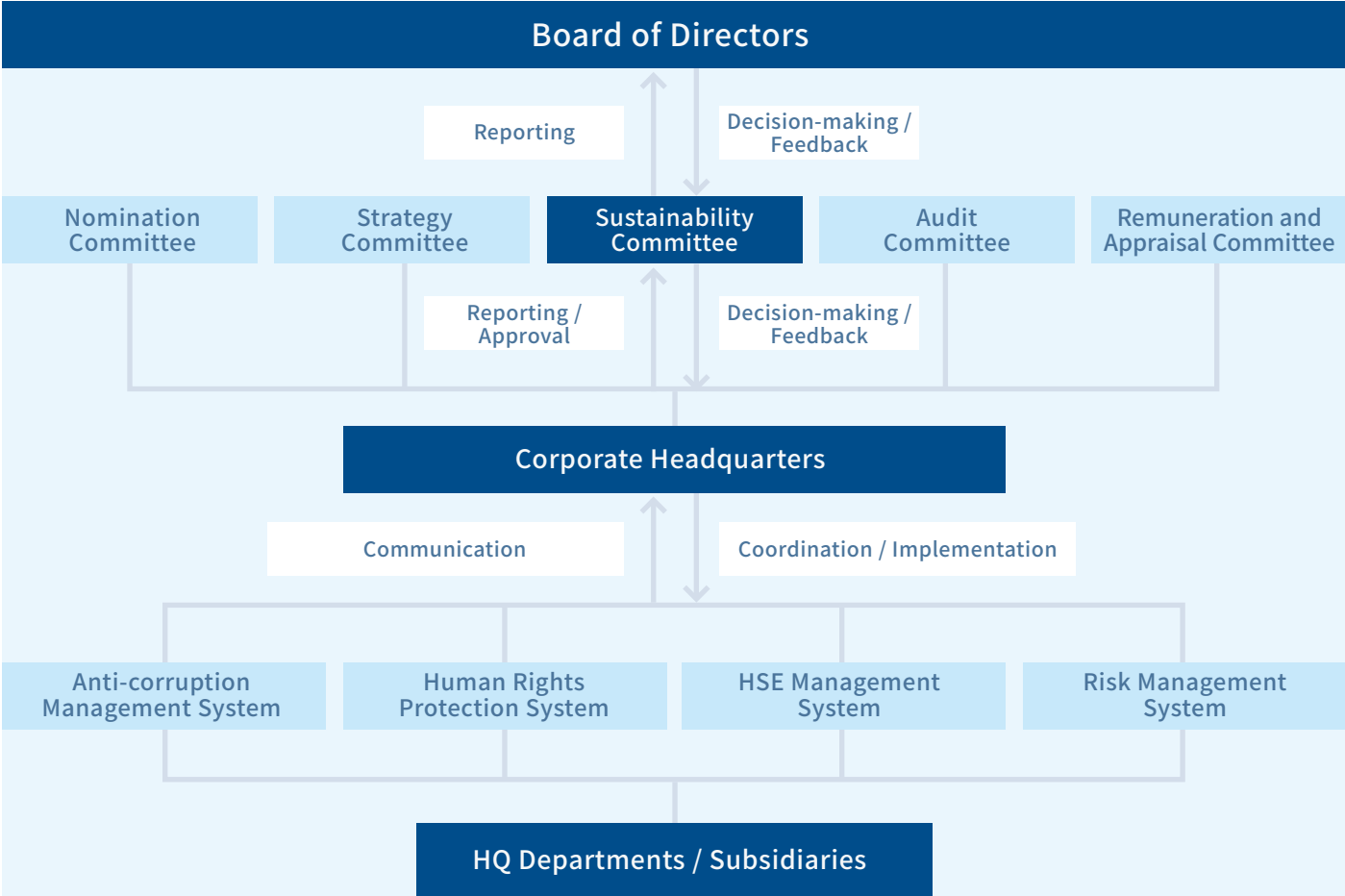
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013	1.2 Governance System
021	1.3 Integrity and Compliance
033	1.4 Risk Management and Internal Control



1.1 Sustainability Management

ESG Governance Structure

The Sustainability Committee under the Board ensures the integration of ESG issues into corporate strategic planning and key decision-making of the Company through improving ESG top-level design, providing a solid foundation for the continuous optimisation of the Company's ESG governance. Members of the Company's Board of Directors have rich professional expertise in areas such as petroleum and petrochemicals, finance, auditing and risk management, energy and environmental economics, addressing climate change, green technologies, new energy, and artificial intelligence, which further helps enhance the decision-making, coordination, and management capabilities on key ESG issues of the Board.



Board of Directors	The Board of Directors is the top ESG decision-making body, responsible for the overall planning and coordination of its ESG governance.
Sustainability Committee	The Sustainability Committee under the Board of Directors, with the Vice Chairman of the Board as the chairperson of the Committee, is responsible for supervising and deliberating the Company's ESG strategy, targets and annual plans, and reporting ESG implementation results and major plans to the Board of Directors. The Strategy Committee under the Board of Directors also participates in the deliberation and decision-making of the Company's ESG related matters such as addressing climate change, health and safety, and technological innovation.
Company Headquarters	Our headquarters is responsible for the overall coordination and implementation of the Company's ESG management, and functional departments, such as Health, Safety, and Environment (HSE), Human Resources, and Enterprise Restructuring and Legal, are responsible for managing specific ESG issues and tracking the progresses of achieving relevant ESG indicators and targets.
Subsidiaries	Our subsidiaries operate in accordance with the Company's ESG management policies, ESG master plan, targets and tasks.

Stakeholders Engagement

Sinopec Corp. maintains active communication with shareholders and investors, government and regulatory agencies, customers, employees, partners and suppliers, communities, and other stakeholders, through various regular and ad-hoc communication channels, to timely understand the demands and expectations of stakeholders, and adjust and optimise relevant management approaches and practices of the Company accordingly.

The Company has formulated policies such as the *Investor Relations Management Policy*, and maintains frequent communication with investors and other stakeholders each month. The Company continuously expands the breadth and depth of stakeholder communication through various channels, including general meetings, roadshows, reverse roadshows, analyst meetings, corporate site visits, hotlines, dedicated corporate website columns,

and new media platforms. Members of the Board and senior management of the Company also actively communicate with investors and other stakeholders to solicit feedback and suggestions, and respond to stakeholders' questions and inquiries in a timely manner.

The Company strictly fulfils its information disclosure obligations in accordance with laws and regulations in each listing location and has formulated the *Sinopec Corp. Information Disclosure Management Measures*. Guided by the needs of investors, the Company continuously optimises disclosure content and methods, such as producing infographics and other digital materials, to improve the effectiveness of information disclosure. In 2025, the Sinopec Corp. received an A-level evaluation from the Shanghai Stock Exchange in recognition of its outstanding information disclosure for the 12th consecutive year.

Stakeholders	Key Communication Topics	Communication Channels
Shareholders and Investors	Business performance Addressing climate change Low-carbon energy transition Strategic positioning in new energy Technological innovation Risk management and operation compliance	Fulfil information disclosure obligations Performance release and meeting Teleconference and online communication Capital market conference, investor hotline, and roadshows
Government and Regulatory Authorities	Technological innovation Business ethics and anti-corruption Risk management and operation compliance Safety and occupational health Strategic positioning in new energy Addressing climate change Ensuring energy supply	Daily communication and reporting Discussion and seminar Project approval Government supervision and inspection
Customers	Product quality management Strategic positioning in new energy Ensuring energy supply Technological innovation Digital transformation	Daily service communication Customer visit and meeting Satisfaction survey Website, WeChat official account and other online media
Employees	Safety and occupational health Employee training and career development Respecting human rights	Collective negotiations and employee representative conference Visit and research Employee commendation Regular trainings Corporate cultural activities Website, WeChat official account and other online media
Partners and Suppliers	Supply chain stability Product quality management Business ethics and anti-corruption Supply chain sustainability Low-carbon energy transition	R&D cooperation Supplier negotiation and communication Supplier due diligence Supplier training
Communities	Community communication and engagement Social contributions Taxation and job creation Supporting rural revitalisation Supply chain sustainability	Corporate philanthropy On-site research and surveys Community communication activities Open Day events Media communication Complaint/whistleblowing hotline
	Addressing climate change Low-carbon energy transition Pollution and emissions control Protecting biosystem and biodiversity Water resources management Solid waste management	Project environmental and social risk assessment Environmental information disclosure Community communication Environmental performance monitoring and disclosure Respond to external investigations Pop science and environmental protection activities

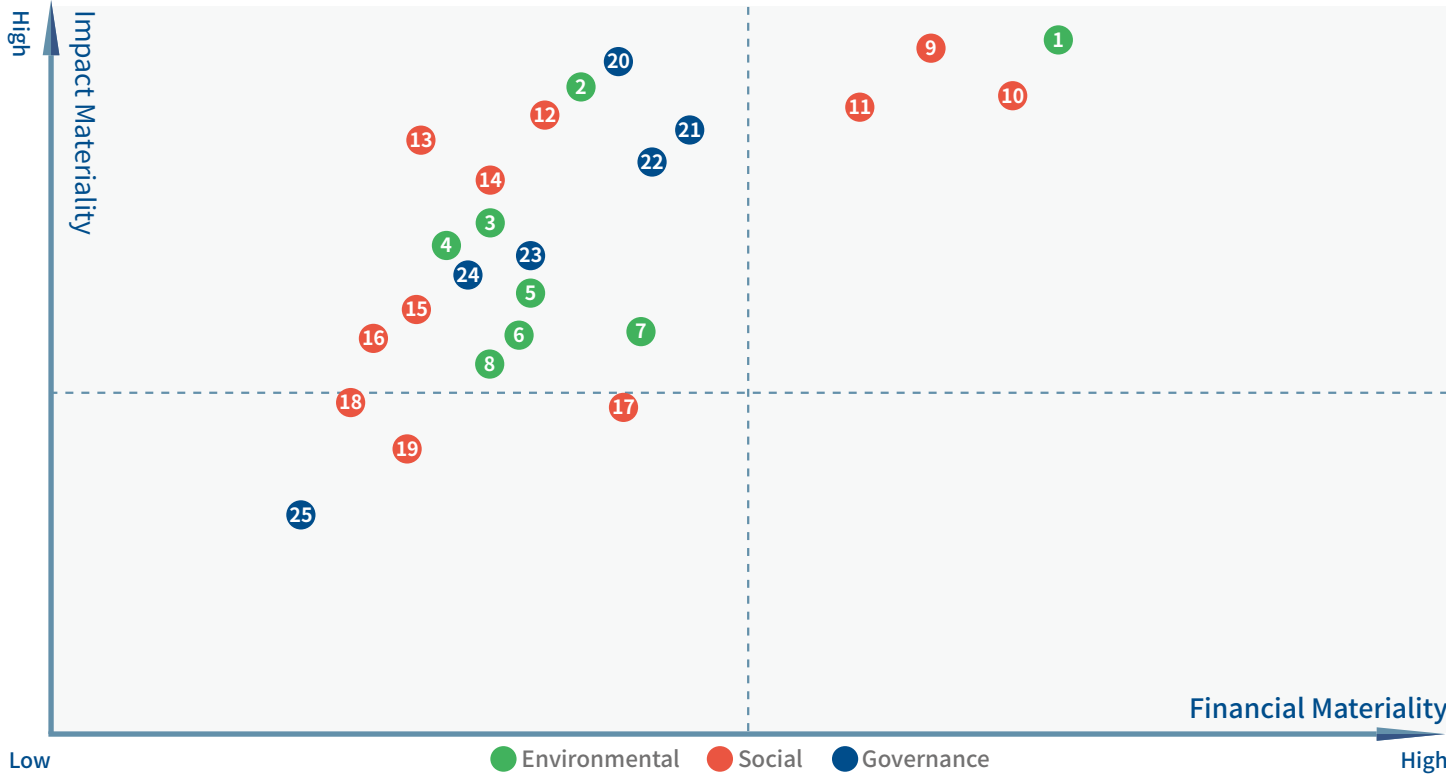
Materiality Analysis

In 2024, aligned with regulatory trends and industry practices, the Company conducted a double materiality assessment of sustainability issues, identifying and assessing each issue from the perspectives of both financial materiality and impact materiality. The analysis has identified four issues with significant financial materiality for the Company, including addressing climate change, safety and occupational health, technological innovation, and product quality management.

In 2025, the Company carried out an annual review of sustainability issues, taking into account the latest regulatory requirements and changes in the internal and external environments. Following a comprehensive assessment, the list of sustainability issues and their relevant materiality ranking remained stable, with no structural adjustments. We made slight adjustments to the definition of several issues for greater accuracy.

The Double Materiality Assessment Process of Sustainability Issues

1	Issue Identification	Based on a comprehensive review of global sustainability trends, relevant laws and regulations, macro policies, stock exchange's regulations on sustainability information disclosure, energy and chemical industry characteristics, and the strategic planning and operation of the Company, we identified 25 sustainability issues of significance both to the Company and its stakeholders.
2	Impact Materiality Analysis	We assessed the impact of each issue, including both positive and negative, and both actual and potential, to evaluate the degree of impact of each issue in combination with communication results with our stakeholders.
3	Financial Materiality Analysis	The potential financial impact of the risks and the opportunities associated with sustainability issues were developed for different timeframes: the short-term (0-1 year), the medium-term (1-5 years), and long-term (more than 5 years). To identify the financial materiality of each issue, we organised a cross-departmental workshop to analyse the financial materiality of the issue with comprehensive understanding and assessment of the likelihood and magnitude of relevant financial impacts. The Company develops specific annual work plans and five-year development plans focusing on its long-term vision and business ambitions. The short-,medium-, and long-term timeframes are consistent with the planning cycle of the Company.
4	Prioritization of Issues	The management of the Company reviewed and deliberated on the impact materiality and financial materiality assessment results, and reported the list of prioritised issues to the Board for approval.



Environmental



No.	Issues
1	Addressing climate change
2	Environmental compliance
3	Ecosystem and biodiversity protection
4	Circular economy
5	Energy utilisation
6	Water resource utilisation
7	Pollution control
8	Waste disposal

Social



No.	Issues
9	Safety and occupational health
10	Technological innovation
11	Product quality management
12	Employee development
13	Rural revitalisation
14	Respect human rights
15	Community communication and engagement
16	Contributing to society
17	Supply chain sustainability
18	Data security and privacy protection
19	Fair treatment of small- and medium-enterprises

Governance



No.	Issues
20	Corporate governance
21	Risk management and operation compliance
22	Business ethics and anti-corruption
23	Due diligence
24	Stakeholder engagement
25	Anti-unfair competition

1.2 Governance System

In accordance with the *Company Law of the People's Republic of China*(hereinafter referred to as *Company Law*), the *Securities Law of the People's Republic of China*(hereinafter referred to as the *Securities Law*), as well as securities regulatory provisions in both domestic and overseas listing locations, Sinopec Corp. has formulated and amended its governance policies and systems, such as the *Articles of Association* and other governance policies. By continuously optimising its governance structure and mechanisms, the Company is committed to enhancing governance efficiency and consolidating the foundation for sustainable value creation.

Corporate Governance Structure

The Company continuously explores the establishment of a modern corporate system, focusing on building a corporate governance structure with clear delineation and transparency of rights and responsibilities, collaborative operations, and effective checks and balances, and has established a sound, complete, scientific, and efficient governance system, ensuring that the rights and responsibilities of the General Meeting of Shareholders, the Board of Directors and its special committees, and the senior management are clearly defined, coordinated and fulfilled.

The General Meeting of Shareholders	The General Meeting of Shareholders is the Company's decision-making body, exercising its powers in accordance with the law. The Company treats all shareholders equally and fully safeguards their legitimate rights and interests. In 2025, the Company convened five meetings, and considered and approved 15 proposals.
Board of Directors and Board Committees	The Company has established five committees under the Board, which are the Strategy Committee, the Audit Committee, the Remuneration and Appraisal Committee, the Nomination Committee, and the Sustainability Committee, to support its role of "setting strategy, making decisions, and preventing risks". The committees hired designated consultancies to support their work, providing consultation and advice for the decision-making of the Board of Directors. Independent non-executive directors play the role of "participating in decision-making, supervising and balancing, and providing professional advice", independently and objectively exercising their authorities. The Company has established a mechanism for independent non-executive director meetings to ensure independent directors fulfil their responsibilities. Independent directors leverage their professional expertise and advantages to promote the Company's compliance operations and scientific decision-making. When the Board of Directors decides on major issues such as the direction of the Company's reform and development, main objectives and tasks, and the arrangement of key work, it listens to the opinions of the Party organization in advance.
Senior Management	Senior management is appointed by and reports to the Board of Directors. It executes resolutions of the Board, organises the Company's production and operation management, and strives to promote the Company's high-quality development. The Company currently has 10 members of senior management, with the president as the primary person in charge, who reports to the Board of Directors and is under the direction and assessment of the Board.

Corporate Governance Policies

In accordance with applicable laws, regulations, and listing regulatory rules, the Company has formulated 18 governance systems such as the *Articles of Association* to provide institutional guarantees for ensuring the robust operation of the Company. During the reporting period, the Company conducted a comprehensive revision of its *Articles of Association* and other existing corporate governance systems to align with the latest regulatory requirements as well as its operations. After the revision, the Company no longer has a Supervisory Committee, and its duties will be taken over by the Audit Committee in accordance with regulations, and the *Rules of Procedure of the Supervisory Committee of Sinopec* was also abolished accordingly.

Key Corporate Governance Policies of Sinopec Corp.	<i>Articles of Association of China Petroleum & Chemical Corporation</i> <i>Rules of Procedure for the General Meetings of Sinopec</i> <i>Rules of Procedure for the Board Meetings of Sinopec</i> <i>Terms of Reference of the Strategy Committee Under the Board of Directors of Sinopec</i> <i>Terms of Reference of the Audit Committee Under the Board of Directors of Sinopec</i> <i>Terms of Reference of the Nomination Committee Under the Board of Directors of Sinopec</i> <i>Terms of Reference of the Remuneration and Appraisal Committee Under the Board of Directors of Sinopec</i> <i>Terms of Reference of the Sustainability Committee Under the Board of Directors of Sinopec</i> <i>Working Rules for Independent Directors of Sinopec</i> <i>Working Rules for the Board Secretary of Sinopec</i> <i>Procedures for Information Disclosure of Sinopec</i> <i>Regulations on Investor Relations Management of Sinopec</i> <i>Administrative Provisions on the Shares Held by Directors and Senior Management of Sinopec and Changes Thereof</i> <i>Administrative Measures for the Registration and Management of Insiders of Sinopec</i>
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Board of Directors

As the decision-making body of Sinopec Corp., the Board of Directors reports to the General Meeting of Shareholders and plays a critical role in corporate governance. The Company has established a comprehensive governance system and working mechanism for the Board of Directors strictly in compliance with the *Code of Corporate Governance for Listed Companies* of the China Securities Regulatory Commission, with specific requirements on the authority, composition, and procedural rules, selection process, rights and obligations, and performance evaluation of directors, providing a solid institutional and organisational guarantee for the Board to fulfil its duties. The Company continuously optimises and diversifies the composition of the Board of Directors, strengthens the Board of Directors and its committees, emphasises the role of independent non-executive directors, ensuring the effective fulfilment of its role in "setting strategy, making decisions, and preventing risks".

01 Duties, Responsibilities and Performance of the Board

Based on relevant laws, regulations, and normative documents such as the *Company Law*, *Guidelines on Articles of Association of Listed Companies*, *Code of Corporate Governance for Listed Companies*, and in light of practical circumstances, the Company' s *Articles of Association* stipulates the responsibilities and authorities of the Board of Directors as well as the procedures for nominating and electing directors, ensuring that directors' interests align with the long-term interests of the Company and its shareholders. Amendments to the *Articles of Association* and its appendices must be submitted to the General Meeting of Shareholders for approval by special resolution before taking effect. During the reporting period, the Company revised its *Articles of Association*, *Rules of Procedure for the General Meetings*, and *Rules of Procedure for the Board Meetings* in accordance with the latest regulatory requirements and actual circumstances, which were approved with an overwhelming majority at the Second Extraordinary General Meeting of Shareholders in 2025.

In 2025, the Company's Board of Directors performed their duties diligently and responsibly in compliance with regulations, made scientific decisions, and continuously improved its corporate governance effectiveness. The Board adjusted the composition of the Board committees, and continued to enhance the diversity of the Board. The Board intensified strategic analysis and conducted in-depth research into the Company's business development and strategic planning for the "15th Five-Year Plan" period. Adhering to a value-oriented approach, the Company continuously reinforced its sustainability management in areas such as Environmental, Social, and Governance (ESG) and has achieved good results. Focusing on shareholder returns, the Company has carried out share repurchases in both domestic and overseas markets for the fourth consecutive year to enhance corporate value and shareholder equity. During the reporting period, the Company convened six board meetings with a 100% attendance rate by directors, which reviewed and approved 50 proposals. The annual report of the Company provides a detailed disclosure of the annual performance of the Board of Directors in the section of *Corporate Governance, Environment and Society*.

Attendance of the Board Meetings	All members of the Board acted diligently and fulfilled their duties and authorities in compliance with relevant laws and regulations, the Company's <i>Articles of Association</i> , implemented the resolutions of the General Meeting of Shareholders, and actively made key corporate decisions exercising their professional expertise and skills. In 2025, the Company convened six Board meetings with a 100% attendance rate of the directors, and deliberated and approved 50 proposals. Relevant information about the meetings is disclosed on the websites of related stock exchanges and our corporate website in the form of announcements.
Other Positions of Independent Non-executive Directors	The <i>Working Rules for Independent Directors of Sinopec</i> specifies that independent non-executive directors should ensure they have sufficient time and energy to effectively fulfill their duties. In principle, they may serve as independent non-executive directors in no more than three domestic listed companies, and may not simultaneously serve as directors in more than six companies listed on the Hong Kong Stock Exchange Main Board or GEM. At present, among the members of the ninth Board of Directors, all independent non-executive directors concurrently hold director positions in no more than two other listed companies other than the Company, ensuring that they can devote adequate time and energy to effectively perform their duties and responsibilities.
Board Election	Each term of the Company's Board of Directors lasts for three years, and Directors may be re-elected upon the expiration of their term. However, the continuous tenure of independent non-executive directors may not exceed six years. Director candidates other than employee representatives are nominated by the Company's Board of Directors, Audit Committee, or shareholders holding more than 1% of the total voting shares, individually or collectively, of the Company, and such nominations are submitted to the shareholders' meeting for voting in the form of proposals. Employee representative directors are elected and replaced by the Company's employees through the employee representative congress, general meeting of employees, or other forms of democratic election. A cumulative voting system is adopted when electing two or more directors at the Meeting of Shareholders. Please refer to the relevant chapters of the <i>Rules of Procedure for the General Meetings</i> for the election procedures. At present, the Ninth Board of Directors of the Company consists of 13 directors, including 3 executive directors and 10 non-executive directors, with non-executive directors accounting for approximately 77% of the Board. The Board has five independent non-executive directors, accounting for 38% of the Board.

02 Diversity of the Board

The Board of Directors has formulated the *Board of Directors Diversity Policy* and revised it on 9 January 2026, stipulating that the Board shall fully consider the targets and requirements for board diversity. The number and composition of board members shall fully comply with the applicable laws, regulations, and securities regulatory rules of where the Company is listed, with a balanced mixture of relevant professional expertise. When determining the composition of board members, the Company considers diversity from multiple aspects, including but not limited to gender, age, cultural and educational background, region, ethnicity, professional expertise, skills, knowledge, and tenure, in order to ensure the overall effectiveness of the Board. The provisions on the tenure of directors in the Company's *Articles of Association* are conducive to ensuring a proper balance between sustained experience and new thinking of the Board, which enhances the diversity of the Board.

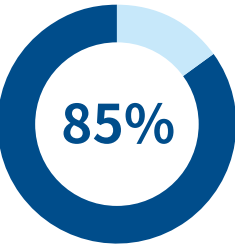
The Company evaluates the implementation of the *Board of Directors Diversity Policy* annually. At present, the Board has achieved diversity in terms of gender, cultural and educational background, and professional expertise. The board members come from various industries both domestically and internationally, possessing extensive professional experience that includes petroleum and petrochemical enterprise management, industrial policy, energy and environmental economics, carbon trading and carbon management, new energy and electricity, artificial intelligence and industry investment in new chemical materials, as well as finance, accounting, internal control, and risk management, all of which contribute to better strategic planning and sound decision-making. The Board of Directors and the Nomination Committee strive to identify qualified female board member candidates through multiple channels to ensure gender diversity of the Board. As of the end of 2025, female directors account for approximately 8% of the Board.

For details of the members of the Board, please refer to the Board of Directors section on the Company's website.

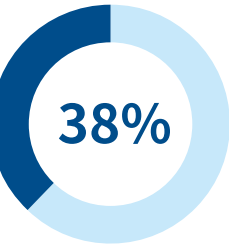


Professional Background of Directors

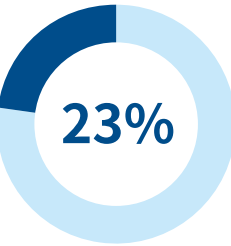
Energy and chemical industry experts



Financial experts



Risk management experts



03 Independence of the Board

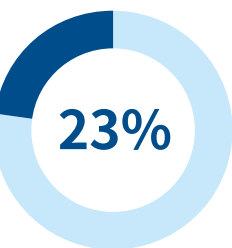
The Company's Board of Directors consists of 3 executive directors and 10 non-executive directors, five of whom are independent non-executive directors. Independent non-executive directors do not hold any position in the Company other than director. Independent non-executive directors leverage their professional expertise to provide opinions on major matters such as corporate strategy, operation compliance, business management, and sustainability management at General Meetings of Shareholders, Board meetings, and Board committee meetings, as well as at dedicated independent non-executive director meetings, thereby fostering internal checks and balances within the Board to ensure more scientific and professional decision-making.

Independent Non-executive Director Working Rules	The Company's <i>Working Rules for Independent Directors</i> specifies the qualification requirements, and the nomination, election, and replacement procedures, and the duties and rights of independent non-executive directors, and the safeguards to ensure the independent non-executive directors can duly perform their duties. The Company closely followed the reform of the independent non-executive director system in China, making timely policy revisions in accordance with revised requirements to further strengthen the guarantee for independent non-executive directors to better perform their duties. Company policy stipulates that independent non-executive directors shall consist of no less than 1/3 of the Board, with a minimum of three.
Procedures and Qualifications for the Election of Independent Non-executive Directors	The nominator of independent non-executive director candidates shall carefully verify the qualifications, eligibility, performance capabilities, and any factors that may affect their independence of each nominee, and make a statement and commitment on the verification results; meanwhile, the nominee shall make a public statement on their compliance with independence and other conditions for serving as an independent non-executive director. The Nomination Committee reviews the qualifications of the nominees and forms specific review opinions. Independent non-executive directors also need to conduct self-assessments on their independence annually and provide written confirmation to the Company.
Board Independence and Performance of Independent Non-executive Directors	The Board of Directors of the Company consists of five independent non-executive directors, accounting for approximately 38% of the Board. Independent non-executive directors are deeply involved in the work of the Board and relevant Board committees, providing decision-making opinions on important matters of the Company's development. Three independent non-executive directors respectively serve as the chairpersons of the Remuneration and Appraisal Committee, the Audit Committee, and the Nomination Committee. During the reporting period, the Company's independent non-executive directors implement the requirements of the Company's <i>Articles of Association</i> and the <i>Working Rules for Independent Directors of Sinopec</i>, "participating in decision-making, supervising and balancing, and providing professional advice", conscientiously fulfilling their duties and participating in decision-making on major corporate matters. During the reporting period, the independent non-executive directors held two special meetings to review and approve related party transactions, safeguarding the legitimate rights and interests of minority small and medium-sized investors. The independent non-executive directors also conducted three field research visits to Sinopec subsidiaries, examined the Company's upstream, midstream, and downstream industry chains on site, and actively provided advice and suggestions by leveraging their professional expertise and strengths to promote the Company's compliance operations and scientific decision-making, while continuously deepening their understanding of the business development of each segment of the Company.

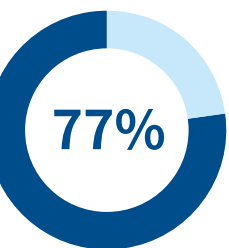
For details of the Company's *Articles of Association* and related policy documents, please refer to:



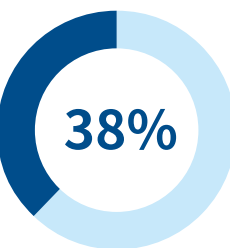
Number of Executive Directors: 3



Number of Non-executive Directors: 10



Number of Independent Non-executive Directors: 5



Board Committees

The Company has established five committees under the Board, which are the Strategy Committee, the Audit Committee, the Nomination Committee, the Remuneration and Appraisal Committee, and the Sustainability Committee. The committees conduct research on professional matters, and present opinions and suggestions to the Board for decision-making. The members of the Board committees are directors of the Company.

	Responsibilities	Policies and Mechanism	Composition	Key activities in 2025
Strategy Committee	Making recommendations to the Board on the long-term development strategies and significant investment decisions of the Company.	<i>Terms of Reference of the Strategy Committee Under the Board of Directors of Sinopec</i>	Composed of five directors, including Chairman of the Board, who serves as Chairman of the Committee, and three independent non-executive directors.	Convened one meeting in total, with a 100% attendance rate, and considered and approved the <i>2025 Investment Plan</i> of the Company.
Audit Committee	Responsible for proposing to hire and replace external auditing agencies, supervising the Company's internal audit system and its implementation, handling the communication between internal auditing and external auditing agencies, reviewing the Company's financial information and its disclosure policies, and reviewing the Company's internal control system, and exercising the Supervisory Committee's functions as stipulated in the <i>Company Law</i> .	<i>Terms of Reference of the Audit Committee Under the Board of Directors of Sinopec</i>	Composed of six non-executive directors, with an independent non-executive director who is an accounting professional as the Chairman of the Committee.	Convened a total of five meetings, with a 100% attendance rate, and deliberated and approved 21 proposals such as the <i>Internal Control Manual (2025 Edition)</i> , and the <i>Explanation on the Operating Performance, Financial Condition, and Related Matters for 2024</i> , and the <i>Internal Control Evaluation Report for 2024</i> .
Remuneration and Appraisal Committee	Responsible for formulating assessment criteria for directors and senior management and conducting relevant evaluations, establishing and reviewing remuneration policies and plans for directors and senior management, such as the remuneration decision-making mechanism and procedures, supervising the implementation of the remuneration system, and providing recommendations to the Board of Directors on related matters.	<i>Terms of Reference of the Remuneration and Appraisal Committee Under the Board of Directors of Sinopec</i>	Composed of three directors, including two independent non-executive directors, one of whom serves as Chairman of the Committee.	Convened one meeting in total, with a 100% attendance rate, and considered and approved the <i>Report on the Implementation of the Remuneration System for Directors, Supervisors and Senior Managers in 2024</i> .

	Responsibilities	Policies and Mechanism	Composition	Key activities in 2025
Nomination Committee	Responsible for formulating the selection criteria and procedures for directors and senior management, selecting and reviewing the candidates and their qualifications, and making recommendations to the nomination, selection or removal of Board members, as well as the appointment or dismissal of senior management.	<i>Terms of Reference of the Nomination Committee Under the Board of Directors of Sinopec</i>	Composed of three directors, including two independent non-executive directors, one of whom serves as Chairman of the Committee.	Convened two meetings in total, with a 100% attendance rate, and considered and approved the <i>Proposal on the Nomination of Non-executive Directors of the Company</i> and the <i>Proposal on Reviewing the Qualifications of the Candidates for Independent Non-executive Directors of the Company</i> .
Sustainability Committee	Responsible for conducting research, supervision, and inspection on matters related to the Company's sustainability management (including health and safety, environmental protection, social responsibility, etc.), and providing relevant recommendations to the Board of Directors.	<i>Terms of Reference of the Sustainability Committee Under the Board of Directors of Sinopec</i>	Composed of five directors, including Vice Chairman of the Board, who serves as Chairman of the Committee, and two independent non-executive directors.	Convened two meetings in total, with a 100% attendance rate, deliberated and approved four proposals, including the <i>2024 Sustainability Report</i> , the <i>Report on 2024 HSE Performance and 2025 HSE Work Plan</i> , the <i>Report on 2024 Compliance and Anti-Corruption Performance and 2025 Work Plan</i> , and the <i>Report on Major HSE Work in the First Half of 2025 and Key Work Arrangements for the Second Half of 2025</i> .



Remuneration and Appraisal of Directors and Senior Management

01 Compensation Appraisal Management

Sinopec Corp. has established and continuously improved a sound system for managing the compensation and assessment of directors and senior management, with performance indicators such as total profit, cost control, investment return, and safety and environmental protection performance. For the performance assessment of senior management, the Company incorporates indicators such as quality and profitability, service strategy, technological innovation, management optimisation, production safety, as well as ESG-related indicators such as energy conservation and environmental protection, and compliance, with relevant performance-based incentives based on the assessment results.

The Company has formulated and implemented a robust performance evaluation and compensation management mechanism for senior management, stipulating that the compensation of senior management mainly consists of basic annual salary, performance bonuses, and tenure incentives.

Indicator Category	Assessment Indicators	Weight
Quality and profitability indicators	Total profit, costs (expenses), economic value added, return on equity, cash flow, etc.	50%
Service strategy, technological innovation, and management optimisation indicators	Implementation of strategic planning, R&D investment intensity, domestic oil and gas production, etc.	30%
Key task indicators	Implementation results of deepening enterprise reform tasks, implementation results of value-creation operations, etc.	10%
Production safety indicators	Processes and results evaluation of production safety management (including safety penalty incidents, contractor safety, etc.).	10%
Compulsory indicators	Energy conservation and environmental protection (including greenhouse gas emissions, pollutant emissions and discharges, energy efficiency management, and environmental penalties, etc.) and other compliance indicators.	A maximum of 10 points can be deducted from operating performance points for poor performance in energy conservation and environmental protection indicators



02 Executive Compensation Management

The Company has formulated and implements a robust performance evaluation and compensation management mechanism for senior management. The compensation for senior management mainly consists of basic annual salary, performance bonuses, and tenure incentives. Tenure incentives are incentive income based on the tenure performance of senior executives, generally with a term of three years. The corporate performance indicators related to the variable compensation of the Company's Chief Executive Officer include total profit, economic value added, and return on net equity.

The Company has also established a clawback mechanism for performance compensations of senior management. According to the policies such as the *Implementation Measures on Accountability for Non-compliance in Investment Management of Sinopec*, senior management staff held accountable will have 5%–100% of their performance bonuses deducted and returned for the year of liability based on the size of the relevant asset loss. For larger losses, in addition to deducting and returning their performance bonuses, those held accountable will also have 30%–100% of their tenure incentives for one to three years (including the year of liability), deferred performance bonuses, cancellation of all unexercised medium- and long-term incentives, and the return of all medium- and long-term incentive gains from the year of liability as well as the preceding one to three years. And they will also be excluded from participating in any new medium- and long-term incentives within a prescribed period.

03 Renumeration Assessment

The Remuneration and Appraisal Committee of Sinopec Corp.'s Board of Directors makes recommendations to the Board of Directors on the formulation of compensation plans or schemes and assessment for directors and other senior management. For compensation determination, the committee has comprehensively considered the Company's goals and targets, the compensation schemes of industry peers, and the responsibilities and performance of directors and senior management.

In March 2025, the Remuneration and Appraisal Committee deliberated and approved the *Report on the Implementation of the 2024 Compensation System for Directors, Supervisors, and senior management*.

Protection of Minority Shareholders' Rights

The Company strictly adheres to the *Company Law*, the *Securities Law*, and other relevant laws and regulations and attaches great emphasis on safeguarding shareholders' rights, particularly the rights of minority shareholders. The Company's *Articles of Association* stipulates that independent non-executive directors shall play roles in decision-making, checks and balances, and professional consultation in the Board, supervise potential major conflicts of interest between the Company and controlling shareholders, actual controllers, directors, and senior management, and express independent opinions on matters that may harm the Company or the rights of minority shareholders, thereby safeguarding the legitimate rights and interests of minority shareholders.

The Company discloses information in a lawful, timely, accurate, and complete manner to ensure that minority shareholders have equal access to information. When distributing profits, the Company solicits opinions from minority shareholders through various channels. The Company also actively creates conditions for shareholders to attend general meetings, fully considering the time, location, and method of the meetings to facilitate the participation of minority shareholders.

The Company's *Articles of Association* specifies norms of conduct for controlling shareholders, requiring them to exercise rights and fulfill obligations in accordance with relevant regulatory rules, safeguard the interests of the Company, refrain from abusing their control or using related-party relationships to harm the legitimate rights and interests of the Company or other shareholders, refrain from unlawful or improper use of Company funds in any way, and refrain from harming the legitimate rights and interests of the Company or other shareholders through unfair related-party transactions, profit distribution, asset restructuring, external investments, or other means. All these provisions aim to ensure that the actions of controlling shareholders are guided by the overall interests of the Company and the rights of all shareholders.

1.3 Integrity and Compliance

Sinopec Corp. has established a sound integrity and compliance management system strictly adhering to compliance and integrity management requirements and principles. The Company formulates and implements a series of policies to continuously strengthen business ethics awareness at both the corporate and the employee levels, including the *Comprehensive Management Opinions on Strengthening Management in Compliance with Laws and Regulations* and the *Integrity and Compliance Management Manual*. The Company applies a "zero tolerance" policy towards corruption and any violations of business ethics, resolutely preventing and curbing non-compliant conduct, while continuously improving the integrity and compliance management and the anti-corruption capabilities of the Company.



Compliance Management

01 Optimising Compliance Management Mechanism and Policies

Sinopec Corp. strives to optimise its legal compliance system, having established an integrated "five-in-one" compliance management mechanism, including policies, risk management, internal control, compliance management, and legal affairs. With robust compliance management mechanism, processes, and relevant operational support, the Company fully leverages the "three lines of defence" of compliance management to build a comprehensive, effective, and customised compliance management system. In 2025, 13 directly affiliated subsidiaries, including Zhongyuan Oilfield and Zhenhai Refining & Chemical Company, obtain compliance management system certification through third-party institutions.

The Company continuously optimises its compliance management system to consolidate the cornerstone for high-quality development. The Company has established a compliance management system encompassing compliance management measures, an integrity and compliance handbook, targeted guidelines, and regulatory norms, covering extensive areas, such as corporate governance and operations, anti-commercial bribery and anti-corruption, anti-monopoly and anti-unfair competition, and social responsibility and employee rights. This compliance management policy system specifies the basic requirements and behavioural norms for both the Company and its employees in conducting external communications, upholding professional ethics, adhering to business ethics, safeguarding legitimate rights, and fulfilling social responsibilities. In 2025, the Company formulated and revised the *Guidelines for the Performance of Duties of Compliance Administrators of Sinopec Corp.*, the *Guidelines for Compliance on Overseas Anti-Corruption and Anti-Commercial Bribery* and several other regulations, further enriching and improving the compliance management system framework. The Company has also incorporated capability indicators such as compliance performance and occupational integrity into the employee performance evaluation system, conducting multidimensional assessments to strengthen constraints and positive guidance on employees, and promote employees to fulfil various compliance requirements as performing their daily duties.

The Company has formulated the *Sinopec Corp. Integrity and Compliance Management Manual*, which covers 54 corporate statements and 52 codes of conduct across 10 key areas: corporate governance and operations; safety, environmental protection, employee health and security; anti-commercial bribery and anti-corruption; consumer rights protection; anti-monopoly and anti-unfair competition; finance, taxation and assets; social responsibility and employee rights; intellectual property and data information; international trade and investment; and business partners. It provides clear guidance and behavioral norms for all business segments and employees to perform their duties lawfully and in compliance. The Company has established the *Employee Code of Conduct*, which regulates employees' compliance behaviors in areas such as culture and brand, HSE requirements, quality standards, code of ethics, job performance standards, learning and development, and confidentiality regulations. In addition, the Company includes compliance-related qualities and abilities, such as compliance performance and integrity in professional conduct, into the employee performance appraisal system.

02 Compliance Risk Management

The Company takes compliance risk management as an important means of ensuring robust corporate governance, and continuously optimises relevant management mechanisms and procedures accordingly. By strengthening internal collaboration and focusing on key areas, the Company actively incorporates compliance risk management considerations into business operations to enhance the overall compliance governance. As of the end of 2025, a compliance risk checklist covering 11 key areas, including bidding and tendering, taxation, safety and security, environmental protection, anti-monopoly, and anti-unfair competition, has been identified and formulated.

Compliance Risk Identification and Assessment Process and Division of Responsibilities

The Company and its Direct Affiliates	Business Units and Functional Departments	Compliance Management Department
Establish a comprehensive compliance risk identification, assessment, and early warning mechanism based on the comprehensive risk management framework, and establish and regularly update the compliance risk database, highlighting and strengthening the prevention, process control, and classified management of compliance risks.	Regularly review and analyse the mandatory compliance requirements and voluntary compliance commitments within the scope of their business responsibilities focusing on identifying and rectifying operations that may cause administrative penalties, criminal penalties or significant economic damages, clarifying risk issues, determining risk levels, formulating preventive measures, establishing risk lists, and timely reporting compliance risks to the compliance management department. Continuously monitor typical, common compliance risks within specific business fields that may cause severe damages and issue timely warnings accordingly.	Summarise and analyse the overall compliance risk focusing on factors such as risk likelihoods, impact and severity, and identify and evaluate major and significant compliance risks. Follow regulatory trends, prompts and urges relevant departments and units to timely identify and evaluate compliance risks and take corresponding measures, including through the analysis and interpretation of newly issued laws and regulations. Strengthen accountability, improve mechanisms, implement precise measures, and enhance dynamic monitoring and early warning for major compliance risks focusing on key business areas, critical business processes, and key personnel positions.





03 Enhance Audit Supervision

The Company conducts annual audit supervision over all business segments in strict accordance with the regulatory requirements. In 2025, the Company's audit departments at all levels, carried out audits focusing on operational compliance in accordance with national and internal regulations, focusing on the following areas: operation compliance and major risk prevention and control; compliance exercise of authority and fulfillment of major economic decision-making responsibilities; authenticity and legality of financial and accounting information and its effectiveness; as well as compliance in procurement and sales management, engineering investment, and overseas business operations. In 2025, the Company conducted a total of 815 audit projects. Based on the audit findings, 278 policies were formulated or revised, and 223 business processes were optimised, effectively strengthening the prevention against compliance risks.

Operational Compliance Audit Process of Sinopec Corp.

Develop Audit Plan	Develop an audit plan based on the principles of compliance, thoroughness, risk-oriented, and value enhancement, and develop targeted audit projects regarding new business areas and units with high risk exposures.
Pre-audit Preparation	Select audit teams composed of auditors with appropriate professional backgrounds and technical capabilities, organise pre-audit training, collect relevant materials, and formulate an audit implementation plan.
Audit and Verification	The audit team verifies issues of concerns, collects audit evidence, analyses causes, clarifies responsibilities, and proposes specific rectification suggestions.
Draft Audit Reports	The audit team drafts the audit report, and solicits opinions and feedback from the audited unit in writing, then the audit agency reviews and issues the final audit report and supporting documents.
Supervise Issue Rectification	The audit agency establishes a rectification list and follows up on its implementation.

04 Legal and Compliance Capacity Building

In 2025, the Company strengthened system development and actively carried out trainings in legal and compliance, continuously enhancing the legal awareness and compliance performance capabilities of managers and employees at all levels.

- Organised an online training for heads of legal units, covering compliance management, contract risk prevention and control, tax compliance, and employment compliance, with 350 relevant personnel participating.
- Developed the 2025 Compliance Management Training Programme, organising compliance management training in three session: legal and compliance department managers of directly affiliated subsidiaries, compliance management personnel, and policy management personnel.
- Compiled the *Sinopec Corp. 2025 Legal Awareness and Education Key Points*, and produced twelve monthly legal awareness video lectures targeting all employees, which were studied by over 90 thousand employees.

Indicators	2024	2025
Participation in Compliance Training (10,000 person-times)	38	38.8
Coverage Rate of Employee Compliance Training (%)	65.5	65.7

Business Ethics and Anti-Corruption Management

The Company strictly abides by and operates in accordance with relevant laws and regulations, such as the *Criminal Law of the People's Republic of China*, the *Company Law*, the *Provisions on Integrity and Conduct of State-owned Enterprise Executives*, the *Measures for the Investigation of Liabilities for Irregular Operations and Investments of Central Enterprises (Trial)*, the *Management Staff Discipline Provisions for State-Owned Enterprises*, as well as anti-corruption and anti-bribery laws applicable in the jurisdictions where it operates, and international conventions such as the *United Nations Convention against Corruption*, continuously strengthening the foundation for lawful, compliant operations and integrity risk prevention and control.

Anti-Corruption Statement of Sinopec Corp.

Sinopec Corp. strictly abides by China's anti-corruption laws and regulations, the *Anti-Money Laundering Law of the People's Republic of China*, the *United Nations Convention against Corruption*, and the relevant anti-corruption and anti-bribery laws applicable to the jurisdictions where it operates. The Company complies with the business integrity and anti-corruption regulations and commitments of its business partners and always advocates for an integrity culture. The Company strictly forbids its employees, including labourers and temporary workers, from giving or accepting bribes, or engaging in fraud, blackmail, or monopoly behaviours for any reason, in any form and in any jurisdiction. The Company also requires suppliers, contractors, and service providers to follow these requirements. When conducting domestic and overseas business and investments, the Company strictly abides by the principles and regulations of anti-corruption, anti-commercial bribery, anti-fraud, anti-money laundering, anti-blackmail, and anti-monopoly.



01 Anti-Corruption Organisational Framework

The Board of Directors coordinates and leads the Company's business ethics and anti-corruption work. Each branch and subsidiary of the Company has established respective supervisory units or assigned full-time or part-time supervisory posts to carry out anti-corruption supervision responsibilities in accordance with laws and regulations. The Company continuously optimises its internal supervision system and strengthens the mechanism for collaboration on supervision, ensuring that directors, senior management, and all units and personnel are properly supervised while exercising their management power. The Company regularly assesses internal and external situations, systematically analyses integrity risks, studies and deploys key supervision tasks, continuously deepening its anti-corruption initiatives.

The Company continues to strengthen its anti-corruption compliance system, organisational framework and policies, formulating relevant regulations such as the *Sinopec Corp. Compliance Management Measures*, the *Sinopec Corp. Credit Risk Management Measures*, the *Sinopec Corp. Regulations on the Management of Signing Business Integrity and Anti-Corruption Commitments*, and the *Sinopec Corp. Employee Disciplinary Regulations*.

In 2025, the Company formulated the *Guidelines for Overseas Anti-Corruption and Anti-Commercial Bribery Compliance (2025 Edition)* to guide and assist international business management personnel in familiarising themselves with and complying with domestic and foreign anti-corruption laws, regulations, and relevant international rules, providing strong support for the high-quality development of the Company's overseas operations with robust prevention and response to integrity compliance risks.

02 Anti-Corruption Risk Management

The Company attaches great importance to anti-corruption risk management, embedding it into its comprehensive risk management system, collecting and analysing risk information through multiple channels, and taking effective measures to actively address relevant risks. In accordance with the requirements of comprehensive risk management, all subsidiaries and professional companies have set up their respective comprehensive risk management leading groups to ensure the effective implementation of risk management. The Company implements a monthly inspection and joint prevention and control mechanism for overseas legal compliance risks, and focuses on compliance risk management in major decisions, important contracts, major fund transfers, governance of overseas subsidiaries, as well as external trading activities, maintaining fair market competition and preventing commercial bribery. The Company closely monitors risks in key areas such as material procurement and engineering construction, urges relevant departments to formulate preventive measures, and introduces third-parties to evaluate suppliers' compliance and integrity performance.

The Company carried out comprehensive rectification actions of prominent issues in the bidding and tendering field, establishing a leading group, developing targeted implementation plans, and organising each subsidiary to carry out "full coverage" and "whole process" self-inspection and self-rectification of identified risks in the bidding and tendering process.

The Company fully implements regulated, standardised and transparent procurement, strictly enforces relevant laws, regulations and policy requirements related to bidding and tendering, and strengthened the standardisation and professionalism of supplier qualification review. The Company also strictly implements policies such as *Sinopec Corp. Ten Prohibitions on Material Procurement* and *Eight Prohibitions for Bidding and Tendering Personnel*, continuously optimising supervisory indicators and improving the mechanism for early warning, ongoing monitoring, and post-event evaluation.

The Company also commissioned third-party credit rating agencies to conduct compliance and integrity evaluations of contractors and give them a comprehensive credit rating, reducing business risks with incentives for compliance and disciplinary actions for non-compliance behaviours.

In 2025, the Company strengthened the application of digital and intelligent anti-corruption supervision measures, accelerating the construction of the Smart Supervision System for Key Areas, and enhancing real-time early warning capabilities for abnormal business situations. In addition, the Company carried out targeted rectification projects in material procurement and bidding areas, comprehensively advanced the research and development of artificial intelligence application scenarios in tendering and procurement, and optimised the Sinopec Corp. Contractor Management Information System, realising the automatic restriction of banned contractors in business processes such as vendor selection and contract signing. The Company also actively promoted the revision and optimisation of policies and management measures in relevant business areas, continuously enhancing the effectiveness of anti-corruption supervision.

03 Strictly Disciplining Corruption Violations

The Company upholds a "zero tolerance" stance toward corruption and handles employee misconduct strictly in accordance with laws and regulations, ensuring that all corruption cases shall be properly investigated and all corruption acts shall be punished. Emphasising on the warning effect of violation cases, the Company thoroughly analyses cases to identify root causes, and urges relevant units to implement corrective measures accordingly. The Company continuously strengthens the comprehensive education, management, and supervision of employees, as well as optimises policies and management processes to prevent integrity risks. Employees who violate business ethics and anti-corruption regulations will be subjected to procedures such as case initiation and investigation in accordance with anti-corruption policies including *Sinopec Corp. Employee Disciplinary Regulations*, and the relevant disciplinary actions will be collectively made by the Company's management. In 2025, the Company took disciplinary action against 11 individuals. There was one corruption-related litigation concluded by the court, in which the involved person was sentenced to three years' imprisonment and fined RMB0.2 million.

To effectively prevent conflicts of interest, the Company has formulated the *Regulations on Management Personnel's Relatives Engaging in Business Activities*, which clearly stipulates the basic principles, the scope of individuals concerned, prohibitions, daily management and supervision, and accountability measures for the management of commercial activities run by relatives of leadership personnel, providing an institutional check to prevent integrity risks arising when specific relatives of leadership personnel engage in profit-making activities that conflict with public interests. In 2025, there were no incidents of violation of the Company's conflict of interest regulations, nor any occurrence of money laundering or insider trading.

04 Anti-corruption and Integrity Training

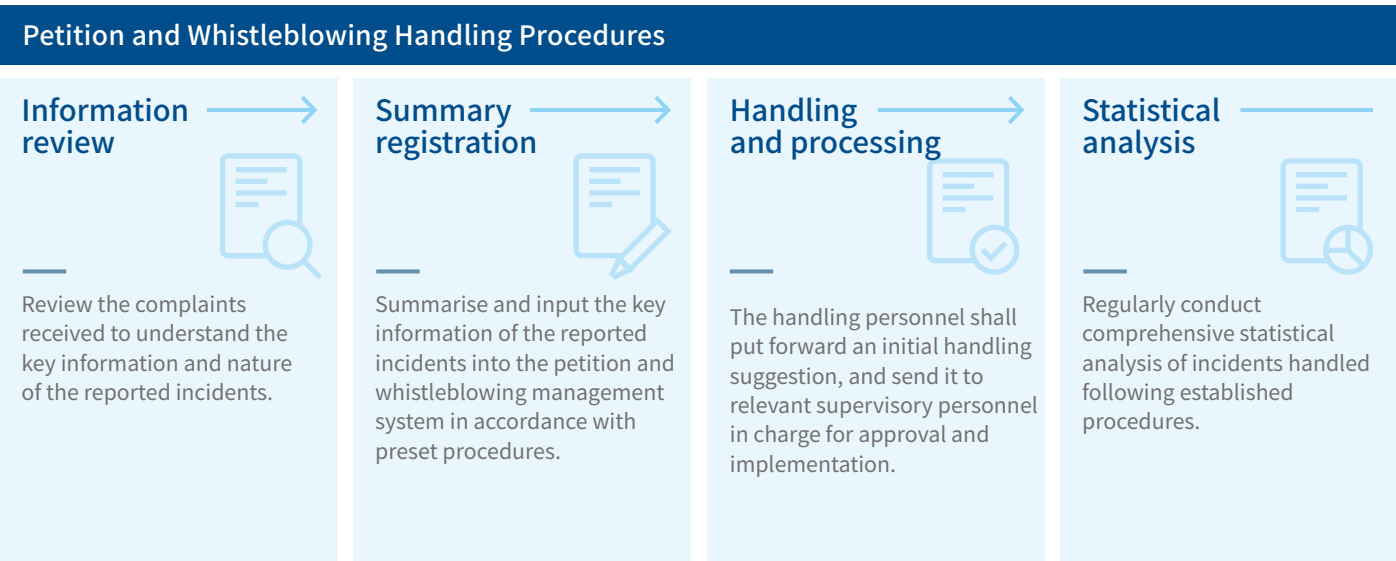
The Company continuously strengthens anti-corruption and integrity education. Its *Implementation Plan for Three-year Action Plan on Building a Culture of Integrity (2025–2027)* clarifies the concepts and codes of conduct for a culture of integrity. Anti-corruption education is integrated throughout employees' career development, with integrity-related content included in the *Employee Code of Conduct*. Dedicated integrity courses are set up in induction training for new employees, with a particular focus on strengthening integrity education for young managers. The Company also regularly organises events such as "Anti-Corruption and Integrity Education Month", using typical cases for warning education. Various methods such as group study, reminder talks, and case notifications are adopted to promote the integration of integrity education and business training in a coordinated manner.

In 2025, the Company achieved 100% coverage of anti-corruption and integrity education training for employees at all levels (including non-FTE workers). Seven courses were offered online, with a total participation of over 40 thousand views. Labour dispatch staff, outsourced personnel, and part-time staff were also included in the training scope, with a total participation of over 10 thousand person-times. A total of 4,832 contractor personnel completed relevant training and assessment, ensuring our contractors better observe business ethics and maintain integrity.

05 Whistleblowing Mechanism and Whistleblower Protection

The Company has established a sound whistleblowing mechanism with open reporting channels for employees and related parties regarding their supervision opinions. Reporting channels include mail, face-to-face reporting at designated reception venues, whistleblowing hotlines, and whistleblowing web portals.

The Company specifies that the Petition and Reporting Department is the dedicated unit responsible for handling whistleblowing reports. All admissible petitions and reports are accepted, registered and entered into the relevant handling system in accordance with regulations. Reports involving managers directly under the Company's management will be regularly reviewed, summarised, and briefed to the principal leaders of the supervisory body; reports concerning other personnel will be forwarded to the relevant supervisory units for handling according to the corresponding responsibilities.



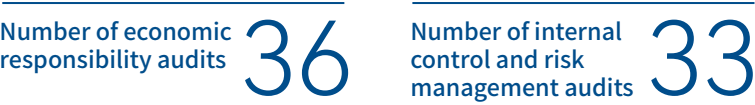
The Company fully complies with applicable laws and regulations on whistleblower protection, and regards the protection of whistleblowers' privacy as an important responsibility. The Company ensures the protection of whistleblowers with a robust internal confidentiality mechanism and standardised procedures for handling whistleblowing reports. Specific protection measures include: strictly keeping the whistleblower's name, affiliation, address and other information as well as the content of the report confidential; allowing anonymous reporting; and prohibiting unauthorised handwriting or IP address identification for anonymous reports. If the circumstances make it necessary to trace the whistleblower's identity such as cases involving suspected false accusations or framing, such actions must go through an approval process before being carried out. Any individual found to have intentionally disclosed whistleblower information or engaged in retaliation against the whistleblower will be severely disciplined accordingly once verified.

In 2025, the Company provided training and lectures to key business personnel on priority issues related to handling petition and whistleblowing reports in accordance with relevant laws, regulations and rules. In addition, the Company also issued guidelines to supervisory units of each subsidiary and urges them to organise relevant trainings to ensure the effective functioning of the whistleblowing mechanism.

06 Business Ethics and Anti-Corruption Audits

The Company conducts annual audits on business ethics standards and their implementation to strengthen the management of business ethics. Across all business segments of the Company, any practices related to integrity, ethics, anti-corruption, and anti-bribery are subject to regular supervision, evaluation, and audits.

In 2025, the Company conducted a total of 36 economic responsibility audits, 33 internal control and risk management audits, and 1 financial income and expenditure audit. During the audit process, special attention was given to whether there were any personal integrity risks in high-risk areas such as project bidding, product sales, and material procurement, while audits were also conducted on the performance evaluations and credit management of contractors, customers, and suppliers.



Indicators	2024	2025
Total number of entries made public in the Smart Supervision System for Key Areas (ten thousand)	589.26	2,471
Number of individuals disciplined for violating the Company's anti-corruption policies	8	11
Number of corruption litigation cases adjudicated by court	0	1
Number of convictions related to corruption and bribery cases	—	1
Total amount of fines related to corruption and bribery cases (RMB10,000)	—	20

Indicators	2024	2025
Participation of anti-corruption and integrity training (10,000 person-times)	119.9	120.3
Coverage rate of anti-corruption trainings (%)	100	100
Number of disciplinary legal education training sessions (10,000 times)	1.6	1.6
Number of employees participated in disciplinary legal education (10,000 person-times)	89.6	90.3
Coverage rate of disciplinary legal education and training (%)	100	100
Participation of anti-corruption and integrity training for directors (persons)	12	13
Coverage rate of anti-corruption and integrity trainings for directors (%)	100	100
Participation of anti-corruption and integrity training for senior management (excl. directors) (persons)	7	7
Coverage rate of anti-corruption and integrity trainings for senior management (excl. directors) (%)	100	100

Ethics, Anti-Corruption and Compliance Management of Supply Chain

To further promote anti-corruption compliance management in the supply chain and regulate business conduct, the Company revised and updated regulations in 2025 such as the *Sinopec Corp. Contractor Management Regulations* and *Sinopec Corp. Prohibitions on Tendering and Bidding*. *Sinopec Corp. Contractor Management Regulations* establishes a contractor management system covering six categories: engineering construction, petroleum engineering, inspection and maintenance, production operations, production support, and service support. It incorporates contractor violations of business ethics and corruption-related behaviors into the Company's universal contractor prohibition list, further standardising the full-process management of contractor admission, selection, use, credit evaluation, and exit. Contractors who obtain improper benefits during business acquisition, contract performance, or evaluation processes through bribery or other unfair competition behaviours shall be moved to a "blacklist". *Sinopec Corp. Prohibitions on Tendering and Bidding* explicitly prohibits bid manipulation, collusion, and unlawful intervention and subcontracting, strengthening integrity and compliance requirements for bidding and tendering operations.

The Company has formulated the *Sinopec Corp. Performance Evaluation Measures for Material Supply Management*, specifying integrity in professional conduct as a mandatory indicator. Points will be deducted for material supply personnel who violate relevant integrity requirements, who will also be subject to disciplinary action. The violation will also be reflected in the annual material supply management performance assessment report.

Through the continuous implementation of a series of policies and management measures, the Company has effectively strengthened integrity and compliance restraints on the supply chain. During the reporting period, the Company disqualified one supplier involved in corruption issues, and the number of non-compliant suppliers has dropped significantly compared to 2024.

Key Anti-corruption Compliance Policies for Suppliers of Sinopec Corp.

Sinopec Corp. Ten Prohibitions for Material Procurement
Eight Prohibitions for Bidding and Tendering Personnel
Performance Evaluation Measures for Material Supply Management of Sinopec Corp.
Sinopec Corp. Contractor Management Regulations
Sinopec Corp. Prohibitions on Tendering and Bidding
Sinopec Corp. Employee Disciplinary Regulations



■ Key Supply Chain Anti-Corruption Initiatives in 2025

Comprehensively Ensured Procurement Compliance	Strictly implemented relevant laws, regulations, and policy requirements related to bidding and tendering, as well as the Company's regulations such as the <i>Sinopec Corp. Ten Prohibitions on Material Procurement</i> and <i>Eight Prohibitions for Bidding and Tendering Personnel</i>; continuously optimised supervision indicators focusing on key stages such as bidding and tendering, price inquiries and comparisons, and contract signing, and optimised the mechanisms for early warning, ongoing monitoring, and post-event evaluation. In 2025, the Company conducted on-site inspections of 2,848 suppliers, increased penalties for suppliers in breach of contract, and continuously maintained a transparent, fair, and compliant procurement order. A total of 143 non-compliant suppliers were disciplined, among which 3 suppliers were moved to the "blacklist". In 2025, the Company provided business ethics and anti-corruption training for a total of 653 contractors/subcontractors.
Comprehensive Rectification of Prominent Issues In Bidding Process	Established a leadership group and set up dedicated working teams for comprehensive rectification focusing on prominent issues related to bidding and tendering, developed targeted implementation plans based on actual situation, organised each subsidiary to carry out "full coverage" and "whole process" self-inspection and self-rectification of identified risks, and steadily promoted the revision of bidding and tendering management policies. Taking material procurement as an example, all material procurement bidding projects since 2013 were subject to self-inspection and self-rectification, with 126 subsidiaries conducting self-inspection and a number of enterprises selected for on-site inspection.
Digitalising Supplier Compliance Management	Researched artificial intelligence application scenarios in bidding and procurement, optimised the contractor management information system, registered 46 thousand contractors and 406 thousand practitioners, achieved real-time Company-wide sharing of contractor misconduct handling information, and realised automatic restriction for banned contractors during vendor selection, contract signing and other processes.
Continuously Conducting Third-Party Evaluations	Introduced third-party commercial credit evaluation agencies to assess the compliance and trustworthiness of contractors and suppliers, developing a comprehensive credit rating, and optimised the mechanism for rewarding integrity and penalising dishonesty and effectively reduce business risks. In 2025, the Company commissioned third-party evaluation agencies to conduct due diligence on 1,625 suppliers, bringing the total number of suppliers investigated to 11,837.
Strengthening Compliance Constraints	In the <i>Compliance Commitment Letter</i>, suppliers are required to commit to establishing a compliance management system, promote the awareness of compliance culture, and ensure conscious compliance behaviours of personnel. Signed the <i>Business Integrity and Anti-Corruption Commitment</i> with contractors and suppliers to regulate their transaction behaviours. The document is an attachment to the procurement contract or agreement, and bears the same legal effect.

The Company treats supplier management as a key aspect of economic responsibility audits, fixed asset investment audits, internal control audit evaluations, as well as other audit Projects, focusing particularly on whether supplier qualifications, selection methods, and procedures are compliant, whether there are situations of failing to conduct required bidding, conducting bidding superficially, or suppliers falsifying performance records to secure contracts, whether procurement prices are fair, and whether quality meets standards. In 2025, the audits found that certain suppliers had issues such as not meeting qualification requirements or failing to pay penalties for overdue deliveries. Regarding the issues identified, the Company urged relevant enterprises to take corrective measures, such as ensuring stricter assessment of suppliers and revisions to their policies and procedures.

Indicators	2024	2025
Number of suppliers disciplined for business integrity violations	16	1

Anti-unfair Competition

Sinopec Corp. adheres to the principles of fair competition. The Company safeguards consumers' legitimate rights and interests and public interests, refrains from and opposes fraud, coercion, collusion, obstruction and other illegitimate behaviours, and prohibits damaging the legitimate rights and interests of other operators or consumers through monopoly and unfair competition, and disrupting market competition order. In 2025, the Company had no incidents of litigation or major administrative penalties due to unfair competition activities.

The Company makes an explicit statement in the *Integrity and Compliance Management Manual* on actively maintaining a fair and just market order and firmly preventing unfair competition, and specifies relevant requirements for employees to strengthen their awareness of anti-unfair competition and to strictly observe professional ethics. The Company has formulated a number of compliance guidelines and risk lists regarding this issue, such as the *Anti-Unfair Competition*, *Consumer Rights Protection*, *Prohibition of Abuse of Market Dominance*, *Prohibition of Monopoly Agreements*, and *Strengthening Compliance Management of Business Partners*, further clarifying its compliance management requirements and ensuring compliant market operations.

The Company closely follows the requirements of state anti-monopoly and anti-unfair competition laws and regulations, and has compiled a dedicated bulletin on relevant laws and regulations to interpret the *Anti-Unfair Competition Law of the People's Republic of China*, and provided alerts on compliance risks and improved work processes accordingly. The Company has incorporated anti-monopoly review of operator concentration into the risk control and internal control matrix, establishing an information module for operator concentration anti-monopoly in the legal compliance management system, promoting the establishment of a headquarters-subsiary linkage mechanism. In 2025, a total of 11 operator concentration cases were filed, all of which successfully passed approval.

Indicators	2024	2025
Monetary value (in RMB10,000) of lawsuits or major administrative penalties due to unfair competition behaviour	0	0



Fair Treatment for Small and Medium-sized Enterprises

Sinopec Corp. strives to treat small and medium-sized enterprises equally and promote the joint development with upstream and downstream industrial chain partners. As of the end of 2025, the Company's accounts payable (including notes payable) balance was RMB263.6 billion, with no payment overdue (including payment overdue to small and medium-sized enterprises).

Indicators	2024	2025
Accounts payable (including notes payable) balance (RMB10,000)	25,659,687	26,361,329
Percentage of accounts payable (including notes payable) balance to total assets (%)	12.3	12.2
Overdue unpaid (RMB10,000)	0	0
Overdue unpaid to small and medium-sized enterprises (RMB10,000)	0	0

Tax Management

The Company has formulated the *Tax Management Measures* and other relevant policies to ensure tax compliance, and conscientiously fulfills its tax obligation in compliance with the relevant tax policies and regulations of the market where it operates, as well as the Company's management policies and operation procedures. With a strong focus on accurate and timely tax payments, the Company maintains authentic and complete tax-related data and records to meet regulatory requirements and disclose tax information in accordance with applicable regulations. In 2025, the Company closely followed state fiscal and tax policies, and organised briefings and learning sessions on policy trends as well as tax-related trainings to improve tax management personnel's ability to understand and apply relevant policies, standardise the implementation of various tax preferential policies. The Company also optimised the tax management information systems and procedural workflows, continuously strengthening tax compliance awareness and capabilities.

The Company complies with relevant tax laws and regulations in jurisdictions where it operates, establishes transfer pricing management policies for related-party transactions, determines transfer pricing based on market principles, and supports and complies with the Base Erosion and Profit Shifting (BEPS) programme, contributing to social and economic development while pursuing the sustainable development for the Company.

The Company continuously optimises internal control processes and management policies. The Company has established a quantitative assessment model for tax risks using information technology and digital applications, regularly evaluates tax risks, standardises business processes from the source, and actively promotes normalised, systematic, and precise risk management, so as to enhance its capability to prevent and control tax risks. In 2025, the Company had no incidents of major tax-related litigation or arbitration.



Intellectual Property Protection

The Company strictly abides by the *Civil Code of the People's Republic of China*, the *Patent Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*, and other relevant laws and regulations related to intellectual property protection, strengthens top-level planning, and has established an intellectual property management system characterised by "centralised ownership, two-level management, emphasis on protection, and focus on application". The Company implements full-cycle intellectual property protection management, covering project research and development, technological cooperation, property rights acquisition, technical services, technology licensing, and the management of personnel with access to confidential information.

The Company has formulated a comprehensive set of relevant policies covering each step of the creation, application, protection, and management of intellectual property, including the *Sinopec Intellectual Property Protection Regulations*, the *Sinopec Patent Management Measures*, the *Detailed Rules for the Implementation of Sinopec's Management of Intellectual Property Service Agencies*, and the *Sinopec Proprietary Technology Management Measures*.

1.4 Risk Management and Internal Control

Risk Management

01 Risk Management System

Sinopec Corp. has established a robust risk management and internal control system, and regularly conducts risk identification, assessment, and control programmes. Each year, the Company and its subsidiaries organise corporate risk assessment with the assistance of internal and external experts to ensure the effectiveness and applicability of risk management measures. The Company continuously strengthens its internal control management and optimises its sound management mechanism of systems, policies, and supervisory functions. In 2025, the Company had no significant risk incident.

The Company has established a risk management system framework with management at different levels functioning as the main body, and various business lines form the main report line, ensuring effective risk management in accordance with each level's management responsibilities from the headquarters to subsidiaries. The Company has formulated the *Comprehensive Risk Management Measures* to specify risk management responsibilities, key procedures, risk management culture, and relevant assessment and supervision measures. Our subsidiaries and affiliated enterprises have established and continuously improved their own risk management systems, specifying responsibilities at every level, and ensuring that risk prevention and control are conducted in accordance with established rules and applicable laws and regulations.

Risk Management System of Sinopec Corp.

Board of Directors	The Company's Board of Directors is the top decision-making body for risk management, with the Chairman of the Board acting as the highest-level person overseeing the risk management, monitoring and auditing risk management performance of the Company.
Audit Committee of the Board	Responsible for reviewing the Company's financial policies, internal audit system, internal control system, and risk management system; auditing the Company's financial information and disclosure; supervising and evaluating the effectiveness of internal and external audits, risk management, and internal control systems.
Headquarters Departments	Responsible for management of relevant risks in line with the functions, including environmental protection, addressing climate change, production safety, finance, legal affairs, anti-corruption, and overseas security. Each department collects risk information through multiple channels, conducts research and judgment, and takes effective measures to actively deal with risks.
Subsidiaries and Professional Companies	Establish own comprehensive risk management leading teams in accordance with the requirements of the <i>Comprehensive Risk Management Measures</i> to ensure the effective implementation of risk management initiatives.

The Company continues to strengthen its risk management indicator system, and has established a major operational risk management indicator system, comprising five key dimensions, 28 primary indicators, and 67 sub-indicators, and continuously promotes the application of the system. In 2025, the Company focused on core risk prevention and control targets and systematically implemented the construction of a quantitative risk management and dynamic monitoring system, fully enhancing its capabilities in risk forecasting, early warning, and response. The Company strictly implements a quarterly risk indicator threshold calculation mechanism and regularly issues risk warning reports based on calculation results to guide various departments in their risk prevention and control work. The Company also closely monitors relevant external risk events, promptly conducts impact analyses and assessments, and submits risk alert information. As a result, the Company has built a closed-loop risk management mechanism of "early warning-assessment-response", enabling rapid response and the development of countermeasures by professional teams to effectively control risks based on different types of risk alerts.

The Company includes risk management as a mandatory performance indicator for the compensation appraisal system for senior management staff of the Company and its subsidiaries, with deductions of performance score for unachieved targets such as incidents of major decision-making errors or legal disputes.

The Company conducts risk identification based on its annual major risk control performance, issues identified through internal and external audits, major operational risk events reported by its subsidiaries, macro trends at home and abroad, as well as internal and external information collected, analysing causes, formulating risk lists, assessing risk classification with both qualitative and quantitative methods, and clarifying the key tasks for risk management. Risk assessment includes annual risk assessments, targeted risk assessment, and daily (dynamic) risk assessment. In addition, the Company monitors its risk exposures in real time, relying on mechanisms such as quarterly market forecasts, monthly market situation analyses, and weekly market meetings to promptly assess and take measures to address the impact of external shocks.

02 Risk Identification and Assessment Procedures

Risk Identification and Assessment by Category

1	Annual Risk Assessment	To conduct comprehensive risk assessment annually, summarise and analyse the risk assessment results, determine the annual major risk rankings, and prepare the annual comprehensive risk assessment report.
2	Targeted Risk Assessment	To conduct targeted risk assessment during the feasibility study phase for major and related investment projects of the Company. To identify the various risk factors for investment projects, conduct qualitative and quantitative risk analysis, comprehensively assess the risk tolerance of the investment project, formulate feasible risk response measures, and prepare a dedicated risk assessment report.
3	Daily (Dynamic) Risk Assessment	Continuously monitor changes in risks, strengthen dynamic assessment and monitoring, track and analyse quarterly risk monitoring indicators and major risk events, prepare quarterly risk management reports, and calculate quarterly risk indicator results and take timely measures to effectively respond to risks. Each subsidiary conducts dynamic assessments of relevant risks based on annual risk assessment results, combined with daily operational management.

2025 Major Risk Identification and Assessment Process

1	Questionnaire Survey Assessment	Developed the 2025 annual risk assessment survey questionnaire in accordance with risk assessment standards, and surveyed 3,163 personnel from headquarters and subsidiaries using the questionnaire, ranking risks based on two dimensions: the likelihood of occurrence and dimension of the degree of impact.
2	Targeted Analysis and Assessment	Entrusted internal and external advisory agencies to evaluate key risks for Sinopec Corp. in 2025 based on a comprehensive analysis of macro and industry trends both home and abroad, analysing risk causes, proposing response measures, and compiling a targeted risk assessment report.
3	Major Risk Report and Response	Compiled the Annual Major Risk Management Report based on annual major risk control results, analysing the Company's annual major risks focusing on risk control targets and risk causes, proposing response measures.

2025 Risk Appetite Determination Process

1	Define Risk Categories	Identified 23 major risks in 2025 based on the characteristics of the energy and chemical industry and the Company's actual business conditions; simultaneously developed a risk inventory with well-defined responsible departments, and completed the definition of risk categories.
2	Assess Risk Impact Level	Assessed the likelihood and impact of various risks focusing on key areas such as operation and production stability.
3	Analyse Factors Influencing Risk Appetite	Developed a matrix of risk appetite influencing factors based on the Company's development strategy and regulatory requirements, and completed a systematic assessment.
4	Set Risk Tolerance Ranges and Promote Quantification of Risk Appetite	Based on the risk assessment results, set clear tolerance ranges for various risks, and converted risk appetite into practical and monitorable quantitative standards by applying the threshold calculation logic of the risk quantification indicator system, and continuously adjusted appetite levels according to business operations and changes in the external environment.

Incorporating ESG Risk Management into the Comprehensive Risk Management System

The Company has incorporated ESG risk management into its comprehensive risk management system. Its 2025 risk assessment results identified 23 major risks. Among the top 10 risk categories, there are two related to ESG: HSE risks and technology innovation risks. Based on the ranking of major risks in the past two years, there are two long-term emerging risks with the greatest impact on the Company's future business: market competition and price risks and strategic planning and investment risks.

Internal Control Management

The Company has established a two-level internal control management system at the headquarters and subsidiaries, with a robust organisational framework, policies and systems, and evaluation mechanism at each level. Each year, the Company also reports to the Board of Directors through onsite meetings the revision of internal control manual, and the annual internal control evaluation results.



Internal Control Management System of Sinopec Corp.

Management Module	Headquarters Level	Subsidiary Level
Two-Level Organisational Framework	As the top decision-making body for internal control and management within the Company, the Board of Directors determines the internal control system, and is in charge of the overall supervision and evaluation of internal control policies and their effective implementation. The Audit Committee of the Board is responsible for overseeing the Company's internal control system. The Company has assigned a Comprehensive Risk Management Executive Team to lead the formulation and operation of its internal control system, with the Comprehensive Risk Management Office under the Enterprise Reform and Legal Department as its implementation body and responsible for ensuring the effectiveness of the internal control system. The Audit Department independently exercises the inspection and evaluation functions of internal control management. Headquarters functional departments and business units are responsible for the formulation and effective implementation of internal controls related to their respective functions and business units.	Responsible for the formulation and implementation of the internal control system of each unit following the direction of headquarters, and bearing the responsibility for internal control management of the subsidiary.
Two-Level Policies and Systems	Responsible for formulating the headquarters internal control manual and corporate internal control manual framework.	Fulfil its own internal control system design responsibilities in accordance with the framework of the headquarters, including detailed internal control implementation measures based on actual conditions.
Two-Level Evaluation Mechanism	The Audit Department carries out various audits and continuously supervises the Company's internal control independently under the guidance of the Board. The Enterprise Reform and Legal Department is responsible for the daily supervision and special supervision of the Company's internal control, conducting supplementary testing and evaluation for directly affiliated subsidiaries not yet covered by audit inspections, or organising targeted internal control inspections and key spot checks as needed.	Follow the management requirements of headquarters, and supervise and evaluate the internal controls of each unit through all-around, multi-level inspections such as comprehensive regular testing and self-inspection.

Cultivating a Risk Culture

The Company actively promotes full employee participation in risk governance, conducting comprehensive risk assessments annually and inviting employees to participate in risk analysis to evaluate the year's major risks based on the likelihood of occurrence and potential impact. The Company actively carries out risk management training, holding two targeted risk control and internal control training sessions in 2025, covering over 200 department heads and key business personnel from the risk control and internal control management departments of the headquarters and subsidiaries. In addition, during the reporting period, the Company formulated and implemented a training plan to enhance professional skills in the green and low-carbon field, inviting industry experts to provide policy interpretation, trend analysis, and practical insights to ensure that the Board of Directors and senior management could promptly grasp the latest developments and key risk areas in the relevant domain. The Company adheres to a mechanism of regular revision of internal control systems, collecting revision suggestions company-wide each year to encourage employee participation in optimising internal control management. The published internal control manual covers seven company-level internal control processes such as development strategy, social responsibility, and corporate culture, as well as 63 business-level internal control processes in 20 categories such as fund activities, procurement and production activities, and asset management.

Number of company-level internal control processes released

7

Number of business-level internal control processes released

63



Risk Management and Internal Control Audit

To promote the construction of a robust internal control system, ensure effective implementation of internal control systems and compliance in management practices, and prevent and mitigate major risks, the Company also hires external auditors to conduct risk-oriented internal control and risk management audits over its headquarters and several key subsidiaries each year alongside the economic responsibility audits.

The Company implements both self-inspections and inspection and evaluation by the headquarters to guarantee the effectiveness and adequacy of the supervisory evaluations. Self-inspections include quarterly tests conducted regularly at functional departments of both the headquarters and subsidiaries, annual comprehensive inspections and evaluations conducted by the Internal Control Management Department of the headquarters and the Internal Control Audit Departments of the subsidiaries, as well as targeted inspections and key spot checks conducted by various functional departments of both the headquarters and subsidiaries. Evaluations conducted by the headquarters include internal control audits conducted by the Audit Department according to the annual audit plan for each subsidiary, and risk control and internal control inspections carried out by the Enterprise Reform and Legal Department in conjunction with internal control audits on certain subsidiaries selected for the year, with a three-year rolling cycle ensuring 100% coverage.

In 2025, the Company conducted internal control and risk management audits on 33 subsidiaries, performing a comprehensive review of company-level controls such as the internal environment, risk assessment, information and communication, and internal supervision, as well as business-level controls involving fund activities, procurement and production activities, and asset management. The overall internal control of the relevant enterprises was found to be effective. For the issues identified during audits, the relevant units carried out rectifications through accountability measures, revising authority guidelines, and implementing recommended measures.

TECHNOLOGICAL INNOVATION



039	2.1 Governance
041	2.2 Strategy
043	2.3 Management of Impacts, Risks and Opportunities
043	2.4 Metrics and Targets
045	2.5 Technological Innovation Achievements



2.1 Governance

Governance Structure and Personnel

Sinopec Corp. is committed to fully integrating technological innovation into its strategic planning, corporate governance system, comprehensive risk management system, as well as daily operation and management. The Company has established a "Board-Management-Implementation" three-level governance structure with well-defined responsibilities at each level.

Board Level1			
Organisation	Strategy Committee	Audit Committee	Sustainability Committee
Members	Chairman, Executive Directors, Independent Non-Executive Directors	Non-Executive Directors, Independent Non-Executive Directors	Vice Chairman, Non-Executive Directors, Executive Directors, Independent Non-Executive Directors
Authorities, tasks and objectives	Responsible for reviewing technological innovation plans, policies, and providing the Board with suggestions on the strategic positioning and layout of technological innovation.	Responsible for assessing the effectiveness of the Company's risk management and internal control systems.	Responsible for conducting research on policies, strategies, and action plans related to sustainability issues, including technological innovation.
	Responsible for reviewing and supervising the planning and progress of major technological innovation projects.		Responsible for reviewing the Company's annual sustainability report and supervising the Company's disclosure of technological innovation related information.
	Responsible for identifying, assessing, and managing the risks, opportunities and impacts related to technological innovation, and reviewing the list of major risks and annual evaluation reports.		
Management Level2			
Organisation	The Technology Innovation Steering Committee		
Members	Mainly composed of the president, senior vice presidents and other senior management personnel, as well as key heads of relevant functional departments.		
Authorities, tasks and objectives	Responsible for coordinating and advancing the construction of the Company's innovation system and the reform of the technology framework and mechanisms; researching and reviewing the Company's major technology development strategies, major plans, arrangements for key technology projects, and significant reform measures; coordinating efforts to tackle critical core technologies; addressing major strategic, overarching, and directional issues with regard to technology; and guiding and supervising the implementation of technology development strategies, plans, and major deployment arrangements.		
Implementation Level3			
Organisation	Technology Department	Comprehensive Risk Management Office	Subsidiaries/ Research Institutes
Authorities, tasks and objectives	Responsible for researching and formulating the Company's medium and long-term technology development plans and targeted technology development plans, organising and managing technology projects, promoting in-depth reform of the technology system and mechanism, promoting domestic and international technology cooperation and exchange, and enhancing intellectual property and standardization management.	Integrate technological innovation-related risks into the Company's comprehensive risk management system and internal management processes. Organise annual risk identification and assessment, prepare quarterly risk management report and submit the report to the Board.	Responsible for formulating and implementing technological innovation plans, accelerating the research and development of new technologies and upgrading existing technologies, promoting the transformation and application of research achievements, cultivating high-level tech talents, and conducting domestic and international academic exchanges and cooperation.
		Monitor technological innovation related risk management results through annual risk control and internal audit checks, as well as enterprise self-inspections.	

Professional Skills and Capabilities



The Company selects directors and management personnel with adequate professional knowledge and experience in technology research and development to provide guidance and professional support for the Company's technological innovation endeavours, and has organised personnel with relevant expertise to form dedicated working committees, effectively promoting the implementation of relevant initiatives. The Company has formulated and implements a professional talent training plan to enhance technological innovation capabilities, inviting senior industry experts to provide training on the latest technological innovation policy environment, technical trends, and recent developments, guaranteeing that the Board of Directors and senior management are informed of the latest progress in the relevant fields. All of these efforts provide professional support for the Company's technological innovation initiatives.

Reporting, Supervision and Evaluation



The Company has established an internal reporting and supervision mechanism for technological innovation and incorporated it into the internal control system of the Company. The Board of Directors annually reviews the implementation, performance and work plans of the technological innovation strategic plan. Company management regularly hears reports from functional departments regarding strategy implementation, key research results, and future goals in this regard, giving guidance and supervising the implementation of related initiatives. Company subsidiaries and research institutions report the progress of technological research and development along the regular report line in a timely manner through regular reports or targeted reports.

The Company has established a technological innovation assessment system that covers headquarters business units and professional companies, directly affiliated research institutes, and directly affiliated production and operation entities, incorporating into operational performance evaluation a number of relevant assessment indicators on innovation, such as R&D investment intensity, based on which performance-based remuneration is awarded. The Company establishes various technology achievement rewards to recognise and reward units and individuals with outstanding achievements in technological innovation.

Incorporating Technological Innovation Consideration into Management Decision-Making



The Company attaches great importance to technological innovation. When formulating overall development strategies, supervising the implementation of strategies, making significant transaction decisions, and managing risks, the Company fully considers the impacts, risks, and opportunities related to technological innovation, closely follows relevant state policy requirements, and continuously optimises the Company's development strategy and work plans accordingly. The Company thoroughly studied national technological innovation-related policies such as the *Law of the People's Republic of China on Scientific and Technological Progress* and the *Guiding Opinions on Improving the Evaluation Mechanism for Scientific and Technological Achievements*, and formulated the *Guidelines for High-value Patent Work of Sinopec Corp.*, which requires its subsidiaries to strengthen the cultivation and creation of high-value patents, promote patent transformation and application.





2.2 Strategy

Risks			Response Measures
Technological Innovation Risks	The research and application of new technologies may come across risks such as technological bottlenecks or failures, and failure to follow the trends of cutting-edge technologies timely and effectively may have an impact on the Company's resource allocation, slow down growth, and reduce competitiveness.	Time Frame of Impact* Long-term	Focus on industry and market demands, strengthen top-level design, and accelerate breakthroughs in core technologies in key business segments such as oil and gas exploration and development, refining, and chemical materials.
		Degree of Impact High	
Intellectual Property Risks	The Company has not conducted freedom-to-operate analysis prior to external technology licensing, or the ownership of intellectual property is not agreed upon in advance or is unclear, both practices may lead to unauthorised use of the technologies by others, resulting in the theft of key technologies or negative impacts from infringement.	Time Frame of Impact* Medium-term	Strengthen the promotion of relevant policies and regulations, revise the technology trade management measures, enhance centralised management of intellectual property, and require mandatory intellectual property risk analysis for external licensing.
		Degree of Impact Medium	
Opportunities			Response Measures
Policy Opportunities	There will be tax incentives, financing support, etc. for technology and innovation investment, which may reduce the operating costs and provide financial and resource support for innovative development of the Company.	Time Frame of Impact* Medium-term	Thoroughly study regulatory policies, closely follow policy trends, ensure awareness of policies, formulate guidance for policy implementation, further strengthen strategic planning and project management, and optimise the allocation of innovation resources.
		Degree of Impact Medium	
Market Opportunities	High-quality economic development generates demand for new technologies and products, and the development of new products and services through technological innovation helps the Company to meet new market demand, explore new markets or enter new business sectors, resulting in revenue growth.	Time Frame of Impact* Long-term	Establish a technology research project management system that can respond quickly to market demands; ensure customer demand-driven resource allocation, technical services, and product innovation; promote in-depth integration of the innovation chain and the industrial chain. Optimise mechanisms for the management, evaluation, assessment, and trade of technological achievements to promote their transformation and application.
		Degree of Impact Medium	

*Short-term: Within 1 year; Medium-term: 1-5 years; Long-term: More than 5 years.



25.0
RMB billion

R&D investment
in 2025

Focusing on building a world-leading modern energy and chemical company, Sinopec Corp. aligns with macroeconomic trends and industry development, actively addresses risks and opportunities, and strives to support the Company's high-quality development with high-level technological self-reliance. The Company continuously strengthens top-level design, efficiently allocates innovation resources, and consistently makes breakthroughs in key core technologies. The Company continues to strengthen R&D investment to fully enhance innovation capabilities and core competitiveness, and promote the transformation of scientific research achievements, with total R&D investment reaching RMB25.0 billion in 2025.

Key Areas of Technological Innovation of Sinopec Corp.	
Oil and Gas Exploration and Development Technologies	Focusing on increasing reserves in key basins and developing critical technical equipment, we intensified the efforts on key technology breakthroughs to increase oil and gas reserves and production, and accelerated the development of the CCUS/CCS industry chain.
Refining and Hydrogen Energy Technologies	We intensified theoretical research and technological innovation in catalytic cracking and new hydrogen technologies, accelerated the technological development of "refined oil products to chemical feedstocks" and "refined oil products to refining specialties", promoted breakthroughs in full-chain hydrogen energy technologies, and advanced the development and industrial demonstration of low-cost, cutting-edge production technologies.
Chemical and Materials Technologies	We accelerated the sophistication and cost-effectiveness of basic organic raw materials and synthetic materials in foundational chemical and materials technology, focused on developing new technologies in fine chemicals, engineering plastics, functional materials and other new materials, sped up the research and development of high-end materials in new energy and other sectors, providing higher-quality technological support for the "foundation + high-end" development of the chemical industry in China.
Digital Intelligence and Public Technologies	We further focused on areas such as safety and environmental protection, circular economy, high-end equipment, and industrial software to support the high-end, digital, and green development of the industry.

2.3 Management of Impacts, Risks and Opportunities

The Company has formulated the *Comprehensive Risk Management Measures* to specify the responsibilities and processes for managing risks related to technological innovation. The Company has established a comprehensive risk management indicator system, and regularly conducts risk identification and assessment, using both qualitative and quantitative methods, to evaluate the rankings of technological innovation and intellectual property related risks. Each year, the Company conducts a comprehensive risk assessment, using questionnaires, targeted analyses, major risk reports and other measures to assess and identify significant risks that may impact the implementation of development strategies and business objectives in the coming year. In the Company's 2025 major risk assessment results, technological innovation risks are ranked at relatively high priority.

■ Management of Technological Innovation Related Impacts, Risks, and Opportunities

Risk Identification and Prevention	To conduct a breakdown analysis of key businesses, priority areas, and critical links involved in technological innovation risks, and prepare quarterly major risk management reports to continuously enhance capabilities for preventing and mitigating major risks.
Consolidating Innovation Resources	To strengthen the construction of innovation platforms in advantageous fields, and build an innovation platform system that centres on State Key Laboratories and with organic connections and mutual support among various levels of platforms; explore the construction of a cross-field joint R&D platform through "industry-academia-research-application" cooperation.
Strengthening Basic Research	To continuously enhance the system and mechanism for basic and applied basic research, formulate medium and long-term plans for basic research, strengthen the systematic capabilities of basic research, intensify investment and incentives to motivate innovation vitality in basic research.
Intensifying Incentives	To optimise the assessment and evaluation mechanism to prioritise technological rewards and recognition towards new technology, new products, and new processes that are more challenging, more innovative and original, and with greater value-added.
Promoting Open Innovation	To cooperate closely with universities and research institutions, continuously implement the Young PhD Support Programme, deepen new organisational and implementation models for tackling technological challenges, such as the "Open Competition Mechanism to Select the Best Candidates" and the "Seed Plan" innovation campaigns, and optimise the funding support mechanism for project piloting to better motivate technology R&D and the transformation of R&D achievements.

2.4 Metrics and Targets

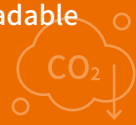
Sinopec Corp. continues to strengthen its dominant position in technological innovation with intensified R&D investment and prioritised support for technology development projects with self-owned funds. In 2025, the Company invested a total of RMB25.0 billion in research and development. The Company attaches great importance to intellectual property protection, resulting in steady growth in both the quantity and quality of patents.

Indicators	2024	2025
Number of patent applications filed in the year	9,666	9,953
Number of patent applications granted in the year	5,550	5,768
R&D investment (RMB100 million)	236	250
Proportion of R&D investment to revenue from primary business (%)	0.72	0.83
Number of R&D employees	6,802	7,209
Indicators	As the end of 2024	As the end of 2025
Cumulative number of patents granted globally	60,885	66,653



2.5 Technological Innovation Achievements

In 2025, Sinopec Corp. adhered to open innovation and focused its R&D efforts on tackling key core technologies, and achieved progress in multiple fields.

1	Oil and Gas Exploration And Development 	Advanced the differentiated three-dimensional development technology for shale oil in terrestrial rift basins, ensuring more efficient development of shale oil. Developed the heterogeneous composite flooding technology, which can be applied to various reservoirs with high salinity and high calcium-magnesium content.
2	Biomass Fuel 	Completed ISCC PLUS certification for bio-based naphtha, bio-based benzene, and bio-based polyolefins. Completed ISCC CORSIA certification for biojet fuel. Completed main construction of the biomass gasification flexible platform and promoted the production of sustainable aviation fuel.
3	New Chemical Materials 	Significant breakthrough achieved in high-end polypropylene cable insulation materials. Built a demonstration unit for high-performance carbon fiber at the hundred-ton class. Conducted industrial-scale research on 60K large-tow carbon fiber and carried out relevant application evaluation in the wind power sector.
4	Green and Low-Carbon New Material Technologies, Such as Biodegradable Plastics 	Completed the commissioning of a PBST unit, producing fully biodegradable agricultural film. The product has been used over 10,000 mu of cotton fields, promoting green and sustainable agricultural development.
5	Energy Efficiency Improvements, Energy-Saving and Emissions Reduction Technologies 	Developed new cyclic rectification technology to effectively improve separation efficiency. Designed proprietary high-efficiency heat extraction trays to effectively resolve the mutual constraints between mass transfer and heat extraction.



6	Hydrogen Energy Industrial Chain 	Completed the pilot-scale research on catalytic dehydrogenation for organic liquid hydrogen storage, as well as promoted the construction of a demonstration unit of the technology.
7	Energy Storage Technologies 	Built the petrochemical industry's first 100-kilowatt iron-chromium flow battery energy storage system, forming an integrated "photovoltaic power generation-energy storage-energy use" system, and creating a replicable and scalable application model of new energy with local utilisation and flexible dispatch capabilities.
8	Digital and Intelligent Development 	Independently developed the Great Wall large language model, becoming China's first large model covering all business scenarios in the petroleum, petrochemical, and energy industries. Promoted the intelligent integrated drilling decision-making system in Jiangnan Oilfield, achieving full-process intelligent management of "design-drilling-construction," reducing the average drilling cycle from 60 days to 48 days. Three subsidiaries, including Jinling Petrochemical Corporation, Qingdao Refining & Chemical Company, and Zhongyuan Puguang Gas Field, were selected as National Excellent Intelligent Factories; Zhenhai Refining & Chemical Company was selected for the first batch of National Leading Intelligent Factories cultivation list; Sinopec Jiujiang Company was rated among the country's first batch of 5A enterprises for integrated informatisation and digital transformation management systems, becoming the only enterprise from China's petrochemical industry included in the list.
9	Participation in International Organisations 	The Company took the lead in initiating the International Carbon Capture, Utilisation and Storage (CCUS) Technology Innovation Cooperation Organisation. This organisation aims to build a global sharing and communication platform, gather the expertise of top global think tanks, promote iterative innovation and application of technologies, and foster high-quality development of the CCUS industry. The Company was re-elected as a member of the new Management Committee of the International Hydrogen Council, actively participating in the council's annual meetings, industry seminars and other activities, further growing its international influence.



ADDRESSING CLIMATE CHANGE AND ENERGY TRANSITION



049	3.1 Governance
051	3.2 Strategy
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061	3.4 Metrics and Targets
065	3.5 Reducing GHG Emissions
073	3.6 Promoting Energy Transition



3.1 Governance

Governance Structure and Personnel

The Company is committed to fully integrating climate change into its strategic planning, corporate governance system, comprehensive risk management system, as well as its daily operation and management. The Company has established a "Board-Management-Implementation" three-level climate governance structure with well-defined responsibilities at each level.

Board Level				1
Organisation	Strategy Committee		Audit Committee	Sustainability Committee
Members	Chairman, Executive Directors, Independent Directors		Non-Ececutive Directors, Independent Non-Executive Directors	Vice Chairman, Non-Executive Directors, Executive Directors, Independent Non-executive Directors
Authorities, tasks and objectives	Responsible for reviewing development plans, policies, and systems related to climate change, and providing the Board with suggestions on the strategic positioning and industrial layout of the Company.		Responsible for assessing the effectiveness of the Company's risk management and internal control systems.	Responsible for conducting research on policies, strategies, and action plans related to sustainability issues, including climate change.
	Responsible for reviewing and supervising the development plan and business performance in natural gas, hydrogen energy, renewable energy, energy conservation and emission reduction.			Responsible for supervising the commitment and performance on key sustainability issues including climate change, as well as the annual plans and their implementation, reporting and providing suggestions to the Board.
	Responsible for identifying, assessing and managing the risks, opportunities and impacts related to climate change and ecological environment protection, and reviewing the list of major risks and annual evaluation reports.			Responsible for reviewing the Company's annual sustainability report and supervising climate-related information disclosure of the Company.
Management Level				2
Organisation	The Carbon Peaking and Carbon Neutrality Leading Group The Comprehensive Risk Management Implementation Leading Group			
Members	Mainly consists of the president, senior vice presidents, vice presidents and other management personnel, as well as heads of relevant functional departments and responsible persons from subsidiaries with knowledge and experience in the green and low-carbon fields.			
Supervision and management	The Company holds an annual meeting of the Carbon Peaking and Carbon Neutrality Leading Group, where management departments report on strategy implementation, work performance, and future work objectives, and provides guidance and supervision over the execution of related work.			
	The Company regularly audits risk management in areas such as safety, environmental protection, and green low-carbon practices.			
Authorities, tasks and objectives	The Carbon Peaking and Carbon Neutrality Leading Group is responsible for the coordination and implementation of national laws, regulations, rules, policies, and standards related to National carbon peaking and carbon neutrality initiatives, and making unified deployments for the Company's dual-carbon initiatives.			
	Under the comprehensive risk management framework, the Comprehensive Risk Management Implementation Leading Group is responsible for the identification and assessment of climate change-related risks and opportunities, researching on relevant response measures, and reporting to the Board, the Audit Committee and the Sustainability Committee.			
Implementation Level				3
Organisation	Department of Health, Safety, and Environmental Management	Comprehensive Risk Management Office	Subsidiaries	
Authorities, tasks and objectives	Submit the quarterly report on major risk management, organise monthly environmental compliance inspections, conduct targeted inspections for key environmental protection tasks, such as the ecological environment protection inspection and the compliance inspection of pollution permits.	Incorporate ecological and environmental protection and other related risks into the comprehensive risk management system and internal management processes; organise and implement annual risk identification and assessment; compile quarterly report on major risk management and report to the Board.	Implement the Company's carbon peaking and carbon neutrality strategies, and formulate relevant action plans at the subsidiary level.	
	Manage carbon assets, implement carbon mapping and carbon audits, establish a dedicated carbon trading team, and ensure the timely fulfilment of the carbon quota trading of the Company.	Supervise the management of ecological and environmental protection and other related risks through annual risk control and internal control inspections, and corporate self-assessment.	Implement the Energy Efficiency Improvement Plan and the Green Enterprise Campaign, and closely manage GHG emissions and energy efficiency targets.	

Professional Skills and Capabilities



Sinopec Corp. has appointed independent non-executive directors and management personnel with expertise in green and low-carbon related fields to provide professional support and guidance for its climate change initiatives. The Company has organised a dedicated task force comprised of individuals with relevant expertise to ensure the effective implementation of related initiatives. The Company has developed and continuously implements green and low-carbon related training programmes, inviting industry experts to lecture on the latest green and low-carbon policy backgrounds, development trends and best practices, updating the Board and the senior management on latest developments in relevant fields. All these efforts provide strong professional support for the Company's research and management improvement related to addressing climate change.

Reporting, Supervision and Evaluation



Sinopec Corp. has established an internal reporting and supervision mechanism for addressing climate change and incorporated it into the internal control system of the Company. Every six months, the Board of Directors and the Sustainability Committee review reports or issues on climate change related strategy formulation, implementation, performance and targets, and hear the management team's reporting of the progress on climate change-related initiatives. The Carbon Peaking and Carbon Neutrality Leading Group meets annually to hear reports from relevant functional departments on the implementation of strategies, performance and future goals, and deliberate on and supervise the implementation of specific initiatives. Company subsidiaries report their progress to relevant functional departments at the headquarters through a monthly statistical datasheet and other formats.

Carbon-related targets, such as energy conservation and environmental protection performance, have been integrated into the annual performance assessment for both senior management and subsidiaries of the Company as mandatory indicators that are linked to annual performance bonuses. Based on the assessment results of a subsidiary's business performance, for subsidiaries with point deductions on energy conservation and environmental protection indicators, the annual performance bonus of its senior management shall be deducted.For management personnel, technological personnel, and skilled operators at all levels who undertake energy conservation and emission reduction tasks, targeted assessment indicators are set and incorporated into their personal annual or tenure performance evaluation system. Their respective responsibility requirements are clarified through signing responsibility agreements, and relevant indicators include emission reductions, energy savings, as well as other mandatory indicators. Each year, the Company selects units, management staff, and individuals with outstanding performance in energy conservation and environmental protection for recognition, and establishes targeted awards for units and individuals with exceptional contributions in energy conservation, emission reduction, and carbon reduction.

Incorporating Climate Change Consideration into Management Decision-Making



The Company attaches great importance to responding to climate change, and has fully incorporated climate impacts, risks and opportunities in formulating overall development strategy and supervising the implementation of the strategy, making key business decisions, and managing risks. The Company closely follows government policy trends and makes timely adjustments to its development strategies and action plans. Based on thorough studies and impact evaluations of international agreements such as the targets set by the *Paris Agreement*, the 2030 Sustainable Development Agenda, as well as government policies such as the *Opinions on Fully and Accurately Implementing the New Development Philosophy to Achieve Carbon Peaking and Carbon Neutrality* and *Work Plan to Accelerate the Establishment of a Dual-Control System for Carbon Emissions*, the Company has formulated relevant response measures to optimise internal management systems accordingly.

3.2 Strategy

Physical Risks	
Acute Risks	In recent years, extreme weather events and frequent natural disasters during the flood season have been showing a worsening trend, disrupting and affecting the Company's normal production and operations. In particular, when super/strong typhoons make landfall, they can cause significant losses, while inadequate prevention and response may also lead to safety incidents.
Long-term Risks	Rising sea levels or prolonged high temperatures may damage the Company's equipment, employees, and supply chain, leading to reduced productivity or operational disruptions, and consequently lower revenue; the Company may need to invest funds to address the negative impacts of rising sea levels or prolonged high temperatures, such as reinforcing or relocating its facilities in coastal areas, or upgrading its equipment to better withstand high temperatures, thereby increasing operating costs.
Long-term Risks	Increases in average temperature may increase operating costs, such as increased demand for equipment cooling water and for cooling and operating facilities.
Transition Risks	
Policy Risks - Compliance	China is accelerating the transition of governance focus from total energy consumption and energy intensity to total carbon emissions and carbon intensity. Industries with high emissions and energy consumption will face greater compliance risk and higher carbon reduction requirements, resulting in higher capital expenditures and operating costs for reducing carbon emissions.
Policy Risks - Compliance	The government continues to deepen methane emission reduction actions. The Company needs to continuously strengthen methane emission management, and increase investment in facilities and technology, which may increase operating costs.
Policy Risks - Carbon Market Mechanism	The national carbon market was launched in 2021, and with its expansion, the government has proposed that "by 2027, the national carbon emission trading market will basically cover the main emitting industries in the industrial sector" which may increase the Company's compliance costs.

Short-term: Within 1 year; Medium-term: 1-5 years; Long-term: More than 5 years.

Response Measures
Strengthen the prevention and response to seasonal natural disasters, and establish a robust, vertically integrated early warning and feedback mechanism for imminent disasters.
Regularly update natural disaster prevention management system and targeted emergency plans, integrating disaster prevention and mitigation requirements into all aspects of management.
Organise subsidiaries to dynamically adjust the preventive maintenance and emergency response strategies for equipment based on risk analysis results for extreme weather; Formulate emergency plans, optimise emergency supplies catalogue, establish an emergency supply reserve mechanism, and regularly inspect the stock of emergency relief supplies to minimise the impact of natural disasters on production operations and materials procurement.
Regularly carry out post-disaster review, analysis and experience sharing to continuously enhance natural disaster prevention capabilities.
Continuously improve equipment performance and risk resistance with the retirement and replacement of outdated equipment, as well as equipment upgrades and renovations; organize subsidiaries to dynamically adjust preventive maintenance and emergency response strategies for equipment based on risk analysis results of sea level rise or prolonged high temperatures.
Provide appropriate protective measures and a good working environment, and strengthen health monitoring and training for employees to protect them from heatstroke and other health issues due to high temperatures.
Optimise supply chain layout in response to the impact of sea level rise or prolonged high temperatures on the supply chain, increase the diversity of supply channels, and enhance supply chain resilience.
Strengthen energy management and reasonably adjust the operating parameters of the cooling system to reduce energy consumption.
Response Measures
Steadily intensify energy-saving and carbon reduction efforts, optimise energy structure, increase the utilisation of renewable energy, strengthen carbon assets management, actively participate in carbon trading, and effectively control carbon emission costs.
During feasibility reviews of projects such as the replacement of outdated equipment, ensure that the project's energy efficiency reaches advanced standards, which can further reduce the overall energy consumption and carbon emissions.
Continuously optimise methane emission monitoring and measurement, comprehensively identify equipment, facilities, and processes in oil and gas production that cause methane emissions, and ensure accurate statistical accounting of methane emission data.
Adopt optimised production process and measures, and carry out recovery and treatment of vented natural gas in key processes such as exploration, development, gathering transportation, and processing.
Carry out research and development on methane emission control technologies, organise technical exchanges, and strengthen relevant awareness, education and training.
Closely monitor changes in national carbon market policies and timely adjust response strategies.
Enhance carbon trading capabilities, formulate reasonable carbon trading strategies, and effectively control carbon emission costs.
Strengthen energy-saving and carbon-reduction management to effectively enhance carbon emission control.
Strengthen carbon assets management, and enhance the operation and management capabilities of carbon assets.

Transition Risks	
Market Risks	During the green and low-carbon transformation process, consumer and customer demand for green and low-carbon products continues to grow. Failure to launch green products and services that meet market trends may reduce the revenue of the Company. Time Frame of Impact* Medium- to Long-term Degree of Impact High
Technology Risks	The Company is intensifying its technological R&D efforts during the low-carbon transformation, which may increase investment intensity. The application of new technologies carries the risk of operational instability or R&D failures, which may increase the Company's operating costs. Time Frame of Impact* Long-term Degree of Impact High
Reputation Risks	The petrochemical industry's responses to climate risks are increasingly attracting the attention of regulatory agencies, investors, the general public, and other stakeholders. Lack of adequate resolutions and actions may cause the company to be questioned by stakeholders and cause damage to brand image and reputation, leading to a decrease in investment attracted. Time Frame of Impact* Medium- to Long-term Degree of Impact Medium
Opportunities	
Resource Efficiency	To tackle climate change, the Company actively optimises energy and resource efficiency by implementing energy-saving measures and the "Energy Efficiency Improvement Plan" to reduce energy and resource consumption, and consequently, lower operating costs. Time Frame of Impact* Short-, Medium- to Long-term Degree of Impact Medium
Energy Sources	The Company actively utilises renewable energy sources such as solar energy and hydrogen to achieve its emission reduction targets. The gradual decrease in the cost of green electricity in the future will allow the Company to reduce its energy expenses, thereby lowering operating costs. Time Frame of Impact* Medium- to Long-term Degree of Impact Medium
Products and Services	Consumers and customers of the Company increasingly prefer low-carbon products and services. Innovative low-carbon products and services can help the Company enhance its competitiveness and better meet consumer and customer needs, resulting in revenue growth. Time Frame of Impact* Medium- to Long-term Degree of Impact High

*Short-term: Within 1 year; Medium-term: 1-5 years; Long-term: More than 5 years

Response Measures
Optimise energy structure by increasing the use of low-carbon and zero-carbon energy such as green electricity and green hydrogen, and vigorously implement energy efficiency improvement projects to reduce energy consumption in the refining process, thereby reducing the carbon footprint in the production of refining products. Accelerate the transformation by upgrading service stations to integrated energy stations of petrol, gas, hydrogen, power and service, and accelerate the development of charging, hydrogen supply, and photovoltaic facilities. Dynamically track global and domestic policy trends on carbon reduction in shipping, dynamically assess the direction and pace of alternative marine fuels and strengthen capacity building in new energy for marine use. Carry out green and low-carbon transformation initiatives such as waste plastics recycling and bio-based materials, promote the R&D and application of new green and low-carbon processes and technologies, and accelerate the development of a green circular industry.
Accelerate the application of energy-saving and emission-reducing technologies, continuously reduce the energy intensity and carbon emission intensity of process units. Continuously optimise technological innovation support mechanisms, strengthen demonstration and evaluation at each technical stage, reduce the risks of technology development and commercialisation, and enhance the effectiveness of technological innovation.
Integrate the concept of green and low-carbon development into strategic decision-making and production operations, set clear emission reduction targets and roadmaps, regularly disclose progress on emission reductions, and proactively address concerns from regulatory authorities and other stakeholders. Participate in building a green industry ecosystem, strengthen exchange and cooperation with external partners, and jointly explore low-carbon transformation paths for the petrochemical industry.
Response Measures
Continuously advance the Energy Efficiency Improvement Plan, promote the application of energy-saving and carbon reduction technologies, and implement energy-saving and carbon reduction renovation projects to improve energy efficiency and cut energy consumption.
Leverage technological advancements to increase the plant-wide electrification rate during the implementation of relevant projects. Accelerate the large-scale development of green power business, continue to build key projects such as photovoltaic and wind power projects, and achieve large-scale carbon reduction through green electricity.
Intensify R&D of key emission reduction technologies such as CCUS, accelerate the development and application of energy-saving and emission-reduction technologies, and continuously reduce energy consumption intensity and emission intensity of facilities. Increase the supply capacity of clean and low-carbon energy such as bio-jet fuel and new marine energy (e.g., methanol, bio-marine fuel) to help the aviation and transportation industries reduce emissions. Support the development of the new energy industry with the production of high-end carbon materials such as anode coke and cathode coke. Accelerate the transformation by upgrading service stations to integrated energy stations of petrol, gas, hydrogen, power and service, and accelerate the development of charging, hydrogen supply, and photovoltaic facilities.

Business Chain and Value Chain

In Terms of the Business Chain	The oil product sales business faces the challenge of adjusting business income structure due to the impact of new energy utilisation, which affects the sales volume and revenue of traditional fuels. Natural gas is a clean energy source that aligns with the policy trend of carbon reduction. The oil and gas exploration and development business can leverage the growth in natural gas to optimise the overall structure. In the refining and chemical business, new growth momentum is expected to be cultivated for the Company as downstream manufacturing enterprises have increasing demand for transparency in carbon emissions data of chemical materials, in combination with the growing capabilities for green products to charge premium prices, the growing demand for recycled materials, and stronger policy support.
In Terms of the Value Chain	The procurement and supply value chain covers key links such as procurement, production, logistics and transportation, and after-sales service. With the strengthening of government regulation and the continuous improvement of relevant policies, traditional business models face pressure from both policy and market transformation. Additional resources are needed to adjust procurement strategies in order to enhance supply chain resilience. In the short term, extreme weather events such as heavy rains and floods may cause damage to raw material production areas or manufacturing facilities, resulting in disruptions or interruptions in the supply of equipment materials, chemical auxiliary materials and other resources, directly affecting the timeliness and stability of material supplies. In the long run, suppliers may need to increase investment in environmental protection and adaptation measures to address climate risks, further raising procurement costs.

Strategy and Decision-Making

The Company has incorporated climate-related risks into its comprehensive risk management and conducts identification and assessment of such risks accordingly. Climate-related risks are classified into two main categories: physical risks and transition risks. Risks are comprehensively evaluated with regard to their nature, likelihood, and degree of impact from multiple perspectives. Regarding physical risks, the Company adopts classifications of extreme weather events from China's national and local meteorological bureau and assesses the actual property losses caused by relevant climate events. Regarding transition risks, the Company considers the national low-carbon development strategy and global ESG trends, taking into account factors such as energy transition and carbon market development and reflecting them in the Company's strategic planning and project decision-making.

Under the context of China's carbon peaking and carbon neutrality strategy, the Company's business chain and value chain face both the challenges of transformation and development, as well as new opportunities.

To address climate change-related risks and opportunities, the Company has conducted relevant research and formulated a targeted plan for green and low-carbon development in the 15th Five-Year Plan period, rationally allocating and adjusting corporate resources, and exploring climate scenario analysis and climate resilience assessment. The Company has formulated and issued the *Sinopec Corp. Management Measures for Carbon Emission Assessment of Fixed Asset Investment*, which specifies that carbon emission economic assessment is required for new projects. A cost-benefit analysis of carbon emissions based on carbon pricing is incorporated into the overall economic evaluation of projects to provide a reference for making investment decisions. The carbon pricing used is mainly based on the average carbon market price of the previous year (For example, the average price of Tianjin Carbon Market is calculated at RMB40 per tonne.).

- Vigorously implement the Energy Efficiency Improvement Plan, such as promoting the application of advanced technologies for energy system integration and cascade utilisation, and sewage treatment and utilisation for energy and water savings.
- Improve production processes and accelerate the development of natural gas, hydrogen energy, biomass energy, and other businesses.
- Continuously optimise the product carbon footprint accounting system, scale up the supply of recycled materials independently developed by the Company, and deepen low-carbon collaboration with upstream and downstream partners.
- Accelerate the replacement of equipment with major safety hazards, high energy consumption, or outdated technology, continuously improving equipment performance and risk resistance capability.

Improve Production Processes and Upgrade Equipment

Transformation Plan

54.2
RMB billion

Total investment in green and low-carbon businesses during the year

The Company follows the overall roadmap of China's carbon peaking and carbon neutrality targets, striving to cultivate green leadership towards the ultimate goal of "net zero" carbon emissions. The Company steadily implemented the *Eight Actions for Carbon Peaking*, striving to achieve world-leading energy efficiency and carbon emission management, and reduce carbon emissions across the entire petrochemical industry chain and product life cycle. Meanwhile, the Company methodically broke down its annual carbon emission plan targets, and urged its subsidiaries to focus on carbon trading, project carbon assessment, carbon reduction and other initiatives, continuously enhancing the Company's carbon emission management performance. In 2025, the Company maintained the momentum in investing in green and low-carbon businesses, with a total of RMB54.2 billion invested during the year. According to the Company's work plan on addressing climate change, about RMB53.5 billion is expected to be invested in related businesses in 2026.

Basic Assumptions of the Transition Plan	Quantitative and structured research: A mainly quantitative research model, supplemented with some qualitative analyses, is used to construct a structured model. Qualitative judgments on transformation pathways are made and converted into quantitative language as inputs for the model.
	Market share forecasting method: A forecast of the Company's market share is made based on future market demand data for key petroleum and petrochemical products to determine the business scale and structure at different points in time.
	Scenario study: Conclude research results based on forecasts and descriptions of factors such as industry development, technological progress, and policy environment.
	Phase analysis: Provide decision-making references for the deployment of relevant pathways by considering the characteristics of different development stages as well as the progress and effectiveness of each pathway at each stage.
Resources for Implementing the Transition Plan	The Company ensures adequate human and technological resources to support its transformation plan.
	In response to the new skill requirements of the transformation plan, the Company has intensified its efforts in talent recruitment, training, and motivation, established a carbon peaking and carbon neutrality capability system, and made efforts to enhance the low-carbon awareness among all employees.
	In response to the new technology requirements of the transformation plan, the Company has intensified R&D efforts in hydrogen energy, new energy batteries, low-cost bio-based fuels, and green bio-manufacturing, as well as strengthened technological cooperation with industry partners to improve its overall technological capabilities.



Climate Resilience

As an energy and chemical enterprise, Sinopec Corp.'s production and operations are directly influenced by multiple factors such as national low-carbon transition policies, carbon market mechanisms, and extreme weather events. To assess the impact of key climate-related risks on the Company's operations and finances in the short-term (0-1 year), medium-term (1-5 years), and long-term (over 5 years), the Company, based on its position in the energy and chemical industry, selected relevant climate scenarios published by the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA) during the reporting period, and conducted qualitative and quantitative scenario analyses for its main businesses, including oil and gas exploration and development, refining, marketing and distribution, and chemicals. The referenced SSP1-2.6 low-emission scenario and the 2050 Net Zero Emissions (NZE) scenario are both consistent with the *Paris Agreement* targets. Based on the assessment results, the Company adjusts its strategy and production operations to enhance its ability to address climate change and financial resilience, and discloses relevant progress annually through its sustainability report. During the assessment process, the Company pays close attention to significant uncertainties related to climate change, including uncertainties in the frequency and intensity of extreme weather events, the impacts of long-term temperature increases, as well as uncertainties arising from new green transition policies, low-carbon emission reduction technologies, and changes in market demand for petroleum and petrochemical products. For information on the Company's short-, medium-, and long-term response strategies and business models, please refer to the "Strategy" section of this chapter, as well as the specific practices in the "Reducing Greenhouse Gas Emissions" and "Advancing Energy Transition" sections.

Physical risks related scenarios selected

Three climate scenarios released by the IPCC – RCP 2.6, RCP 4.5, and RCP 8.5 – are selected to analyse the potential impacts of extreme weather events and other physical risks on the Company's key assets under different scenarios.

Selected Scenario	RCP 2.6	RCP 4.5	RCP 8.5
Projected temperature rise by the end of this century*	Less than 2°C	2°C to 3°C	Greater than 4°C
Characteristics of Climate Scenarios	Assume strong global emission reduction measures are implemented, resulting in a significant decrease in greenhouse gas emissions, with little change in the frequency and intensity of extreme weather events (such as typhoons, heavy rainfall/floods). This corresponds to a low greenhouse gas emission scenario.	Assume moderate global emission reduction measures are implemented, controlling greenhouse gas emissions, with a moderate increase in the frequency and intensity of extreme weather events (such as typhoons, heavy rainfall/floods). This corresponds to a medium greenhouse gas emission scenario.	Assume no effective global emission reduction measures are taken, leading to a substantial increase in greenhouse gas emissions, with a significant rise in the frequency and intensity of extreme weather events (such as typhoons, heavy rainfall/floods). This corresponds to a high greenhouse gas emission scenario.
Scenario Sources and Parameter Database	Intergovernmental Panel on Climate Change (IPCC) Climate Analytics, Climate Impact Explorer Tropical Cyclone Data Centre, China Meteorological Administration National Centres for Environmental Information under the U.S. National Oceanic and Atmospheric Administration (NOAA)		
Analysis Results	Analysis results show that under the selected scenarios, the physical risks such as heavy rainfall and flooding faced by the Company's production and operations remain low within the timeframe analysed.		

* The global average temperature increase by 2100 relative to the pre-industrial level (1850-1900).



Transition risks related scenarios selected

Three key scenarios released by IEA - the Stated Policies Scenario (STEPS), the Announced Pledges Scenario (APS), and the Net Zero Emissions by 2050 Scenario (NZE) – are selected to analyse the financial impacts of transition risks on the Company under different climate scenarios.

Selected Scenario	NZE	APS	STEPS
Projected temperature rise by the end of this century*	1.3° C to 1.5° C	1.9° C to 2.3° C	2.4° C to 2.8° C
Characteristics of Climate Scenarios	Achieve net-zero emissions in the energy sector by the middle of this century through the deployment of clean energy technologies and improvements in energy efficiency, while limiting the global temperature rise to within 1.5° C by the end of the century.	Assume that climate-related commitments set by governments and industries, including Nationally Determined Contributions (NDCs) and long-term net-zero targets, will be achieved on time, but still fail to fully meet the goal of limiting global temperature rise to 2° C by the end of the century.	Predict the future development of the global energy system based on the current policy environment, existing climate policies, and measures of governments and industries worldwide, with greenhouse gas emissions continuing to grow, making it impossible to achieve the <i>Paris Agreement</i> target.
Scenario Sources and Parameter Database	International Energy Agency (IEA)		
Analysis Results	The analysis shows that under the Net Zero Emissions by 2050 scenario, the demand, prices, and carbon pricing factors for traditional oil products will have a certain degree of impact on the Company in the medium- to long-term.		

* The global average temperature increase by 2100 relative to the pre-industrial level (1850-1900).

Current Financial Impact

In terms of climate-related risks, in 2025, natural disasters such as typhoons, heavy rains, and floods caused property losses to the Company, resulting in approximately RMB50 million in non-operating expenses. To mitigate property losses caused by natural disasters, the Company insured relevant facilities under catastrophe insurance, paying approximately RMB40 million in insurance premiums, which were recorded under administrative expenses.

In 2025, the Company invested about RMB2.0 billion in projects such as wind and solar green power projects, refining process and equipment energy-saving upgrades, and CCUS projects, which were booked under R&D expenditures, the book value of relevant assets, and operating costs respectively. In 2025, the Company invested approximately RMB4.9 billion in green and new energy businesses, which were booked under R&D expenditures and the book value of relevant fixed assets.

In 2025, with the development of the low-carbon economy, the Company's refined oil products revenue decreased by more than RMB90.0 billion year-on-year, accounting for about 3% of the Company's total operating revenue, due to declines in gasoline and diesel sales. Its low-carbon natural gas sales revenue increased by more than RMB14.0 billion year-on-year, partially mitigating the impact of the decline in refined oil products demand. In addition, the Company also generated revenue from sustainable products and services, including electricity sales, charging services, hydrogen energy business, and biomass fuels and products, achieving more than RMB1.5 billion in operating revenue. The Company also actively participated in the trading of carbon emission permits, obtaining approximately RMB100 million in non-operating net income.

Expected Financial Impact

In 2026, the Company expects to spend approximately RMB40 million on purchasing catastrophe insurance to enhance its capability to cope with natural disasters. Based on the assessment, the Company currently does not face any significant climate-related risks that would lead to major adjustments to the carrying value of assets and liabilities in the 2026 financial statements. In the medium- to long-term, due to the potential increase in the frequency of natural disasters caused by climate change, the Company expects this type of expenditure to increase each year.

In 2026, the Company plans to invest approximately RMB2.0 billion in emission reduction projects, which will impact operating costs, R&D expenditures, and the carrying value of related fixed assets. In the medium- to long-term, the Company will continue to promote green and low-carbon investments, including the phase-out and upgrading of outdated facilities and storage tanks, deployment of wind and solar power generation and energy storage businesses, as well as CCUS and other emission reduction projects. The relevant capital expenditure is expected to increase over the next five years. Due to the emission reduction and energy conservation benefits brought by the low-carbon transition, the Company's medium- to long-term operating expenses and costs are expected to decrease.



External Cooperation

The Company maintains close cooperation with external organisations such as regulatory authorities and industry associations, actively participating in the research and formulation of various standards, as well as exchanges and discussions on climate-related issues, making active contributions to the industry's low-carbon transition.

- Developing a carbon footprint evaluation standard system: Promoted the development of the Product Carbon Footprint Quantification Methods and Requirements standards series covering multiple refining and chemical product categories.
- Enhancing energy consumption monitoring capabilities: As a key contributor organisation, the Company participated in the formulation and revision of national standards such as the *Energy Consumption Test and Calculation Method for Oilfield Production System (GB/T 33653)*, and petroleum industry standards such as the *Energy-saving Monitoring Specifications for Gas Field Production Systems (SY/T 7319)*.
- Strengthening international exchange in hydrogen energy: In November 2025, Sinopec was re-elected as a member of the new Management Committee of the International Hydrogen Council. The Company actively participated in annual meetings, professional seminars, and other council activities, further enhancing its global influence.

3.3 Management of Impacts, Risks and Opportunities

The Company has established an HSE risk management process that includes climate change risks. By comprehensively considering the scope of corporate operations, along with the identified physical risks, transition risks, and opportunities, as well as past risks and opportunities, the Company achieved integration of its HSE risk management process and its overall risk management and internal control system. Both qualitative and quantitative analytical methods are adopted to closely track and monitor climate-related impacts, risks, and opportunities, with updates made in the event of significant changes. Through quantitative studies, the Company has reviewed its energy usage and carbon emission situation within the value chain, established a structured model, and combined market demand data with characteristics of different development stages to conduct scenario studies and forecasts of the Company's market share, so as to systematically assess the timeframe and degree of impacts of climate-related risks and opportunities, providing a scientific basis for formulating response measures and planning relevant transition roadmaps. The Company's major risk assessment results for 2025 indicate that HSE risks, which include climate change, rank first among the Company's major risks.



3.4 Metrics and Targets

Climate-Related Targets

The Company actively implements the carbon peaking and carbon neutrality strategy of China, scientifically researches and formulates medium- and long-term emission reduction targets, and advances relevant carbon peaking and carbon neutrality initiatives in a proactive and prudent manner. Its emission reduction targets are set mainly based on national carbon peaking and carbon neutrality policy requirements, with reference to global temperature control objectives and long-term emission reduction visions established by international climate change agreements such as the *Paris Agreement*. Targets are scientifically formulated taking into account factors such as Sinopec Corp.'s business structure, development stage, and technological conditions. The Board of Directors and Sustainability Committee regularly supervise the target setting, the progress towards these targets, as well as the effectiveness of the carbon reduction initiatives of the Company. Progress to realise climate-related goals have been incorporated into management performance evaluation system, with performance assessments carried out annually.

Before setting greenhouse gas reduction targets, the Company had for many consecutive years, organised carbon emission accounting covering all business segments and subsidiaries, comprehensively reviewing the energy consumption structure and major emission sources. On this basis, a comprehensive analysis was conducted on the Company's current carbon emissions, trends, and potentials for energy conservation and emission reduction. Taking into account different business types, facility conditions, and development plans, medium- to long-term emission peaks and phased reduction potentials were assessed to form the Company's foundational carbon emission management dataset, which is used to support the scientific setting of specific reduction targets.

Medium- to Long-term Targets

2030

Peaking carbon emissions before 2030, limiting the increase to no more than 30% compared to 2020 level.

2040

By 2040, carbon emissions will be reduced by more than 25% compared to peak level.

2050

Strive to achieve carbon neutrality around 2050.

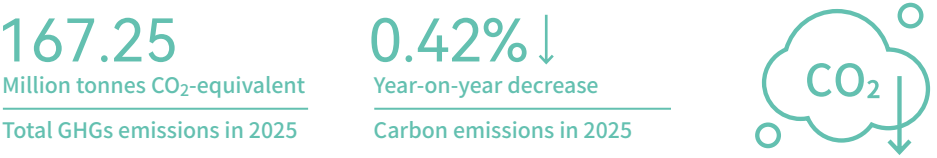
*Climate-related targets apply to the entire reporting scope, namely Sinopec Corp. The end of the time horizon of the targets is set to 2060, with the baseline year for measuring progress being set to 2030, the year prior to carbon peaking of the Company. Specific targets are set for seven greenhouse gases required by the government: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃, including both Scope 1 and Scope 2 emissions. The Company has not used carbon credits to offset greenhouse gas emissions, so the targets it disclosed are total emission targets. Its climate targets and their setting methods have not yet been verified by a third party. Currently, the petrochemical industry still lacks a mature decarbonisation methodology. The Company will keep monitoring the development of climate target setting methodologies both domestically and internationally, to systematically optimise its target-setting processes.



Total GHGs Emissions

The Ministry of Ecology and Environment issued the *Notice on Conducting Greenhouse Gas Emission Reporting and Verification for Certain Key Industry Enterprises from 2023 to 2025*, requiring that all key industries perform accounting and reporting in accordance with the latest technical documents released by the Ministry. Following the requirements, the Company adopts the operational control method to account for its greenhouse gas emissions based on Specification with *Guidance at the Organisation Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals (ISO 14064-1:2018)* and *Requirements of Carbon Emissions Accounting and Reporting Part-16: Oil and Gas Production Enterprise (GB/T 32151.16-2023)*, the same as in 2024. The former document specifies the requirements for organisational boundaries, emission source identification, and selection of quantification methods in greenhouse gas emission statistics, providing valuable reference for the Company's carbon emission data management; while the latter document is a national standard. The Company has researched on Scope 3 carbon emission accounting methodology and is currently conducting trial verification of the methodology in some subsidiaries. The next step will be to calculate the Company's Scope 3 carbon emission data.

In 2025, Sinopec Corp.'s total greenhouse gas emissions are 167.25 million tonnes CO₂-equivalent. Compared with 2024, the main reasons for the change are that the company has continuously strengthened carbon emission management and control, and actively carried out methane monitoring and emission control management. These efforts have resulted in a year-on-year decrease of 0.42% in carbon emissions.



Climate-Related Financial Indicators

1	Amount and percentage of assets or business activities vulnerable to climate-related transition risks	The Company's business is most exposed to climate-related transition risks, primarily traditional fossil energy operations, including production and sales of crude oil and petroleum products. In 2025, operating revenue from these businesses reached approximately RMB1.4 trillion, accounting for about 51% of the Company's total operating revenue.
2	Amount and percentage of assets or business activities vulnerable to climate-related physical risks	The Company's production and operational equipment and facilities are distributed across multiple regions, some of which are vulnerable to extreme weather events. At present, the Company can effectively keep physical risks at a relatively low level through engineering design, monitoring and early warning systems, emergency plans, and other protective measures and technical means, resulting in minimal impact on indicators such as revenue and profit.
3	Amount and percentage of assets or business activities aligned with climate-related opportunities	The Company actively expands its non-fossil energy business, seizing opportunities in clean energy and new energy development, and continuously promoting business structure diversification. The Company has already incorporated new businesses such as natural gas, charging and swapping facilities, hydrogen energy, CCUS and materials related to the field of new energy. In 2025, revenue from related businesses exceeded RMB120.0 billion, accounting for approximately 4% of the Company's total revenue.
4	Amount of capital expenditure, financing, or investment for climate-related risks and opportunities	To address climate transition risks, the Company has developed medium- and long-term carbon reduction targets and implemented climate-related transition plans. In 2025, the Company invested approximately RMB2.0 billion in emission reduction projects such as wind and solar green power projects, process and equipment energy-saving upgrades, and CCUS projects.



GHGs Emissions

Indicators	2024	2025
GHGs emissions (million tonnes CO ₂ -equivalent) ^{Note1}	167.95	167.25
Of which: Direct GHGs emissions	139.09	139.30
Indirect GHGs emissions ^{Note2}	28.86	27.95
Of which: Exploration and production segment	21.43	19.91
Refining and chemicals segment	145.02	145.78
Marketing and distribution segment	1.50	1.56
GHGs emissions intensity (tCO ₂ e/RMB1 million) ^{Note3}	54.63	60.08
Methane emissions (million cubic metres)	239.48	167.72
Of which: Exploration and production segment ^{Note4}	208.57	133.53
Refining and chemicals segment	15.80	18.55
Marketing and distribution segment	15.11	15.64

Note¹: The Company conducts statistical accounting of greenhouse gases in accordance with the *Specification with Guidance at the Organisation Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals (ISO 14064-1:2018)* and *Requirements of Carbon Emissions Accounting and Reporting Part-16: Oil and Gas Production Enterprise (GB/T 32151.16-2023)*, including direct and indirect greenhouse gas emissions. Currently, the greenhouse gases emitted by the Company only include CO₂, CH₄, N₂O, HFCs, and SF₆.

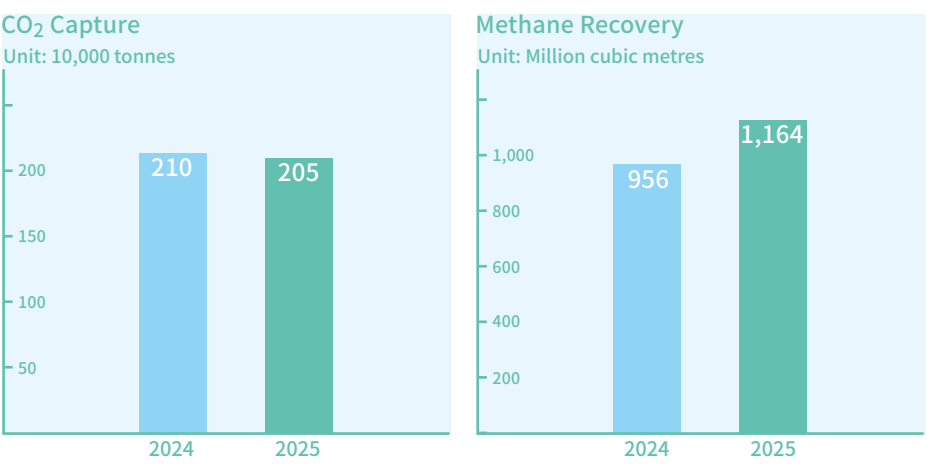
Note²: The Company's Scope 2 greenhouse gas emissions are "location-based" emissions.

Note³: GHGs emissions intensity (tCO₂e/RMB1 million) = GHGs emissions/operating revenue (in RMB1 million)

Note⁴: Oil and gas field enterprises continue to conduct on-site measurement of methane emission factors. When calculating methane emissions in 2025, measured emission factors were applied for gas gathering stations, booster stations, and natural gas processing facilities.



Emission Reduction Performance



3.5 Reducing GHG Emissions

Carbon Emission Reduction Policies

Sinopec leverages its advantages in integrated management and maximises the overall benefits to the Company by managing carbon emissions in accordance with the "Four Integrated" principle: integrated accounting and disclosure of carbon emission data, integrated formulation of carbon emission plans and assessment methods, integrated development and management of CCER projects, and integrated preparation and implementation of carbon trading plans.



Carbon Emission Reduction Policies and Systems

Carbon-related Laws and Regulations

- Interim Regulations on the Administration of Carbon Emission Trading
- Interim Measures for the Administration of Carbon Emissions Trading
- Measures for the Management of Lawfully Disclosing Enterprise Environmental Information
- Management Measures for Voluntary Emission Reduction Trading of Greenhouse Gases (Trial)

Carbon-related Policies of Sinopec Corp.

- Sinopec Carbon Emissions Management Measures
- Sinopec Carbon Trading Management Measures
- Sinopec Management Measures for Carbon Emission Assessment of Fixed Asset Investment Projects
- Guiding Opinions on Sinopec's Carbon Peaking and Carbon Neutrality Actions
- Sinopec 2030 Carbon Peaking Action Plan



Carbon Emissions Monitoring and Management



The Company actively carries out carbon accounting, leveraging both internal audits and external verifications to effectively ensure the accuracy of both the carbon emission data by subsidiaries and the carbon footprint data by products.

In accordance with the *Specification and Guidelines for the Reporting and Verification of Greenhouse Gas Emissions (ISO 14064-3:2019)*, the Company's Energy Conservation Monitoring Centre reviews the annual carbon emissions reports submitted by its subsidiaries, and carried out on-site verification of some of the subsidiaries. Some subsidiaries, in accordance with state and local regulatory requirements, are subject to verification by government appointed third-party organisations to verify and confirm their carbon emissions data.



Product Carbon Footprint

In 2025, the Company carried out research on the construction of the carbon assets management information system and held multiple discussions with BASF regarding carbon footprint accounting rules for chemical products. Consensus was reached on accounting boundary scope and calculation methods, and the product carbon footprint accounting methods of Sinopec Corp. and BASF became mutually recognised.



Energy Conservation



The Company continuously optimises its energy management policies and systems. In accordance with the laws and regulations such as the *Energy Conservation Law of the People's Republic of China*, *Measures for the Management of Energy Conservation in Key Energy-Consuming Units* and *Measures for the Management of Industrial Energy Conservation*, the Company has formulated a series of management policies such as the *Energy Conservation Management Measures of Sinopec Corp.* and *Energy Conservation Examination and Management Measures of Fixed Asset Investment Projects of Sinopec Corp.*, to highlight energy management responsibilities. The Company established the *Sinopec Carbon Peaking and Carbon Neutrality Leading Group*, responsible for implementing relevant state laws, regulations, policies, and standards regarding energy conservation, and coordinating the energy-conservation initiatives of the Company.

All key energy-consuming units under the Company have established their respective energy management systems and obtained ISO 50001 and other energy management system certifications, achieving 100% coverage of the Company's oilfields, refining, chemical, and professional companies. In addition, each subsidiary strictly follows regulatory requirements of local governments and regularly conducts energy audits.

The Company actively implements the Energy Efficiency Improvement Plan, with the oilfield segment focusing on the implementation of integrated injection, production, and transportation projects; and the refining and chemical segment focusing on whole-plant energy system optimisation, as well as waste heat and cold energy utilisation projects. In 2025, a total of 414 energy efficiency improvement projects were implemented, saving 556 thousand tonnes of standard coal, which is equivalent to the reduction of 1.45 million tonnes of carbon dioxide equivalent.

In 2025, the Company organised two targeted training sessions at the headquarters for energy management personnel, aiming to systematically enhance energy management capabilities of its subsidiaries and energy conservation awareness among all employees. Meanwhile, the Company comprehensively promoted energy-saving and carbon-reduction measures such as demand-side management, continuously deepening energy consumption control and energy efficiency improvement initiatives.

Key Achievements in Energy Management Practices

Over 40% of the Company's refining and ethylene capacities have energy efficiency over the industry benchmark, while capacity with energy efficiency failing to meet the baseline has been fully eliminated, achieving ahead of schedule the national target of having 30% capacity with energy efficiency over the industry benchmark by 2025.

Actively promoted contracted energy performance management with the implementation of 34 such projects, achieving annual energy savings of 0.3 million tonnes of standard coal.

Accelerated the improvement of equipment energy efficiency, with transformers, motors, and other electrical equipment with Level-1 and Level-2 energy efficiency accounting for 64.9% and 35.1% of total annual purchases respectively, achieving 100% coverage of energy-saving electrical equipment procurement.

In the 2024 Energy Efficiency Leader selection event for key petroleum and chemical products, seven subsidiaries including Qingdao Refining & Chemical Company were awarded the title of Benchmark Energy Efficiency Leader Enterprise.

In 2025, eleven technologies developed by the Company, such as the low-temperature heat-generated steam from aromatics production and its efficient utilisation, were awarded as Advanced Energy-Saving and Carbon-Reduction Technologies in the Refining Industry; four energy-saving cases, such as Qingdao Refining & Chemical's plant-wide energy optimisation, were selected as Exemplary Cases of Energy Saving and Carbon Reduction in the Refining Industry.

414
Projects

Number of the Energy Efficiency Improvement Plan projects implemented

556

Thousand tonnes of standard coal

Energy saving capacity

Indicators	2024	2025
Consumption of crude oil (million tonnes)	1.08	1.04
Consumption of crude oil (tonnes of standard coal)	1,542,888	1,485,744
Percentage of crude oil consumption (%)	2.45	2.32
Consumption of natural gas (billion cubic metres)	4.85	5.02
Consumption of natural gas (tonnes of standard coal)	6,318,000	6,526,000
Percentage of natural gas consumption (%)	10.03	10.21
Consumption of purchased electricity (billion kWh)	38.18	39.61
Consumption of purchased electricity (tonnes of standard coal)	4,692,322	4,868,069
Percentage of purchased electricity consumption (%)	7.45	7.61
Consumption of raw coal (million tonnes) ^{Note 1}	24.55	24.12
Consumption of raw coal (tonnes of standard coal)	17,536,065	17,228,916
Percentage of raw coal consumption (%)	27.85	26.95
Total energy savings (10,000 tonnes of standard coal)	79	55
Energy consumption per energy factor unit for refinery (kg of standard oil/(tonne · energy factor))	7.54	7.46
Total energy consumption (tonnes of standard coal)	62,967,927	63,930,771
Comprehensive energy consumption per RMB10,000 output value ^{Note 1} (tonnes of standard coal per RMB10,000)	0.453	0.454

Note 1: The Company has adjusted the statistical scope of coal consumption and comprehensive energy consumption per RMB10,000 output value by deducting the item "energy used for raw materials", and updated the 2024 data accordingly under this scope. Industrial output value is calculated at constant 2020 prices in RMB10,000.

Note 2: Direct energy sources mainly include crude oil, natural gas and raw coal, while indirect energy sources mainly consist of purchased electricity.

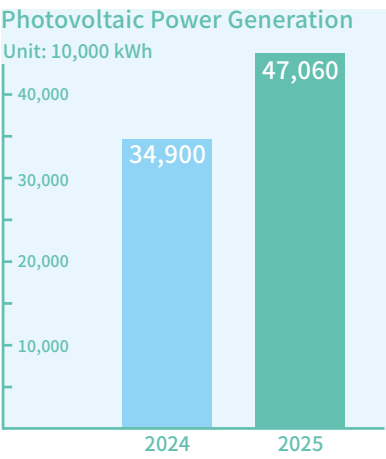




New Energy Utilisation



The Company actively promotes the utilisation of clean energy in its production process, continuously optimising energy structure, and vigorously promoting the construction and utilisation of renewable energy projects such as wind power, photovoltaics, and biomass energy. The Company steadily advances the construction of wind and solar green electricity projects through the construction of auxiliary wind and solar green electricity projects in key construction projects, continuously increasing the proportion of green energy utilisation. In 2024, the Company launched the "Ten Thousand Photovoltaic Stations" initiative, with a plan to build about 10,000 photovoltaic oil and gas fields, petrochemical industrial parks, and service stations by 2027. As of the end of 2025, more than 7,000 photovoltaic stations have been built cumulatively. In 2025, the Company generated 470.60 million kWh of electricity from solar photovoltaic power and 4.14 million kWh from wind power.

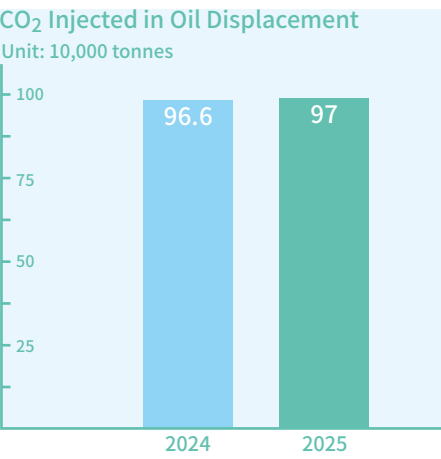
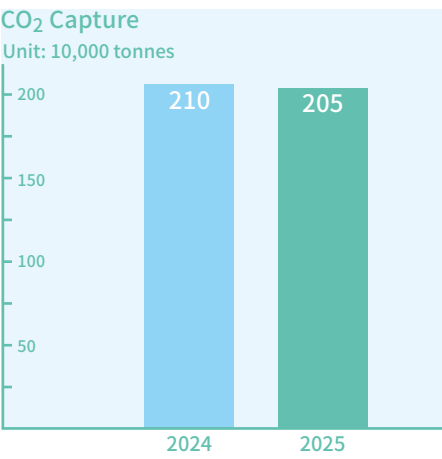


Carbon Capture, Utilisation and Storage (CCUS)



The Company attaches great importance to the development of the carbon capture, utilisation, and storage (CCUS) industry, continuously increasing investment in research to tackle key core CCUS technologies, and actively implementing key projects to explore the research and application of CCUS technologies. In 2025, the Company focused its CCUS efforts on the capture and reuse of high-concentration carbon dioxide, which is delivered to customers via tank trucks, tank ships, pipelines, and other transportation methods. In addition to using recovered carbon dioxide for oil recovery, the Company also sold it to external customers for food processing, welding shielding gas, dry ice production, and other applications. In 2025, a total of approximately 2.05 million tonnes of carbon dioxide was recovered, of which 0.97 million tonnes was used for oil recovery and fracturing purposes.

The Qilu Petrochemical–Shengli Oilfield million-tonne class CCUS project deepened the application of the high-pressure miscible development technology system, and strengthened full-process injection-production coordination and safety and corrosion prevention management, ensuring the smooth, safe, and efficient operation of the first million-ton CCUS project in China. As of the end of 2025, a cumulative total of over 1.59 million tonnes of carbon dioxide had been injected, increasing its daily oil output from 220 tonnes to 460 tonnes. Currently, the Company is actively advancing the preliminary work for the Shengli Power Plant's million-tonne low-concentration carbon dioxide CCUS demonstration project, accelerating the exploration of new methods for large-scale, low-cost capture and large-scale utilisation and storage of low-concentration carbon dioxide. The project is expected to allow coal-fired power plants to expand new opportunities for low-carbon and sustainable development. Jinling Petrochemical captures high-concentration carbon dioxide emitted from its coal-to-hydrogen facility and supplies it to Jiangsu Oilfield for oil recovery. The project operates stably with a total of approximately 90 thousand tonnes of carbon dioxide captured in 2025.





Methane Emission Control



Sinopec Corp. attaches great importance to the control and management of methane emissions, and specifies relevant requirements in a number of company policies, including the *Sinopec Corp. Carbon Emission Management Measures*, *Sinopec Corp. Management Measures for Carbon Emission Assessment of Fixed Asset Investment*, and *Sinopec Corp. 2030 Carbon Peaking Action Plan*. By 2025, the methane emission intensity of the Company decreased by 53.8% compared to 2020, with methane emissions from the Company's oil and gas field enterprises reaching 133.53 million cubic metres and the methane emission intensity standing at 1.92 cubic metres per ton of oil and gas equivalent in 2025, thus fulfilling the 50% reduction target.

1.92
Cubic metres/Ton of oil and gas equivalent
The methane emission intensity

53.8%
Decreased
Compared to the methane emission intensity in 2020

Sinopec's Methane Emission Reduction Targets

- By 2028, reduce methane emission intensity by 20% compared to 2023.

The Company actively conducts methane emission monitoring, strengthens research and application of methane reduction technologies, vigorously implements the recovery and utilisation of vented natural gas, continuously optimising its methane emission control. Its oilfield subsidiaries have improved the effectiveness of methane emission control by actively implementing vented natural gas recovery through various measures, including promoting the application of closed mixed transportation process, casing gas recovery, comprehensive utilisation of flare gas, and the recovery of remote scattered wells. In 2025, approximately 1.164 billion cubic metres of methane gas was recovered.

Indicators	2024	2025
Methane Recovery (million cubic metres)	956	1,164



Carbon Assets Management



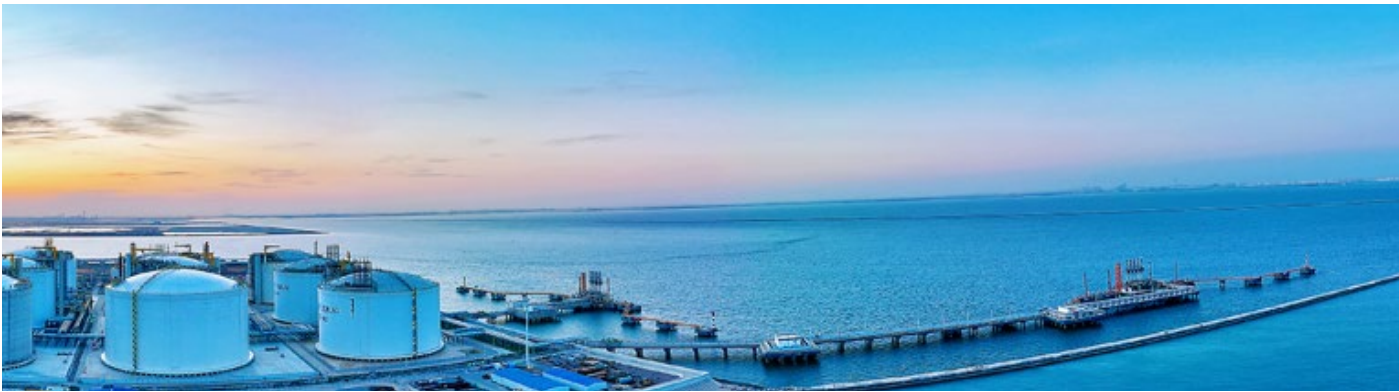
Sinopec Corp. continues to strengthen carbon assets management. The Company has revised the *Sinopec Corp. Carbon Trading Management Measures* in line with the latest regulatory requirements, and enhanced centralised management of carbon trading. The Company has established a dedicated carbon trading team, scientifically formulated an annual carbon trading plan, and coordinated the allocation of quotas for emission-control subsidiaries, ensuring its subsidiaries completing their carbon quota compliance tasks with an effective carbon trading management model. In 2025, the Company purchased a total of 2.48 million tonnes of carbon emission quotas. All subsidiaries with emission control obligations had completed their national carbon market obligations on time, achieving a 100% compliance rate, with no incidents of being required to make rectifications, investigated, or penalised by relevant authorities. In addition, among the subsidiaries with emission control obligations, one enterprise purchased 377 tonnes of voluntary emission reduction in the Shanghai region, another one participated in the national voluntary greenhouse gas emission reduction trading, with a transaction volume of approximately 540 thousand tons. Regarding the development of China Certified Emission Reduction (CCER) projects, the Company collaborated with industry partners on the compilation of a CCER methodology for methane reduction in onshore oil and gas fields, which has been officially released.

Forest Carbon Sink

The Company has formulated and implemented the *Greening Management Regulations of Sinopec Corp.*, continuously promoting ecological restoration in oilfield mining areas, carrying out degraded land management and vegetation restoration projects, and strengthening biodiversity protection. Each subsidiary also actively carries out ecological improvement initiatives according to local conditions. For example: Gaoqiao Petrochemical Company built a coastal carbon sinks park with carefully selected tree species and vegetation for carbon-sequestering; Northwest Oilfield and North China Oil and Gas Branch continued carrying out afforestation and greening in the "Three-North" region, with over 2,000-mu afforested cumulatively; and Shengli Oilfield and Southwest Oil & Gas continuously improved vegetation coverage in oil and gas operation areas through "well site re-greening" initiatives.

1.9345
Million
Number of trees planted by employee volunteers in 2025

By 2025, the Company's employee volunteers planted a total of 1.9345 million trees, which, based on a 20-year carbon sequestration assumption, can realise approximately 232 thousand tonnes of carbon sinks.



3.6 Promoting Energy Transition

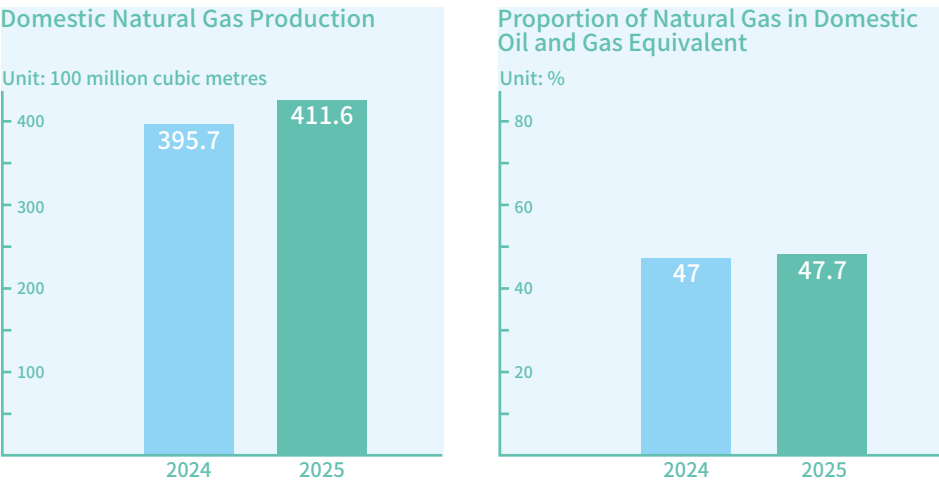
The Company adheres to the principle of coordinated efforts in energy conservation, carbon reduction, pollution control, and ecological growth, intensifies energy efficiency improvement and green power substitution, accelerates the industrialisation of CCUS/CCS technologies, and actively promotes the professional development of carbon economy, circular economy, and energy conservation and environmental protection businesses. Sinopec Corp. is committed to building a clean, low-carbon, safe, and efficient modern energy system and a production-supply-storage-sales system, and achieving clean, diversified, and secure energy supply.



Natural Gas

LNG

As a fossil energy with relatively low carbon emission intensity, natural gas plays a key role in the energy transition towards green and low-carbon development. Sinopec Corp. vigorously promotes natural gas development and continuously increases natural gas supply capacity. In 2025, the Company's natural gas production capacity increased by 7.57 billion cubic metres, with natural gas production reaching 41.16 billion cubic metres, up 4.0% year-on-year.



Hydrogen Energy

H₂

As an important pathway for promoting the transformation of the global energy structure towards cleaner and lower-carbon solutions, hydrogen energy has become a key support for achieving climate goals. Adhering to the development goal of building the "No.1 Hydrogen Energy Company in China", Sinopec Corp. is fully leveraging its demonstrative and leading role in the industrial chain, steadily expanding the scale of green hydrogen applications in the industrial sector, systematically advancing the construction of hydrogen corridors and a nation-wide hydrogen pipeline network, continuously reducing hydrogen energy storage and transportation costs, and increasingly intensifying research efforts in tackling key core technologies, so as to make active contributions to the high-quality development of China's hydrogen energy industry.

The Company continues to strengthen international exchanges and cooperation in the hydrogen energy industry, and actively explores international business opportunities in green hydrogen and green ammonia. As a new member of the Management Committee of the International Hydrogen Council, Sinopec Corp. actively participates in the Council's annual meetings, professional seminars and other activities, further enhancing its international influence.

Progress and Achievements of Hydrogen Energy Business in 2025

Hydrogen Energy Supply	A total of eleven hydrogen supply centres have been built, with a high-purity hydrogen supply capacity for fuel cells of 45.7 thousand standard cubic metres per hour.
Hydrogen Refuelling Station Development	Eight hydrogen energy corridors have been established, with a cumulative total of 150 hydrogen refuelling stations built, making Sinopec Corp. the company with the most hydrogen refuelling stations built and in operation worldwide.

Western Land-Sea New Hydrogen Energy Corridor

CASE

The Western Land-Sea New Hydrogen Energy Corridor was completed and launched in April 2025. The corridor starts from Wushui Port in Chongqing, passes through Guiyang and Qiannan in Guizhou, as well as Baise and Nanning in Guangxi, and finally reaches Qinzhou Port in Guangxi, stretching about 1,150 kilometres in total. Along the corridor, Sinopec Port built four hydrogen refuelling stations, making it China's first high elevation change, cross-regional heavy truck logistics trunk route powered by hydrogen, providing significant support for expanding hydrogen application scenarios in short- and medium-distance branch logistics in regions such as Chongqing, Guizhou, and Guangxi.



Battery Charging and Swapping and New Energy Vehicle Materials



The Company continues to expand its business related to the new energy vehicle industry chain, focusing on key areas such as battery charging and swapping stations infrastructure construction, power battery material R&D, and lightweight materials for new energy vehicles, actively contributing to the development of green transportation.



Progress and Achievements of the New Energy Vehicle Charging Business in 2025

Infrastructure Network	Continuously improved the "nation-wide network" layout, accelerated the construction of charging network on self-owned sites, vigorously developed asset-light services such as direct platform connection and interconnectivity, and built over 50 thousand new charging terminals throughout the year, bringing the total to 141 thousand.
Service Ecosystem	Carried out collaborative marketing and enriched the vehicle service ecosystem with the "Charging+" platform, effectively enhancing both business volume and efficiency: the platform's charging volume reached 5.08 billion kWh, with both volume and efficiency increasing by more than 180% year-on-year. As of the end of 2025, the platform had accumulated 26.90 million registered charging customers, with more than 60% of new energy vehicle owners nationwide having used its services.

In 2026, the Company will continue to optimise the layout of its battery charging and swapping network, enhance the operational efficiency of charging and swapping services, and strive to have 0.17 million charging terminals in operation by the end of 2026.

Haikou Yongwan Energy Station of Hainan Oil Products Company

CASE

In 2025, the Sinopec Haikou Yongwan Energy Station of Hainan Oil Products Company built a photovoltaic power unit with a single-unit installed capacity of 264.45 kW in the idled land on the protection slope. Integrated with energy storage, charging, and LNG supply services, the station became a "photovoltaic+refuelling+LNG supply+charging" one-stop integrated energy station. In addition to meeting its own energy needs, the surplus electricity was fed into the power grid, achieving a win-win outcome in both economic and environmental benefits.

The case of this carbon-neutral energy station became the first energy station project selected for *2025 Beautiful China - Distinguished Green Users for Space*, and was introduced at the COP30 held in Belém, Brazil.



R&D of New Energy Vehicle Materials

Lithium Battery Packaging Materials	Conducted in-depth research into key factors affecting the impact resistance, heat sealing performance improvement, and electrolyte resistance of battery pouch films, successfully developed the CPP film material structural modification technology, and realised industrial production of five types of cast polypropylene film specialty materials on thousand-tonne class capacity production units. This series of specialised film materials has been widely applied on a large scale in multiple packaging material manufacturing enterprises, with a total of over 0.20 million square metres of packaging materials produced using the materials.
Special Materials for Lithium Battery Separators	Promoted the research, commercialisation and production of various specialty polyolefin materials for power battery separators, with a number of subsidiaries working on developing polyolefin materials for lithium battery separators. Both the separator materials and the resulting separator products have shown excellent performance. In 2025, the total output of various separator material reached 76 thousand tonnes, up by 66% year-on-year.
Lightweight Materials for Automobiles	Developed a comprehensive package of automotive material solutions focusing on "plastic-for-steel substitution", with multiple categories of polyolefin automotive-specific materials widely used by over 100 domestic auto parts manufacturers and vehicle manufacturers in the production of interior trim, dashboards, and door panels, helping to reduce vehicle weight. Independently developed high-performance long glass fibre reinforced polypropylene composite material. The material is lightweight and has excellent functional properties, making it an ideal material for reducing the weight of vehicles. An industrial production line with an annual capacity of 4,000 tonnes has been completed for this product. Continuously optimised the performance of foamed polypropylene specialty material and promoted its application in auto parts, produced 55.8 thousand tonnes, of the material in 2025, up by 29% year-on-year.

Biomass Energy



Aligning with national industrial policies and market demand, and coordinating the integrated development of traditional businesses with new energy development such as biomass energy, the Company has comprehensively considered factors such as raw material availability, market demand, and industrial policies, and made the plan to first prudently and orderly develop industries such as oil-based bio-jet fuel. Subsequently, supported by technological innovation, the Company may expand into sustainable fuel businesses such as green methanol and bio-natural gas when timing is appropriate, continuously building a sustainable fuel industry system with a diversified raw material structure.

In 2025, the Company focused on upgrading the existing bio-jet fuel facilities in Zhenhai by adding a hydro-refining unit, as well as the application and pilot production of a self-developed new-generation hydro-isomerisation catalyst, with the bio-jet fuel yield reaching 65%. The bio-jet fuel storage and transportation facilities in Zhenhai were also upgraded to ensure a smoother export process. In February 2025, bio-jet fuel produced at Zhenhai was supplied to Hong Kong for the first time.



Recycle and Reuse of Waste Plastic



Sinopec Corp. continues to optimise the industrial chain, innovation chain, technology chain of the recycling industry, actively promoting the industrialisation of recycling technology, developing industrial demonstration of waste plastic chemical recycling, and leading the high-quality development of the waste plastic chemical recycling industry.



Full Industrial Chain Plastic Recycling Goals of Sinopec Corp.

- 2035 To become a world leader in waste plastic chemical recycling technology by 2035, with a domestic market share of over 60% in the waste plastic chemical recycling industry.
- 2050 To become the world's largest and most powerful one-stop integrated solution provider for chemical recycling of waste plastics by 2050.

In recent years, the Company has been steadily intensifying efforts in tackling key technologies for chemical recycling of waste plastics, conducting core technology R&D for different categories of plastics, building industrial demonstration units with a 10,000-tonne class capacity with full-process integration, effectively promoting a green circular economy throughout the entire plastic lifecycle. Meanwhile, the Company has become the first bio-based polyolefin producer by leveraging its synergy between waste grease deep processing and its advantageous polyolefin business, building a full industrial chain demonstration project of the recycling industry.

Progress of Sinopec Corp.'s Full Industrial Chain Plastic Recycling Business in 2025

Chemical Recycling

To address pollution issues caused by waste agricultural film, the Sinopec Research Institute of Petroleum Processing developed RIPP plastic continuous thermal cracking (RPCC) technology, and conducted pilot testing. In 2025, a full-process recycling chain was formed with the completion and operation of an industrial demonstration unit with a processing capacity of 35 thousand tonnes per year.

Physical Recycling

In 2025, the Company's "film-to-film" project used 5,392 tonnes of recycled agricultural film with a cost saving of RMB1.62 million, and a carbon dioxide emissions reduction of 2,210 tonnes of CO₂ equivalent. The product produced was used as packaging material of the 1-million-tonne synthetic resin products of Sinopec Corp.

Vigorously Fulfilling Member Responsibilities of AEPW

CASE

Sinopec Corp. joined the Alliance to End Plastic Waste (AEPW) in July 2019 as its first member enterprise from Mainland China. AEPW aims to eliminate plastic waste from the environment by supporting and implementing efficient waste management and recycling systems, technologies and other related solutions. Since joining AEPW, the Company has been actively conducting in communication and cooperation with its member organisations in the field of plastic recycling, deeply participating in and providing technical support for the alliance's projects, as well as promoting the alliance's projects in China. In 2025, the Company assisted AEPW to launch the Packaging Waste Rebirth Initiative and the Blue Recycling Project.

ENVIRONMENTAL MANAGEMENT



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4.1 Environmental Protection Guidelines and Goals

Sinopec Corp. vigorously implements the strategy of green and clean development, integrating the requirements of ecological environment protection into various aspects of corporate production and operation. The Company strictly complies with relevant environmental protection laws and regulations, implementing environmental management at standards higher than those required by state and local laws, regulations and policies. It has established and continuously optimises environmental protection policies and management systems, and implements full-staff, whole-process management. Adhering to the principle that "environmental protection starts from design, quality, responsibility, and capability", the Company comprehensively implements clean production initiatives and actively practices the concept of green and low-carbon development.

The Company strictly complies with the state and local laws, regulations and requirements on environmental protection, including the *Environmental Protection Law of the People's Republic of China*, the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Soil Pollution Prevention and Control Law of the People's Republic of China*, the *Solid Waste Pollution Prevention and Control Law of the People's Republic of China*, the *Noise Pollution Prevention and Control Law of the People's Republic of China*, etc. The Company conducts regular identification and correlation analysis of state laws, regulations and policies, and incorporates requirements relevant to the company into corporate management policies in a timely manner. Opinions from external stakeholders are consulted before the Company's revises and optimises its environmental protection-related systems and policies. Its subsidiaries formulate or revise their relevant management systems based on the Sinopec Corp. Environmental Protection Management System, and the Company ensures its subsidiaries to fully implement the requirements through awareness raising, training, supervision, inspection and other management activities.

The Company's environmental management policies cover all subsidiaries, joint ventures, and cooperative enterprises under its management, covering the entire production and operational life cycle, including design, construction, operation, and decommissioning processes, the access management, qualification management, and performance evaluation of suppliers, service providers and contractors, as well as environmental due diligence work for joint ventures, collaborations, mergers and acquisitions.

Environmental Protection Governance System of Sinopec Corp.

Board of Directors	The Board of Directors is the highest authority and decision-making body for ESG related issues, bearing ultimate responsibility for all ESG related issues including environmental management.
HSE Committee	The HSE (Health, Safety and Environmental) Committee is the decision-making body for the Company's ecological and environmental protection policies, responsible for reviewing and approving ecological and environmental protection plans, major environmental protection matters, and handling opinions on major and significant environmental incidents.
Specialised Subcommittees	Specialised subcommittees under the HSE Committee are responsible for implementing the environmental management requirements within the HSE management system, monitoring environmental performance indicators, and improving the environmental operation mechanisms.
HSE Department	Under the leadership of the HSE Committee, the HSE Department is responsible for centralised supervision and management of the Company's ecological and environmental protection initiatives.
Other departments and Business Units/Professional Companies	Responsible for implementing environmental protection management initiatives within their respective business scope and professional field.
Subsidiaries	Each subsidiary is the primary responsible entity for environmental protection and is tasked with implementing environmental protection measures within the enterprise.
Environmental Protection Goals of Sinopec Corp.	Continuous decline in the emission intensity of major pollutants No occurrence of major and more severe environmental incidents

4.2 Environmental Protection Management System

01 Policy System

Sinopec Corp. has formulated a series of environmental management policies, which the Company regularly optimises to build a robust environmental protection management policy system. In 2025, the Company revised eight policies including the *Sinopec Corp. Environmental Protection Management Regulations*, forming an environmental protection policy system with 16 core regulations. Relevant environmental management regulations, corporate standards, and management policies fully cover all key business areas of the Company, encompassing pollution prevention, ecological protection, environmental management for construction projects, environmental statistics and monitoring, environmental risk and emergency response, resource conservation and utilisation, among other fields.

02 Management System

Based on ISO 14001 and GB/T 24001 environmental management system requirements, Sinopec Corp. has established an HSE management system suited to its actual conditions, and implements environmental management initiatives under the guidance of the HSE management system. In 2025, the Company continuously carried out dynamic identification of environmental laws and regulatory requirements, actively promoted the research of its refining and chemical environmental protection standard system, conducted monitoring and analysis of key environmental elements, carried out regular environmental process performance evaluations, and continuously optimised the environmental protection components of its HSE management system.

In 2025, the Company conducted the annual internal audits of the HSE management system across all its subsidiaries, and actively implemented rectification actions for identified issues, achieving closed-loop management. All subsidiaries passed the system audits organised by the Company, with a coverage rate of 100%, covering various fields including oilfields, refining and chemicals, sales, and technological research. Its subsidiaries also carried out third-party certification as required by local governments and business partners. A total of 72 subsidiaries have completed ISO 14001 environmental management system certification, accounting for 64.3% of all subsidiaries of the Company. Sinopec Corp. and its subsidiaries continue to organise a variety of environmental protection trainings. In 2025, the Company held training classes for environmental protection managers and organised three sessions of training for key environmental protection personnel, while its subsidiaries also conducted environmental training customised to their needs. For example, the refining and chemicals business segment held ecological environment protection competitions, with over 4,000 environmental protection personnel from 35 refining subsidiaries participating in skill competitions, thereby effectively enhancing the professional competence of environmental management personnel.

03 Measures and Results

In 2025, the Company compiled and released the *Sinopec Green Enterprise Evaluation Guidelines (2025 Edition)*, systematically optimising the green enterprise evaluation system to guide its subsidiaries in further deepening green enterprise initiatives. Meanwhile, the Company actively urged its subsidiaries to steadily complete the annual key tasks of the green enterprise initiative through methods such as daily supervision, targeted training and on-site services. In 2025, the Company strictly carried out the annual green enterprise demonstration evaluation, with 33 subsidiaries awarded the title of Green Enterprise Demonstration Unit and 98.4% of grassroots units completing the construction of green grassroots units, continuously improving the overall green development of the Company.

Key Environmental Protection Management Awards and Recognitions of Sinopec Subsidiaries in 2025

- Nine subsidiaries including Yangzi Petrochemical Company were awarded the provincial-level Green Factory title.
- Four oil and gas field mining rights under Southwest Oil & Gas Company received the provincial-level Green Mine title.
- Jiujiang Petrochemical Company was selected as a typical case of "Zero-Waste Enterprise" by the Ministry of Industry and Information Technology.
- Zhenhai Refining & Chemical Company's "Zero-Waste Petrochemical Base" and Jinling Petrochemical Corporation's "Odour-Free Factory" were included as Typical Cases of Comprehensive Green Transition in the Petroleum and Chemical Industry for 2025, and in the Excellent Practice Cases of Green and Sustainable Development by Central Enterprises for 2025 by the State-owned Assets Supervision and Administration Commission of the State Council.
- Tianjin Petrochemical Company's Case of Controlling Soil Pollution at the Source was selected by China Petroleum and Chemical Industry Federation as a Typical Case of Comprehensive Green Transition in the Petroleum and Chemical Industry for 2025.



4.3 Environmental Risk Management

Goals related to environmental risks for each subsidiary in 2025

no occurrence of major and above environmental incidents

100%

Compliance rate for wastewater discharge

99.9%

Compliance rate for emissions

100%

Environmental compliance rate for new construction projects

Sinopec Corp. has incorporated environmental risk management into its comprehensive risk management system, establishing a classification management and hierarchical responsibility system focused on comprehensive environmental risk prevention and control. All subsidiaries organise grassroots units to conduct risk identification and assessment annually in accordance with the *Technical Guidelines for Evaluation of Sudden Environmental Incident Risk Index*, comprehensively preventing and controlling various risks of sudden environmental incidents, and resolutely carrying out timely rectification measures and preventing major risk hazards. For identified environmental risk sources at all levels, the Company has established an evaluation mechanism that "subsidiaries submit, business units review and approve, and headquarters confirm". For identified significant-level and above environmental risk sources and major environmental risk hazards, the Company establishes relevant annual environmental risk control targets, indicators and work tasks, and implements a hierarchical control mechanism at the headquarters, subsidiary, and grassroots levels respectively, with the headquarters regularly supervising and inspecting subsidiaries regarding their environmental risks and emergency management.

The Company has established a comprehensive environmental risk management system with the HSE management system as the management framework, a series of management policies as its policy foundation, including the *Sinopec Corp. Ecological Environment Incident Management Measures*, the *Sinopec Corp. Environmental Factors Identification, Evaluation and Control Management Measures*, the *Sinopec Corp. Risk and Emergency Management Measures for Sudden Environmental Incidents*, and the *Sinopec Corp. Overall Emergency Plan for Sudden Incidents*, supported by a series of standards such as the *Technical Guidelines for Evaluation of Sudden Environmental Incident Risk Index*, the *Environmental Risk Level Assessment Guidelines*, the *Guidelines for Preparing Emergency Plans for Enterprises Facing Sudden Environmental Incidents*, the *Guidelines for Emergency Material Preparation for Oil Pollution by Enterprises*, and the *Technical Requirements for Risk Prevention and Control of Petrochemical Enterprises Water Environment*. This system provides comprehensive coverage of various environmental risk management items, including the basic management, supervision and assessment of sudden environmental incidents, identification and assessment of environmental risks, compliant preparation of environmental emergency plans, standardisation of emergency material preparation, and water body pollution risk prevention and control, continuously solidifying the foundation of environmental risk management and enhancing the overall environmental risk prevention and control capabilities of the Company.

In 2025, the major ecological and environmental protection risk points identified by the Company include: compliant emissions and discharges of pollutants, sudden environmental incidents, and environmental protection compliance of construction projects. During the reporting period, the Company did not experience any major environmental incidents.

Indicators	2024	2025
Amount fined for administrative or criminal penalties for environmental incidents by ecology and environment regulatory authorities within the year (RMB10,000)	166	26

Environmental Risk Response Measures

1	Strengthening the Implementation of Risk Management Responsibilities	Formulated the <i>Sinopec Corp 2025 HSE Management Priorities</i> , revised and optimised the <i>HSE Management Performance Evaluation Indicators</i> , and signed the <i>2025 Energy and Environment Responsibility Commitment</i> with its subsidiaries to emphasise environmental management responsibilities.
2	Carrying Out Targeted Inspections and Rectification for Key Processes	Conducted targeted inspections such as automatic monitoring compliance assessments, supervisory monitoring checks, VOC pollution source inspections, soil and groundwater pollution hazard screening, and discharge outlet compliance inspections. Implemented a closed-loop rectification mechanism for identified risks to effectively reduce environmental violations.
3	Deepening the Pollution Prevention and Control Campaign	Formulated the <i>Sinopec Corp. Action Plan for Air Pollution Prevention and Control</i> during Major Events and organised subsidiaries in key areas to ensure air quality protection. Fully implemented the three-year action plan for upgrading separation and remediation of wastewater, formulated and implemented the <i>Sinopec Three-Year Action Plan for the Construction of a "Zero-Waste Group" (2025–2027)</i> , which covers all subsidiaries and business segments.
4	Strengthening Risk Prevention and Control for Sudden Environmental Incidents	Revised the <i>Sinopec Corp. Ecological Environment Incident Management Measures</i> , further tightening requirements for environmental incident control. <i>Updated the Guidelines for Preparing Enterprises Emergency Plans for Sudden Environmental Incidents</i> , optimised standards and specifications for contingency plan preparation, and promoted subsidiaries to improve the quality of their emergency plans. Organised environmental risk assessment and environmental emergency management evaluation, and carried out environmental emergency training and drills.
5	Strengthening Full-Process Environmental Management of Construction Projects	Compiled the <i>Sinopec Corp. Guidelines for Quality Control of Environmental Impact Assessment for Construction Projects</i> and the <i>Sinopec Corp. Green Construction Guidelines for Construction Projects</i> , guiding subsidiaries to further strengthen quality control of environmental impact assessments for construction projects. Ensured strict review and co-sign process of feasibility study designs, and implemented the facility measures proposed in environmental impact assessments.

4.4 Environmental Impact Management

Environmental Impact Management Policies and Systems

The Company issued policies that cover all key business segments such as the *Sinopec Corp. Ecological Protection Management Measures* and the *Sinopec Corp. Construction Project Environmental Protection Management Measures*, requiring all subsidiaries to strengthen ecological environmental and natural resource protection in the process of project construction and production operation, strictly implement state and local government environmental protection and natural resource protection laws, regulations, and standards, ensure adequate funding, and take active measures to protect the environment and natural resource.

The *Sinopec Corp. Ecological Protection Management Measures* specifies that all Sinopec subsidiaries must strictly comply with applicable national and local government ecological protection laws, regulations and standards. The Measures explicitly prohibit the construction of projects included in the national "negative list" in ecologically sensitive areas such as drinking water source protection areas, nature reserves, and marine special protection areas, and require existing projects to be shut down as required. During the implementation of construction projects, all subsidiaries shall give priority to avoiding ecological protection red lines, conduct environmental impact assessments as required, and strengthen the protection and restoration of the surrounding ecological environment, promoting improvement of the ecological environment.



Environmental Impact Management Processes and Mechanisms

Sinopec Corp. attaches great importance to environmental impact management. The Company has formulated the *HSE Management System Manual*, and, in accordance with the requirements of the ISO 14001 environmental management system, established management content for environmental protection elements, incorporating environmental monitoring indicators into HSE process performance management. In 2025, the Company's environmental protection element monitoring indicators kept improving, and its overall ecological environment protection efforts remained well under control.

The Company continues to optimise its HSE management system and mechanisms, conducting annual targeted evaluations of the HSE systems covering all subsidiaries, as well as monthly HSE inspections to ensure full implementation of environmental protection management requirements. The Company has established a regular HSE work meeting system and a sub-committee consultation mechanism for targeted improvement areas. At the Company level, 29 key operational elements, including pollutant emissions compliance, are monitored and statistically analysed monthly, while video reports on typical issues along with segment-specific risk alerts are generated quarterly. The Company also regularly organises HSE inspections, annual HSE comprehensive inspection, and management system audits for its subsidiaries. During the 2025 HSE comprehensive inspection and management system audits, the Company carried out in-depth inspections of 109 subsidiaries to fully assess their environmental management performance. All major subsidiaries of the Company have established dedicated HSE inspection teams that regularly supervise their own HSE performance on-site. Based on the requirements of local governments or business partners, subsidiaries of the Company conduct an external HSE system audit every three years, which covers environmental protection-related matters. Up to date, there are 72 subsidiaries that have completed the ISO 14001 environmental management system certification.

The Company incorporates environmental impact elements such as green and low-carbon development and compliance with pollutant emission and discharge standards into the key items of its annual audit, with a focus on ecological and environmental protection of subsidiaries along the Yellow River Basin, implementation of major ecological and environmental protection projects, and air pollution and water pollution prevention and control. The Company conducts environmental impact audits through targeted audits, economic responsibility audits, and audits related to internal control and risk management activities. The relevant business management departments of Sinopec subsidiaries work together with their audit departments to perform routine supervision and inspection functions regarding the environmental impact of the subsidiary's production and business activities. In 2025, the Company conducted environmental impact audits on 6 petroleum exploration and development subsidiaries, 16 refining and chemical subsidiaries, and 9 oil product sales subsidiaries, covering 18 provinces, autonomous regions and 2 overseas projects. The audits focused on environmental impact elements such as environmental responsibility implementation, improvement and maintenance of environmental protection facilities and equipment, volatile organic compound emissions, and disposal of hazardous chemicals. For environmental risks identified during the audits, each subsidiary formulated relevant rectification plans and implemented concrete rectification measures in a timely manner.

72
Number of subsidiaries that have completed the ISO 14001 environmental management system certification

Environmental Impact Assessment and Response

Sinopec Corp. carries out environmental impact assessment of construction projects in accordance with relevant laws and regulations, evaluating the impact of construction projects on the ecological environment. Construction can only start on the premise that the ecological environment impact assessment results are acceptable and the environmental impact assessment approval is obtained. During project implementation, all environmental protection measures proposed in the environmental impact assessment and approval opinions must be strictly implemented to effectively control the impact on the ecological environment.

The Company conducts environmental impact assessment for construction projects in accordance with relevant regulatory procedures and strictly implements the recommendations issued by the environmental impact assessment. In 2025, a number of key projects of the Company obtained environmental impact assessment approval, including the Tahe Integrated Refining-Chemical Project, the Upgrade Project of Chengdao Oilfield Central No. 3 Platform and Other Three Platforms, and the CB22H Well Area Well Network Improvement Project. The relevant approval documents or pre-approval public notices can be found on the official websites of the respective government regulatory authorities.



1	Project Feasibility Study Phase	An Environmental impact assessment (EIA) is carried out simultaneously during the feasibility study stage, and an internal review is required before the EIA report is submitted for approval.
2	Project Basic Design Phase	During the basic design stage, the requirements of the EIA and its approval opinions are incorporated into the project design documents and strictly implemented, and the EIA approval is regarded as a prerequisite for the approval of project basic design and commencement of construction.
3	Project Implementation Phase	During project implementation, the Company timely conducts a review and analysis of significant environmental changes in construction projects. If the project is determined to have significant environmental changes after analysis, it is necessary to reapply for environmental impact assessment approval.
4	Project Completion Phase	Continuously strengthen environmental protection management throughout the entire process of construction, commissioning, etc. of construction projects, strictly control the environmental protection acceptance of completed construction projects, and conduct post-evaluation of environmental impacts for some projects as required, to promote the effective implementation of the requirements proposed in the environmental impact assessment reports and approvals.

Environmental Technology Development and Environmental Investment

Sinopec Corp. vigorously promotes the development of environmental protection technology, and is committed to continuously improving the Company's environmental management and ecological environmental protection capabilities through technological innovation and research on core technologies. The Company has developed multi-pollutant comprehensive treatment technology and a series of multifunctional synchronous treatment reactors, effectively reducing investment costs, operating expenses, and land use.

In 2025, the Company's total environmental protection investment reached RMB21.72 billion, including RMB5.24 billion in environmental protection capital investment and RMB16.47 billion in environmental protection expenditures, achieving cost savings totalling RMB1.35 billion.

Indicators	2024	2025
Environmental protection capital investment (RMB100 million)	55.6	52.4
Environmental protection expenditure (RMB100 million)	184.5	164.7
Total environmental protection investment = Environmental protection capital investment + Environmental protection expenditure (RMB100 million)	240.1	217.2
Cost savings (cost avoidance, revenue, tax incentives, etc.) (RMB100 million)	10.3	13.5

4.5 Pollution Treatment

Control of Atmospheric Pollutants



Sinopec Corp. strictly adheres to the *Environmental Protection Law of the People's Republic of China*, the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Action Plan for Continuous Improvement of Air Quality*, the *Implementation Plan for Continuous Improvement of Air Quality*, the *Opinions of the CPC Central Committee and the State Council on Comprehensively Promoting the Construction of a Beautiful China*, and other state and local laws, regulations, policies and standards, as well as relevant industry air pollution emission standards. In accordance with the requirements of the Sinopec Corp. HSE Management System, the Company has formulated a series of air pollution control policies and regulations, such as the *Sinopec Corp. Regulations for Pollution Prevention and Control*, and the *Guiding Opinions on the Construction of Odourless Factories of Sinopec Corp.*, and rigorously carries out prevention and control measures of atmospheric pollutants in accordance with the requirements of its HSE Management System Manual and relevant policies. In accordance with its overall pollution control targets, the Company has signed energy and environmental responsibility commitment with key subsidiaries to specify their reduction targets and pollution control key tasks. The main air pollutants generated in the production and operation process of the Company include sulphur dioxide, nitrogen oxides, particulate matter, and volatile organic compounds (VOCs). Information regarding these pollutants, such as total emissions, emission quotas, and over-the-quota emissions, is publicly disclosed in the pollutant discharge permit implementation reports and environmental information disclosure of each subsidiary.

Air Pollutant Reduction Targets* and Progress in 2025

Type of Pollutant	Reduction Targets					Reduction Measures in 2025	Progress Achieved in 2025
	Base Year	Target Year	Target Type	Target Timeframe	Target Value		
Sulphur Dioxide (SO ₂)	2024	2025	Quantitative	Short-term	Reduce emissions per unit of industrial output value by 1.5%	Carried out inspection, maintenance, and upgrade of exhaust gas pollution control facilities to improve their operational efficiency	Reduced emissions per unit of industrial output value by 5.8% year-on-year
Nitrogen Oxides (NO _x)	2024	2025	Quantitative	Short-term	Reduce emissions per unit of industrial output value by 1.5%		Reduced emissions per unit of industrial output value by 2.2% year-on-year
Volatile Organic Compounds (VOCs)	2024	2025	Quantitative	Short-term	Reduce emissions per unit of industrial output value by 2%	Implemented in-depth VOCs control measures	Reduced emissions per unit of industrial output value by 4.6% year-on-year

*The air pollutant reduction targets cover the oil and gas fields and refining subsidiaries of the Company.

Yangzi Petrochemical Company Established A Comprehensive VOCs Management System

CASE

Yangzi Petrochemical Company invested nearly RMB450 million to build a "monitoring-treatment-prevention" system for VOCs. In addition to achieving the precise control of major pollution sources with 25 VOCs treatment facilities, the company also treated small and micro pollution sources, such as overcoming the odour issue during asphalt loading. Full-spec ship-shore gas interfaces were equipped at 7 chemical liquid terminals to ensure effective collection of vapours during vessel loading. 360 EU-standard low-leakage breathing valves were installed in the tank area to effectively control fugitive emissions. In addition, by setting up over 160 monitoring points integrated into an intelligent environmental protection management map, deploying gas leak detectors, thermal infrared imaging devices, portable detection equipment and conducting mobile monitoring, the company has built a full-area grid-based precision tracing and prevention network, significantly enhancing the effectiveness of VOCs control.

In 2025, the Company actively carried out air pollution prevention and control initiatives, continuously strengthened the management of air pollution control facilities, conducted environmental monitoring quality assessment and inspections, completed the full-coverage assessments and inspections for oil and gas fields and refining subsidiaries, ensuring the reliability of air pollutant monitoring data from key subsidiaries. The Company also implemented a targeted improvement project for 10 key processes related to VOC pollution control.

During the reporting period, the air pollutant control performance of the Company met the requirements of relevant state and local emission standards. There was no adverse impact on employees and local communities from the Company's emissions of air pollutants, no major administrative penalties, criminal liabilities, or significant complaints due to issues related to air pollutants, or no major deficiencies identified in the Company's air pollutant monitoring plan and risk management measures. A number of its subsidiaries, such as Jinling Petrochemical Corporation and Yangzi Petrochemical Company, obtained the A-level rating in environmental performance evaluation.

Sources of Air Pollutants	Types of Air Pollutants Covered	Treatment Technologies/Methods & Pollution Prevention Measures	Treatment Effectiveness
Productive Process	Particulate Matter (PM)	Cyclone dust removal, baghouse filtration, and wet electrostatic precipitation.	During the reporting year, the total volume and concentration of exhaust gas emissions met compliance requirements.
Productive Process	Sulphur Dioxide (SO ₂)	Dry, semi-dry, and wet process technologies.	
Productive Process	Nitrogen Oxides (NO _x)	Mainly using selective non-catalytic reduction and selective catalytic reduction technologies.	
Productive Process	Volatile Organic Compounds (VOCs)	Using thermal oxidation, regenerative thermal oxidation, catalytic oxidation, regenerative catalytic oxidation, membrane separation, adsorption, and integrated control technologies.	

Indicators	2024	2025
Sulphur dioxide emissions (tonnes)	4,652	4,481
Nitrogen oxides emissions (tonnes)	18,482	18,484
VOCs emissions (tonnes)	47,698	46,532
Approval annual sulphur dioxide emissions (tonnes)	46,258	37,208
Approval annual nitrogen oxides emissions (tonnes)	82,025	68,764
Approval annual VOCs emissions (tonnes)	78,251	74,081

Note: Atmospheric pollutants originate from both organised and unorganised emissions. Atmospheric pollutants from organised emission outlets are calculated based on monitoring data, while volume of unorganised VOCs emissions is calculated in accordance with the *Guidelines for VOCs Pollution Source Investigation in the Petrochemical Industry*.

Sinopec Zhongke Refining & Chemical Company Achieved 100% Utilisation Rate for Vessel Oil and Gas Recovery During Loading

CASE

Zhongke Refining & Chemical Company continues to optimise the entire process management of terminal oil and gas recovery facilities, breaking down and clarifying the responsibilities of each department step by step, and implementing a grid-based assessment mechanism, ensuring clear responsibilities throughout every stage including source vessel docking, terminal operations, equipment maintenance, and safety supervision. The company has implemented a series of technical improvement measures, such as modification of oil loading arms, addition of multiple types of adapters, optimisation of inert nitrogen management, and introduction of natural gas as a safer auxiliary fuel, significantly enhancing the compatibility and safety of facilities, and achieving a 100% oil and gas recovery utilisation rate for vessels during loading.

Wastewater Treatment



Sinopec Corp. has formulated and issued a series of management policies, regulations and action plans, such as the *Sinopec Corp. Pollution Prevention and Control Management Regulations*, in accordance with the requirements of national laws and regulations, such as the *Environmental Protection Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law*, the *Yangtze River Protection Law*, the *Yellow River Protection Law*, the *Action Plan for Deepening the Yangtze River Protection and Restoration Campaign*, as well as its own *Sinopec Corp. HSE Management System Manual*. The Company vigorously implements wastewater pollution prevention and control initiatives. All subsidiaries are required to sign the Energy and Environment Responsibility Commitment, specifying their water pollutant discharge reduction targets and management tasks, with the implementation being part of their annual assessment. The main wastewater pollutants discharged in the production and operation process of the Company include chemical oxygen demand (COD), ammonia nitrogen, total nitrogen, total phosphorus, etc. Information regarding these pollutants, such as total discharge volume, permitted total discharge volume, and over-the-quota discharge situations, is publicly disclosed in the pollutant discharge permit implementation reports and environmental information disclosure of each subsidiary.

Water Pollutant Reduction Targets* and Progress in 2025

Type of Pollutant	Reduction Targets					Reduction Measures in 2025	Progress Achieved in 2025
	Base Year	Target Year	Target Type	Target Timeframe	Target Value		
COD	2024	2025	Quantitative	Short-term	Reduce discharge per unit of industrial output value by 1%	Continued to intensify wastewater reuse efforts and improved the efficiency of wastewater treatment facilities	Reduced discharge per unit of industrial output value by 1.8% year-on-year
Ammonia Nitrogen	2024	2025	Quantitative	Short-term	Reduce discharge per unit of industrial output value by 1%		Reduced discharge per unit of industrial output value by 4.1% year-on-year

*The water pollutant reduction targets cover the oil and gas fields and refining subsidiaries of the Company.



In 2025, the Company continued to strengthen its water pollution prevention and control efforts, applying mature and reliable wastewater pretreatment and deep treatment technologies to ensure stable operation of the treatment facilities. The Company has formulated a three-year action plan for upgrading separation and remediation of wastewater in production areas along the river, aiming to reduce its overall discharges and enhancing its risk control of water pollution capabilities.

Sources of Water Pollutants	Types of Water Pollutants Covered	Treatment Technologies/Methods & Pollution Prevention Measures	Treatment Effectiveness
Productive Process	COD、Ammonia nitrogen	Industrial wastewater is mainly treated using an integrated set of technologies such as aerobic and anaerobic biochemical treatment, aerated biofilter, advanced oxidation and membrane treatment. Domestic wastewater is mainly treated at the on-site sewage treatment plant using the same technology as production wastewater.	During the reporting year, both the total volume and concentration of wastewater discharge met compliance requirements.



In 2025, the Company met all state and local wastewater discharge standards. There was no adverse impact on employees and local communities from the Company's discharge of water pollutants, no major administrative penalties, criminal liabilities, or significant complaints due to issues related to water pollutants, or no major deficiencies identified in the Company's water pollutant monitoring plan and risk management measures.

Water Pollutant Discharge Volume*

Pollutants	Total Discharge Volume in 2024	Total Discharge Volume in 2025	Is There an Approved Annual Discharge	Approved Annual Discharge	Discharge Exceeding Compliance Requirements
Total industrial wastewater (10,000 cubic meters)	13,977	12,943	No	—	During the reporting year, both the total volume and concentration of wastewater discharge met compliance requirements.
Chemical oxygen demand (COD) (tonnes)	4,432	4,450	Yes	18,098	
Ammonia Nitrogen (NH ₃ -N) (tonnes)	69	68	Yes	1,755	

*The discharge volume of water pollutants is calculated using the actual measurement method, i.e. the Company's total water pollutant discharge is calculated by adding up the data from all wastewater discharge outlets of each subsidiaries.



4.6 Solid Waste Management



100%

Solid waste disposal rate

95%

Comprehensive utilisation rate of industrial solid waste

Sinopec Corp. strictly implements the requirements of state and local laws, regulations and relevant standards related to solid waste pollution prevention and control, such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Solid Waste Comprehensive Treatment Action Plan*, the *National List of Hazardous Waste*, the *Pollution Control Standards for Hazardous Waste Storage*. The Company has successively formulated a series of policies, such as the *Sinopec Corp. Hazardous Waste Environmental Management Guidelines (Trial)*, the *General Industrial Solid Waste and Garbage Environmental Protection Management Guidelines (Trial)*, and the *Sinopec Corp. Hazardous Waste List (2021 Edition)*, specifying the management requirements for solid waste pollution prevention and control. In the *Sinopec Corp. HSE Management System Manual*, the Company has also incorporated "strictly prohibiting the illegitimate disposal of hazardous waste" into the Company's five major ecological and environmental protection prohibitions. In addition, the Company has formulated the *General Industrial Solid Waste Classification Reference List for the Inspection, Maintenance, and Major Modification of Refining Enterprises* and the *Construction Waste Classification Reference List for the Inspection, Maintenance and Major Modification of Refining Enterprises*, aiming to further enhance the management capabilities regarding the identification and classification storage of solid waste, including hazardous waste, at the source.

In 2025, the Company issued the *Notice on Further Advancing the Three-Year Action for the Construction of "Zero-Waste Group" at Sinopec Corp.(2025–2027)*, specifying the improvement goals and tasks for solid waste management by 2027, and continuously promoting the construction of a "Zero-Waste Group" focusing on the goals of standardisation, reduction, resource utilisation, harmlessness, and digitalisation, with the goal of maintaining an industrial solid waste comprehensive utilisation rate of 90% or above by 2027. In 2025, the Company's comprehensive utilisation rate of industrial solid waste reached 95%, with 100% of its solid waste disposed properly. There was no occurrence of incidents of illegal or non-compliant disposal of solid waste. Zhenhai Refining & Chemical Company built China's first "Zero-Waste Petrochemical Base", which was recognised as a 2025 Exemplary Case of Green Transition in the petrochemical industry.

Solid Waste Reduction Targets* and Progress in 2025

Type of Solid Waste	Reduction Targets					Progress Achieved in 2025
	Base Year	Target Year	Target Type	Target Timeframe	Targets	
Hazardous Industrial Waste	2024	2025	Quantitative	Short-term	The 2024 hazardous industrial waste intensity was 3.42 kg per RMB10,000, which is expected to be lowered to 3.4 kg or less per RMB10,000 by the end of 2025.	In 2025, the Company's hazardous industrial waste intensity was lowered to 2.61 kg per RMB10,000.
General Industrial Solid Waste	2024	2025	Quantitative	Short-term	The 2024 general industrial waste intensity was 11.09 kg per RMB10,000, which is expected to be lowered to 11 kg or less per RMB10,000 by the end of 2025.	In 2025, the Company's general industrial waste intensity was lowered to 5.27 kg per RMB10,000.

*The solid waste reduction targets cover all production and sales subsidiaries of the Company.



In terms of solid waste reduction, the Company organises its subsidiaries to carry out cleaner production audits, implement green procurement and green packaging management requirements, and continuously reduce the generation of industrial solid waste by improving product conversion rates, promoting green process upgrades, implementing substitution of cleaner raw and auxiliary materials, and sludge drying, etc.

In terms of solid waste disposal, the Company implements classified management of waste generated during production and operations, categorising waste into four categories: hazardous waste, general industrial solid waste, construction waste and domestic waste. All waste is properly utilised in a comprehensive manner or disposed of. In accordance with the *Administrative Measures for Urban Domestic Garbage*, domestic waste is entrusted by the Company's subsidiaries to professional organisations holding the Urban Domestic Waste Commercial Cleaning, Collection, and Transportation Service License or Urban Domestic Waste Commercial Disposal Service License for removal and landfilling.

Waste Disposal Methods of Sinopec Corp.

Waste Classification	Disposal Method
Hazardous Waste	Utilise or dispose of with own facilities, or entrust to qualified third-parties for utilisation or disposal.
General Industrial Solid Waste	Entrust to third-parties with appropriate technology and capacity for comprehensive utilisation or landfill safely.
Construction Waste	Reuse in accordance with government sanctioned disposal plans or ship to designated landfills.
Domestic Waste	Entrust to qualified third-parties approved by local government for collection and disposal.

In 2025, the Company organised two environmental protection training sessions and one environmental technology exchange meeting to raise the awareness of laws, regulations and standards related to solid waste management, as well as advanced solid waste treatment technologies.

The Company has incorporated the compliance management of solid waste into audits, environmental protection inspections, HSE inspections, and management system reviews, implementing comprehensive environmental supervision throughout the life cycle of hazardous waste, and full process environmental supervision for other solid waste. In 2025, the Company further promoted the application of the Sinopec "Zero-Waste Group" information platform, achieving the digitalised collaborative government and enterprise regulation of hazardous waste across 27 provinces.

Results of the "Zero-Waste Group" Information Platform

- 100% hazardous waste identification accuracy rate
- 100% unknown solid waste identification rate
- 100% safety risk assessment rate of environmental facilities related to hazardous waste
- 100% full life cycle environmental supervision and compliance rate for hazardous waste
- 100% compliance rate of environmental facilities related to hazardous waste

100%

Advancing Full Business Chain "Zero Waste" Development

CASE

Our lubricant subsidiary continues to advance the "Zero Waste" initiative across the full business chain of R&D, production, sales, and service. At the product R&D stage, the company focused on tackling green technologies such as biodegradable and non-harmful additives, and developed the long-life cycle turbine oil and other low-toxicity and harmless products, which helped its customers reduce hazardous waste generation by 80 thousand tonnes in 2025. Through the procurement of 31.4 thousand tonnes of recycled raw materials, its solid waste generation decreased by 50 thousand tonnes. The company also developed intelligent refilling equipment to provide customers with integrated fluid refilling, precise refilling, and cyclic refilling services, significantly reducing the generation of oil-containing packaging and waste oil at customer side. By 2025, the lubricant company has served a cumulative total of 2 thousand business customers with a total of 100 thousand tonnes of products, and reduced the generation of hazardous waste by approximately 1.8 thousand tonnes.

To address the different needs of customers from various industries, the company also provides end-to-end lubricating oil technical services, such as laboratory testing, online monitoring, oil changing and refilling, system cleaning, and oil recycle and reuse. These services help customers use lubricants more scientifically and efficiently, thereby reducing the generation of oil-containing waste packaging and waste oil during lubricant usage.



Promoting Waste Plastic Recycling

CASE

Fujian United Petrochemical Company successfully implemented the Heavy-Duty Form-Fill-Seal (FFS) Packaging Film Recycling Project. This project uses waste cold lamination film and waste FFS film as raw materials, up to 20%, to produce FFS heavy-duty film through a physical regeneration process. At present, the relevant product standard and carbon footprint certification for the regenerated heavy-duty FFS packaging film pellets have been completed. Over 1 thousand tonnes of the regenerated pellets have been sold, which is used in the production of packaging for over 1 million tonnes of synthetic materials.

With the successful implementation of the project, Sinopec Corp. accelerated the pace to establish a waste plastic recycling system. By integrating transitional materials, mixed materials, and waste plastic resources from Qilu Petrochemical Company, Guangzhou Petrochemical Company, Maoming Petrochemical Company, and Zhongke Refining & Chemical Company, Sinopec Recycling Technology Co., Ltd. has achieved optimised cross-regional resource allocation, allowing the production of products with high added-value through processing schemes customised to the characteristics of different raw materials, and further promoting the high-value utilisation of waste plastics and recycled materials.



General Industrial Waste

Indicators	2024	2025
General industrial solid waste (thousand tonnes) ^{Note 1}	1,609.3	781.8
Solid waste intensity (kg/RMB10,000) ^{Note 2}	11.09	5.27
Solid waste recycled/reused (thousand tonnes)	12,343.4	12,418.4
Percentage of total waste recycled/reused (%)	91.4	95.1
Solid waste disposed (thousand tonnes)	1,629.8	1,090.2
Waste disposed of by other units, such as qualified third-parties (thousand tonnes)	1,609.3	781.8

Note 1: The total amount of general industrial solid waste entrusted by the Company to qualified third-parties for disposal.
Note 2: Solid waste intensity (kg/RMB10,000) = Total amount of waste/total industrial output value (at constant 2020 prices, calculated in RMB10,000)

Hazardous Waste

Indicators	2024	2025
Hazardous waste (thousand tonnes) ^{Note 3}	431.9	390.0
Hazardous waste intensity (kg/RMB10,000) ^{Note 4}	3.42	2.61
Hazardous waste recycled/reused (thousand tonnes)	1,077	1,122
Percentage of total waste recycled/reused (%)	69.7	75.9
Hazardous waste disposed (thousand tonnes)	659.5	541.5
Hazardous waste disposed of by other units, such as qualified third-parties (thousand tonnes)	431.9	390.0

Note 3: The total amount of hazardous waste entrusted by the Company to qualified third-parties for disposal.
Note 4: Hazardous waste intensity (kg/RMB10,000) = Total amount of hazardous waste/total industrial output value (at constant 2020 prices, calculated in RMB10,000)

Consumption of renewable resources (tonnes) ^{Note 5}	4,720	56,762
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Note 5: The Company was actively developing the resource recycling industry, with a significant increase in renewable resource consumption projected by 2025.





4.7 Water Resource Utilisation



Sinopec Corp. has formulated policies such as the *Sinopec Corp. Water Conservation Management Measures*, the *Sinopec Corp. Guidance on Water Conservation Work in the 14th Five-Year Plan*, and the *Sinopec Corp. Detailed Rules for Energy and Environmental Source Control of Construction Projects (Refining Segment)* in accordance with the requirements of relevant national laws and regulations such as the *Water Law of the People's Republic of China*, the *Regulations on Groundwater Management*, the *Regulations on Water Withdrawal Permits* and the *Water Resource Fee Collection*, the *Management Measures for Water Resource Demonstration of Construction Projects*, the *Management Measures for Water Withdrawal Permits*, and *Water Conservation Regulations*. The Company strives to continuously conserve water resource and use water resource more efficiently with the goal of "reducing industrial water intake by no less than 1% annually".

In 2025, the Company's industrial freshwater withdrawal was 605.4 million cubic metres, down 1.8% year-on-year. The Company currently has no challenges in both the access and utilisation of water resources. All subsidiaries of the Company have lawfully and compliantly obtained water intake permits, strictly withdrawing water resources according to the permitted volumes. The water intake permit is set as a prerequisite for new projects, with unlicensed or excessive water withdrawal strictly prohibited.

Water Resource Utilisation Management Measures of Sinopec Corp.

1	Strengthen Source Control of Water Intake	Control the volume of groundwater withdrawal adhering to the principle of determining production based on water availability, and enhance the utilisation of unconventional water resources such as reclaimed water, rainwater, mine water, and brackish water.
2	Strengthen Full Process Water Management	Improve water supply and drainage pipework, and establish a regular mechanism for controlling network leakage; conduct water balance tests regularly to identify water-saving potential and implement water-saving renovation projects; and optimise the process water usage in refining and chemical enterprises to ensure optimal utilisation of water by water quality classification.
3	Vigorously Promote Water Conservation	Reduce water intake in oilfields through measures such as waterflood substitution and pipeline network renovation; strengthen and upgrade wastewater treatment and reuse facilities to increase the amount of wastewater reused; and develop and apply new water-saving technologies, enhance water efficiency benchmarking, and promote the Water-Saving Enterprise initiative.
4	Enhance Water Conservation Awareness	In 2025, the Company organised two targeted training sessions for water conservation management personnel at the headquarters, further enhancing their awareness of water conservation and their relevant compliance management capabilities.



Zhenhai Refining & Chemical Company Organised a Water Conservation Competition

CASE

To implement the State Council's *Water Conservation Regulations* and enhance employees' water conservation awareness, Zhenhai Refining & Chemical Company organised a variety of water conservation competitions. The competition covered 17 operating departments and 113 competition units. Through competitions, each department actively optimised water-saving operations, improved water pipeline leakage, and implemented water-saving technical renovations. In 2025, the company identified and repaired a total of 30 underground water pipeline leak points, and completed 23 water-saving technical renovation projects, achieving a reduction in annual freshwater withdrawal of 1.91 million cubic metres year-on-year.

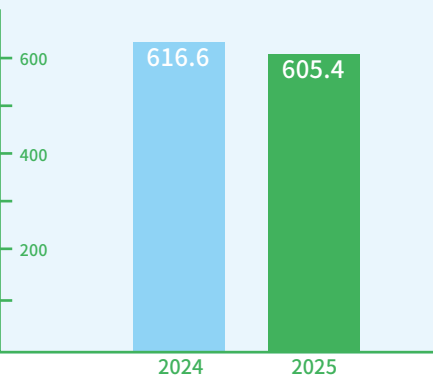
Zhongke Refining & Chemical Company Strengthened Rainwater Reuse

CASE

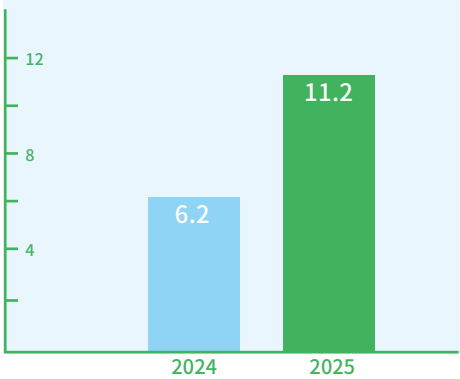
Zhongke Refining & Chemical Company carried out a variety of water-saving initiatives with an emphasis on the substitution of unconventional water resources. The company built an 800 cubic metres/hour rainwater harvest facility and a 30,000 cubic metre rainwater storage tank, and used them to effectively optimise its water use structure, reducing both the purchase of fresh water and water cost. In 2025, the company reused 2.57 million cubic metres of rainwater, an increase of 1.62 million cubic metres year-on-year.



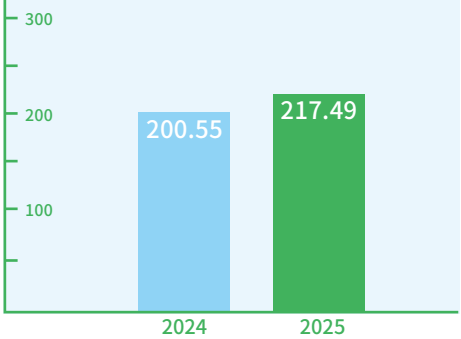
Industrial Freshwater Withdrawal
Unit: Million cubic metres



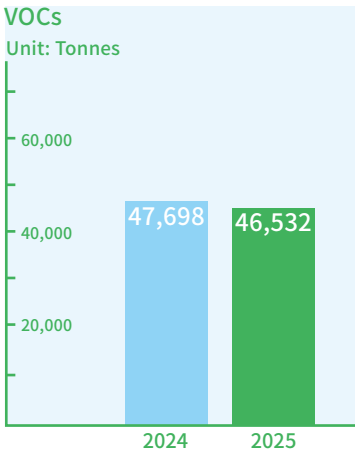
Total Water Savings
Unit: Million cubic metres



Industrial Freshwater Withdrawal Intensity
Industrial freshwater withdrawal intensity (cubic metres/RMB1 million) = Freshwater withdrawal for industrial use/revenue (RMB1 million)



4.8 Prevention of Hydrocarbon Leaks



Sinopec Corp. regularly optimises its hydrocarbon leakage management system. The Company has formulated management policies such as the *Sinopec Corp. HSE Management System Manual*, the *Sinopec Corp. Environmental Management and Protection Regulations*, and the *Sinopec Corp. Pollution Prevention and Control Management Regulations* to specify the requirements on the prevention and control of hydrocarbon leaks. In 2025, the Company further revised regulations such as the *Management Measures for the Oil and Gas Recovery System of Sinopec Sales Co., Ltd.*, and organised the compilation of multiple technical guidelines and management policies including the *Technical Guidelines for the Control of Volatile Organic Compound Emissions of Oil and Gas Field Enterprises*, the *Guiding Opinions on the Standardised Management of Pollution Control Facilities of Refining and Chemical Enterprises (Trial)*, and the *Guiding Opinions on the Standardised Management of Leak Detection and Repair (LDAR) for Refining and Chemical Enterprises (Trial)*. The Company has also strengthened the requirements on the reporting and handling of pipeline leaks, clearly stipulating that pipeline leak incidents shall be included in the scope of environmental protection information system management. The Company's main oil and gas field subsidiaries have established sound pipeline leakage monitoring and early warning mechanisms to detect pipeline leaks in a timely manner. They have also formulated pipeline leak related emergency plans, on-site emergency response plans, and general cleanup plans, and carry out relevant trainings, material preparation, and emergency drills regularly, striving to minimise the impact after a leak occurs.

The Company has established an environmental risk and hazard screening mechanism in accordance with regulatory policies and standards. Rectification of hazards requiring project-based rectification efforts will be initiated and implemented by relevant subsidiaries, or reported to relevant headquarters departments for project approval and implementation in accordance with internal control arrangement. All of the Company's main production subsidiaries have formed their respective leak detection and repair (LDAR) team to carry out hydrocarbon leak detection and repair work in accordance with state and local regulatory requirements, promptly repairing leakage points to reduce emissions. The Company's headquarters urges its subsidiaries to continuously improve the quality of their LDAR activities through conducting on-site supervision and inspection, providing expert guidance and support, and on-site re-testing and spot checks.



4.9 Land Resource Management

Sinopec Corp. complies with national laws and regulations and industry protocols related to land management, such as the *Land Administration Law of the People's Republic of China*, the *Soil Pollution Prevention and Control Law of the People's Republic of China*, and the *Measures for the Implementation of Land Reclamation Regulations*. The Company strictly enforces state land use control indicators for oil and gas engineering projects, and has established a full life cycle management mechanism for land management. The Company fulfils obligations for arable land protection, land use control, economical and intensive land use, and land reclamation, and adheres to territorial spatial planning to improve land use efficiency and promote redevelopment of inefficiently used land, coordinating land use with ecological protection. The Company also strictly prohibits its subsidiaries from changing land use or unlawfully discharging pollutants onto the land, and rigorously conducts soil pollution testing and land reclamation for land no longer in use that needs to be returned to the government.

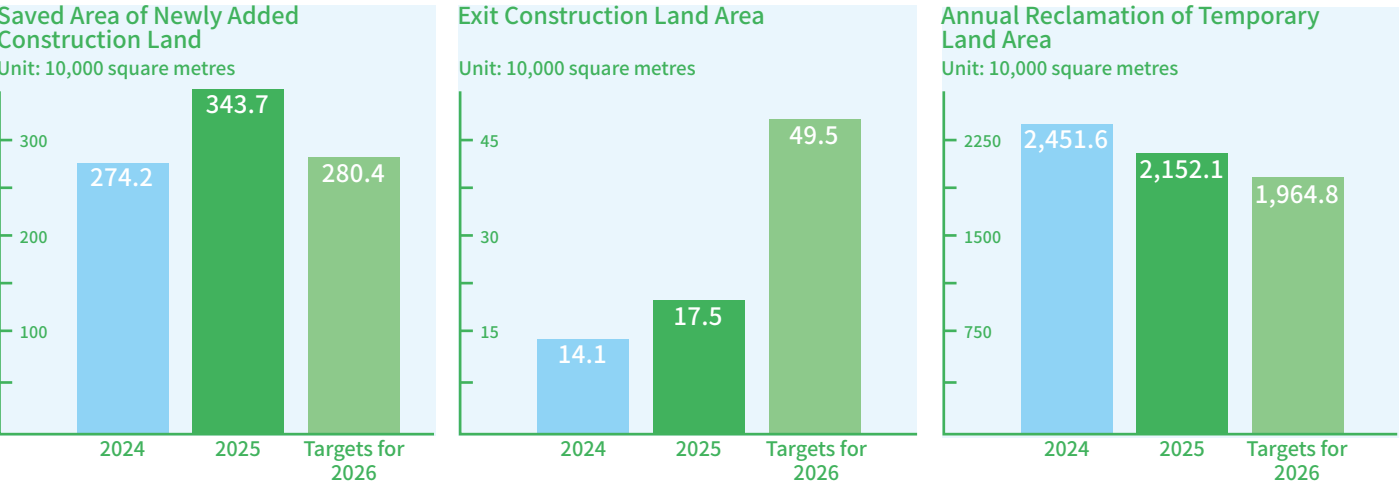
The Company has formulated management policies such as the *Sinopec Corp. Land Management Measures*, and issued documents such as the *Notice on Further Strengthening Environmental Protection Management of Key Links in Land Operation*, strictly implementing primary environmental protection responsibilities and management requirements, improving the coordinated regulatory mechanism, and effectively preventing various pollution risks.

Requirements for Land Reclamation of Sinopec Corp.

1 The Company strictly implements national laws and regulations related to land reclamation, follows the requirements of regulatory authorities, allocates funds for land reclamation, and carries out land reclamation and soil testing for land for temporary use and decommissioned construction land.

2 The land used for the oil and gas exploration and development, refining, and product oil sales operations all have relevant requirements for land reclamation and pollution testing. The Company's land reclamation and pollution testing and remediation records have been highly recognised by the government.

The Company continuously optimises its land management mechanisms, improves standards for newly acquired land, and promotes land reclamation, focusing on the goals of "limiting increments, revitalising stock, and improving quality". During the reporting period, the Company further strengthened land resource utilisation management, organising subsidiaries to prepare land use plans, building a real estate data base and related application platform to achieve centralised management of land resource, and promoting the revitalization of inefficiently used land with coordinated control of the key indicators of comprehensive value creation, operating efficiency, cash income, and cost and expenses. In addition, the Company actively promotes the establishment of control standards for temporary land use in oil and gas exploration and development, guiding subsidiaries to use land more scientifically and economically through reasonable sizing, site selection and design standardisation, layout and site levelling optimisation.



4.10 Ecosystem and Biodiversity Conservation

Sinopec Corp. strictly complies with various national and local laws, regulations, and requirements related to ecosystem and biodiversity conservation, such as the *Environmental Protection Law of the People's Republic of China*, the *Wetland Protection Law of the People's Republic of China*, the *Yangtze River Protection Law of the People's Republic of China*, the *Yellow River Protection Law of the People's Republic of China*, the *Forest Law of the People's Republic of China*, the *Regulations on Nature Reserves of the People's Republic of China*, the *Measures for the Administration of Marine Special Protection Areas*, the *Interim Measures for the Administration of Aquatic Germplasm Resources Protection Areas*, the *Interim Measures for the Administration of National Key Parks*, and the *Regulations on Scenic Spots*. Ecosystem and biodiversity conservation has been integrated into the Company's policy system, such as the *Sinopec Corp. Environmental Protection Management Regulations*, the *Sinopec Corp. Environmental Protection Management Measures for Construction Projects*, and the *Sinopec Corp. Ecological Protection Management Measures*, requiring all subsidiaries to strictly implement biodiversity conservation measures during project design, construction, and operation to reduce the disturbance to the ecological environment.

The Company's requirements for biodiversity conservation, forest protection, and land reclamation cover all operations, including all self-operated businesses, suppliers, as well as partners. The HSE Committee is the highest decision-making body for environmental protection initiatives, including biodiversity conservation. In 2025, the Company revised the *Sinopec Corp. Ecological Environmental Protection Management Regulations*, the *Sinopec Corp. Ecological Protection Management Measures*, and the *Sinopec Corp. Construction Project Environmental Protection Management Measures*, and continuously carried out awareness raising and education of relevant policies to ensure their implementation. Each year, the Company signs target responsibility agreements with its subsidiaries, setting a goal of "100% compliance rate in environmental management of newly constructed projects" to ensure that their construction projects fully implement the required measures for ecosystem and biodiversity protection. The Company carries out ISO 14001 environmental management system certification in accordance with the requirements of local governments or business partners in the areas where it operates. All 72 subsidiaries required to do so have obtained the certification, accounting for 64.3% of all subsidiaries in operation.

■ Provisions of Sinopec Corp.'s Ecosystem and Biodiversity Protection Management Policies

<i>Sinopec Corp. Ecological Environmental Protection Management Regulations</i>	"Strictly implement the relevant regulatory requirements for ecological protection. Develop and carry out ecological protection plans for project construction, operation, and decommissioning (relocation) as required, and take effective measures to reduce disturbances to the ecological environment. Conduct ecological surveys, monitoring, restoration, and statistical work as required to protect biodiversity in the relevant areas and ensure ecological safety and stability." "Strictly comply with state and local regulations on ecological protection redline management, and prohibit the construction of production facilities that do not meet control requirements within ecological protection redline areas. Existing facilities must be rectified or withdrawn in accordance with relevant government requirements."
<i>Sinopec Corp. Ecological Protection Management Measures</i>	"All units shall strictly manage their production and operational activities to reduce disturbances to the ecological environment caused by business operations, protect biodiversity, and ensure ecological safety." "All units shall strictly abide by the special management regulations for ecologically sensitive areas of state and local governments. For new projects, priority should be given to avoiding ecologically sensitive areas. If it is really unavoidable, a special demonstration should be carried out according to the requirements of the competent authority of the ecologically sensitive area, and permission for crossing should be obtained. If the permission for crossing is not obtained as required, the project shall not be allowed to start construction." "Project construction and operation must comply with the relevant management regulations of state and local governments regarding nature reserves. No production facilities may be built within the core and buffer zones of nature reserves. In the experimental zones of nature reserves, no production facilities that pollute the environment or damage the landscape may be constructed. If construction is necessary, the project must obtain approval from relevant authorities, and ensure compliance with state and local pollution standards."
<i>Sinopec Corp. Construction Project Environmental Protection Management Measures</i>	All construction projects must comply with state and local laws, regulations, policies, standards and norms. The site selection, layout, and scale of construction projects must comply with the "Three Lines and One List" (ecological protection red line, environmental quality baseline, resource utilisation upper limit, and ecological environment access list) requirements as well as relevant plans and the overall requirements of the EIA.

Sinopec Corp. has established a biodiversity protection management mechanism covering the entire project lifecycle. Through scientific assessment and proactive avoidance, the Company prevents impacts on important ecosystems from the source, systematically withdraws from ecologically sensitive areas, continuously conducts ecological monitoring, and takes active measures during the construction and operational phases to avoid or mitigate impacts on and dependence on biodiversity. For disturbances to nature and the ecology that have already occurred, the Company strives to take prompt ecological restoration and compensation measures to accelerate the restoration of habitat functions and facilitate the integration of ecological protection with business development.

Biodiversity and Ecological Protection Risk Management Measures in Project Construction

Sinopec Corp. strictly implements the environmental impact assessment system, conducting biodiversity impact assessments for all operating sites, and fully implementing biodiversity protection requirements in new projects. Environmental impact assessments are required for all projects by law, which includes the identification and assessment of biodiversity risks, systematic identification of ecological protection policy requirements for the project location, analysis of the potential biodiversity impacts of construction and operation, and scientific evaluation based on indicators such as wildlife population and species diversity in accordance with technical standards such as the *Technical Guidelines for Environmental Impact Assessment - Ecological Impact*. Each subsidiary also conducts biodiversity risk assessments based on regional and business characteristics. Assessment results show that the overall biodiversity condition of the Company has improved over the years, with related risks remaining within a controllable range.

The Company requires all new and existing projects to clearly define the scope of ecological protection based on their EIA reports, approval documents, and relevant policies, and to carry out corresponding protection initiatives. This management mechanism covers all construction projects of the Company.



1	Project Design	Conduct EIA and ecological environment background investigation before project construction starts to evaluate the impact of the construction project on biodiversity focusing on endangered species, wild animals, and wild plants within ecologically sensitive areas. Construction can only start with the premise of an acceptable assessment and obtaining EIA approval.
2	Project Construction	Strictly implement various environmental protection measures proposed in the environmental impact assessment and approval, effectively controlling the impact on biodiversity. Actively carry out the withdrawal and reclamation of idle land, conduct demonstration and evaluation of the safety and environmental risks of idle industrial and mining land such as abandoned well sites, screen out idle land without safety and environmental risks, and classify the land for withdrawal based on the distribution of land. Any land near farmland and meeting the reclamation conditions will be returned to the local government after reclamation.
3	Project Exit	After a production facility is shut down or decommissioned, the subsidiary must conduct an ecological environment status survey and assessment of the site, and carry out relevant pollution control and ecological restoration measures.
4	Ecological Compensation	During project planning and implementation, the Company prioritises avoiding ecological protection red lines. For projects that must be carried out in ecologically sensitive areas and may cause disturbances, ecological compensation measures such as stock enhancement and release, as well as follow-up monitoring, shall be carried out over a certain period, strictly in accordance with EIA approval requirements, to mitigate the impact of project construction on ecologically sensitive and fragile areas.

Withdrawal from Ecologically Sensitive Areas

The Company strictly complies with the ecological and environmental zoning control requirements of the "Three Lines and One List" (ecological protection red line, environmental quality baseline, resource utilisation upper limit, and ecological environment access list). In recent years, in accordance with the requirements of national and local governments, some subsidiaries of Sinopec have withdrawn their production facilities located within ecologically sensitive areas, including a total of 992 oil wells, 121 gas wells, 181 water wells, 6 exploratory wells, 20 stations, 24 service stations, 7 oil depots, and 4 docks in total.

Ecological Monitoring

In 2025, the Company continued to improve its ecological monitoring and evaluation system and the environmental monitoring network, conducting ecological monitoring at all operational sites and monitoring factors such as air, surface water, soil and vegetation in the surrounding areas of production operations, with a total of 6,158 sets of ecological monitoring data collected from 667 ecological monitoring points during the year. The monitoring results showed that local ecological functions have not been affected by the Company's production and operations.

For eight consecutive years, Northwest Oilfield has been carrying out systematic biodiversity monitoring, identification and assessment in the provincial-level Tarim River Upper Reaches Wetland Nature Reserve and Tarim Populus Euphratica Forest Nature Reserve, as well as compiling the *Tarim River Wetland Ecological Monitoring Report* annually. Long-term fixed-point observation shows that the number of wetland bird species within the priority biodiversity conservation area of the Tarim River Basin continues to grow. As of the end of 2025, there were 23 new species identified compared to 2018. Thousands of wild birds such as swans and wild ducks find habitat in the wetlands around the oilfields, with the bird population in this region kept increasing steadily.

With the goal of building a "Green Gas Field, and Ecological Project", Zhongyuan Oilfield invests more than RMB800 thousand annually to carry out ecological environmental quality monitoring and assessment for the Puguang Gas Field Development Area. Through on-site field surveys, the company systematically analyses the sulphur resistance of plants and soils, tracks biodiversity changes, and monitors and evaluates the impacts of gas field development and purification plant production on ambient air, surface water, groundwater, and soil in surrounding environments, ensuring safe, efficient, effective and green development of the gas field with scientific analyses of the trends in various ecological environmental indicators observed.

Sinopec Corp. is committed to minimising the impact on the natural environment and biodiversity during project construction and operation by adopting innovative technologies, optimising project design, implementing comprehensive ecological risk management, and conducting scientific assessments.

In 2025, Shengli Oilfield actively cooperated with the Shandong Yellow River Delta Nature Reserve Management Commission, carrying out an ecological impact assessment of oil and gas facilities in the area reserved for the Yellow River Estuary National Park. The assessment results show that Shengli Oilfield has established an efficient, safe and green production system. If its production capacity does not increase, the oil and gas facilities located in the general control zone of reserved park area would have little ecological impact with the implementation of green production practices, strict environmental supervision, compliance with relevant operating procedures, and emergency response plans, causing no damage to the ecological environment of the reserved park area.



Ecological Restoration and Compensation

145
Million square metres

Cumulative ecological restoration area completed over the past decade

The Company actively implements ecological restoration and compensation work, having cumulatively completed 145 million square metres of ecological restoration over the past decade.

In 2025, the North China Oil and Gas Branch closed 9 gas wells located within the Hongjiannao Nature Reserve and carried out ecological restoration at the withdrawn well sites, focusing on creating a suitable habitat for rare birds such as relict gull to breed. Through continuous efforts, the population of relict gulls in the reserve has steadily increased, while the overall ecological environment continued to improve. As of the end of 2025, the area of Lake Hongjiannao had been fully restored, with forest and grass covering 45% of the area of the reserve. The wetland has become a habitat for 195 bird species, including 12 species under national first-class protection.

Northwest Oilfield actively participated in the Taklamakan Desert Edge-Stabilisation Project. As of the end of 2025, through measures such as saline-alkali soil improvement and soil replacement, a total of 41.00 million square metres of grass-grids had been completed, effectively blocking wind and sand erosion of nearby roads and oilfield facilities. Nearly 10 thousand trees had been planted in the base, with a total green coverage rate of 53%. During production operations, workers have repeatedly rescued wild animals. In this area, activity traces of various wild animals such as elk, Mongolian gazelle, fox, falcon, cormorant, egret, and black-headed gull have been observed, demonstrating rich biodiversity.



Emphasising on Stakeholder Communication

Regarding its ecosystem and biodiversity protection efforts, the Company strictly follows and fully complies with government regulatory requirements, such as mandatory environmental impact assessment approvals for construction projects and ecological information reporting during the operational period, and actively seeks opinions from surrounding communities, enterprises and stakeholders through public participation and information disclosure. Meanwhile, the Company maintains close communication with various parties including construction contractors, joint ventures and partners, local governments, surrounding communities, and neighbouring enterprises, working together with them to jointly build an open and transparent collaborative mechanism with shared responsibilities for biodiversity protection.



SAFETY MANAGEMENT



105	5.1 Production Safety and Occupational Health
115	5.2 Contractor Safety
116	5.3 Public Security
118	5.4 Data Security and Privacy Protection



5.1 Production Safety and Occupational Health

Governance

Governance Structure and Personnel

The Company is committed to integrating safety and occupational health into its strategic planning, corporate governance system, comprehensive risk management system, as well as its daily operation and management. The Company has established and kept optimising a "Board-Management-Implementation" three-level governance structure with well-defined responsibilities at each level.

Board Level				1
Organisation	Strategy Committee	Audit Committee	Sustainability Committee	
Members	Chairman, Executive Directors, Independent Non-Executive Directors	Non-Executive Directors, Independent Non-Executive Directors	Vice Chairman, Non-Executive Directors, Executive Directors, Independent Non-Executive Directors	
Authorities, tasks and objectives	Responsible for reviewing development plans related to safety and occupational health, and providing the Board with suggestions on this issue.	Responsible for assessing the effectiveness of the Company's risk management and internal control systems.	Responsible for conducting research on policies, strategies, and action plans related to sustainability issues, including safety and occupational health.	
	Responsible for reviewing and supervising the Company's safety and occupational health work plan and its implementation.		Responsible for supervising the commitment and performance of the Company on key issues such as safety and occupational health, and providing suggestions to the Board accordingly.	
	Responsible for identifying, assessing and managing the risks and impacts related to safety and occupational health, and reviewing the list of major risks and annual evaluation reports related to this issue.		Responsible for reviewing the Company's annual sustainability report and supervising safety and occupational health related information disclosure of the Company.	
Management Level				2
Organisation	HSE Committee			
Members	Mainly consists of the president, senior vice presidents, vice presidents and other senior management personnel, as well as heads of relevant functional departments.			
Authorities, tasks and objectives	Research, guide, and coordinate the Company's safety and occupational health management. Research and propose the Company's safety and occupational health guidelines and policies. Review, approve and issue the Company's annual safety and occupational health targets and work plans. Analyse the Company's safety and occupational health performance, and address challenges related to safety and occupational health.			
Implementation Level				3
Organisation	Department of Health, Safety, and Environmental Management	Office of Comprehensive Risk Management	Subsidiaries	
Authorities, tasks and objectives	Research and propose safety and occupational health policies, annual goals and related measures; supervise, inspect and guide the Company's safety and occupational health initiatives.	Incorporate safety and occupational health related risks into the comprehensive risk management system and internal management processes; organise and implement annual risk identification and assessment; compile quarterly report on major risk management and report to the Board. Supervise the management of safety and occupational health related risks through annual risk control and internal control inspections, and corporate self-assessment.	Implement the requirements of the HSE Committee, and propose working measures.	
	Implement the tasks and targeted actions from the HSE Committee, organise safety and occupational health inspections and targeted supervision, and ensure the rectification of problems identified.		Organise internal audits and inspections within the enterprise system and ensure the rectification of problems identified.	
			Research and formulate the annual safety and occupational health targets and work plans, and supervise and inspect to ensure implementation.	

Professional Skills and Capabilities



The Company appoints directors and management personnel with expertise in safety and occupational health management related fields to provide professional support and guidance for its safety and occupational health management. The Company has established a dedicated work committee comprised of individuals with relevant expertise to ensure the effective implementation of related initiatives. The Company has developed and continuously implements safety and occupational health management related training programmes, inviting industry experts to lecture on the latest safety and occupational health policy backgrounds, development trends and innovative practices, updating the Board and the senior management on latest developments in relevant fields. All these efforts provide strong professional support for the Company's safety and occupational health management undertakings.

Reporting, Supervision and Evaluation



The Company has established an internal reporting and supervision mechanism for safety and occupational health management related issues and incorporated the mechanism into the internal control system of the Company. Every six months, the Board of Directors and the Sustainability Committee review reports or issues on safety and occupational health management, including related strategy formulation and implementation, performance, and future targets, and hear the management team's reporting of the progress on safety and occupational health management. The HSE Committee meets annually to hear reports from relevant functional departments on the strategic implementation, progress and future goals of the Company's safety and occupational health management, and guides and supervises the implementation of relevant initiatives. Company subsidiaries report their progress to relevant functional departments through monthly and quarterly statistical data sheets as well as themed reports.

The Company has incorporated safety and occupational health management indicators, such as safety management performance evaluation results, into performance assessment criteria for the annual business performance assessment of management staff and subsidiaries, linking them to annual performance bonus. For those who fail to meet the assessment targets, in addition to point deductions, a certain proportion of the annual performance bonus will be further deducted. In cases of major or more severe safety incidents, the assessment result will be directly rated as unqualified, and the full amount of the annual performance salary of the relevant personnel will be deducted. Each year, the Company organises the selection of advanced units, outstanding managers, and outstanding employees with regard to production safety, and establishes special awards for safety production and other dedicated safety and occupational health management awards, recognising units and individuals who have made outstanding achievements in safety and occupational health management.

Incorporating Safety and Occupational Health Consideration into Management Decision-Making



The Company attaches great importance to safety and occupational health, and has fully incorporated safety and occupational health related impacts, risks and opportunities in formulating overall development strategy and supervising the implementation of the strategy, making key business decisions, and managing risks. The Company closely follows government policy trends and makes timely adjustments of its development strategies and action plans. Based on thorough studies and impact evaluations of government safety and occupational health policies, the Company has formulated and implemented a series of safety and occupational health management policies, such as the *Sinopec Corp. Management Regulations on the Dual Prevention Mechanism for Production Safety Risk Classification Control and Hazard Investigation and Management*, the *Sinopec Corp. Occupational Health Management Measures*, and the *Sinopec Corp. Hazardous Chemicals Transportation Safety Management Regulations*.



Strategy

Risks	
Risks associated with the retirement and renovation of old devices and storage tanks	Many materials involved in the dismantling and modification of devices and storage tanks are flammable, explosive, toxic or corrosive substances. Fire, explosion or leakage accidents may result in significant losses for the Company and society, as well as higher operational costs. The retirement and upgrading of old devices and storage tanks mainly happen in the midstream refining sector. In short-to medium-term, this may lead to a decrease in production capacity, thereby reducing revenue, as well as disrupting the operation of the petrochemical industrial chain to a certain degree.
Risks in the development of new materials and new process	During the development of new materials and new processes, there are risks of fire and explosion accidents, uncertain results, and insufficient safety analyses, posing significant safety challenges. The Company needs to invest in preliminary safety and environmental protection analyses and plan development, thereby increasing costs. New process development is a supplement and extension of the petrochemical industrial chain, which may cause fluctuations in capacity and economic benefits due to inadequate risk identification or imperfect process design.
Safety risks in offshore oil and gas production	Offshore oil and gas production faces risks of platform capsizing or oil leakage from pipelines due to extreme weather, complex sea conditions, and aging equipment. Safety incidents may cause casualties, marine environmental pollution, and the product stoppage at offshore platforms. The direct losses, compensation, fines, and cleanup and restoration incurred can put financial pressure and cash flow stress on the Company, increasing operating costs. The social impact of safety accidents and the huge compensation and fines incurred may force the Company to readjust its offshore oil exploration and development strategy, or even halt offshore oil exploration and development, which would significantly impact the Company's operations and profitability.
Safety risks in the exploration and development of high-sulphur gas fields	The exploration and development of high-sulphur gas fields face well control or hydrogen sulphide leakage and poisoning risks due to factors such as aging equipment, geological disasters, and complex terrain. Safety accidents may cause casualties, environmental damage, and production disruption of the gas field. The direct losses, compensation, fines, and cleanup and restoration incurred can put financial and cash flow pressures on the Company, increasing operating costs. The public trust crisis and environmental damage caused by safety accidents may force the Company to readjust its natural gas development strategy or even suspend exploration and development in the high-sulphur gas field sector, which could impact the Company's long-term profitability.
Safety risks of new energy business	As an emerging business, the new energy sector faces issues such as the lack of effective verification for long-cycle operational reliability of equipment, insufficient safety management personnel, and lagging industry safety standards, increasing the possibility of safety accidents. Due to the volatility and intermittency of wind and solar resources, as well as the high-pressure characteristics of gaseous hydrogen, the long-cycle operational reliability of new energy equipment faces certain challenges under complex conditions. Equipment failure or hydrogen leakage may lead to explosion accidents, increasing the Company's operational costs.
Opportunities	
Opportunities for the retirement and upgrading of old equipment and storage tanks	Elimination and upgrading of old equipment can improve equipment safety, reducing the likelihood of safety accidents and losses and costs incurred. Elimination and upgrading of old equipment help to optimise the industrial chain, accelerate corporate transformation, enhance production efficiency, boost competitiveness, leading to increased profits.
Opportunities for the development of new materials and new process	The development of new processes and new materials supplements and improves the Company's industrial chain, especially the downstream industrial chain, contributing to enhancing internal collaboration and reducing costs. Continue to invest in fields such as fine chemicals, high-end chemicals, and high value-added products, which helps diversify investment risks, improve investment returns, and increase revenue.

*Short-term: Within 1 year; Medium-term: 1-5 years; Long-term: More than 5 years.

	Response Measures
Time Frame of Impact* Short- to Medium-term Degree of Impact High	Conduct risk analysis and develop risk prevention measures before construction starts; strengthen education and training for construction personnel and enhance construction safety supervision. Make reasonable planning to complete equipment and tank upgrade and modification along with maintenance to minimise the impact on production; adjust storage plans to reduce the impact of tank upgrades on upstream and downstream operations.
Time Frame of Impact* Short-term Degree of Impact Medium	Conduct inherent safety assessments from the early stage of process development, carry out planning and implementation from an overall perspective, and ensure inherent safety, quality and efficiency through digital and green transformation.
Time Frame of Impact* Short-, Medium- and Long-term Degree of Impact High	Intensify the analysis, and research of geological and geomorphological data in the offshore oilfield area, optimise offshore safety systems, utilise information technology to enhance rapid risk identification and emergency response capabilities, and improve the production command system for offshore and coastal oil facilities. Conduct aging assessments for aging platforms and pipelines, and in-depth assessments for manned platforms, and establish an offshore oil safety risk monitoring and early warning system to ensure safety of offshore oil operations.
Time Frame of Impact* Short-, Medium- and Long-term Degree of Impact High	Continuously enhance inherent safety design standards, conduct systematic risk assessments, monitoring and early warning, targeted emergency drills, and rescue capability building. Strictly implement the HSE management system, conduct regular compliance evaluations and controls for sulphur-containing natural gas wells and pipelines, accelerate intelligent transformation, and ensure that safety risks in high-sulphur gas fields are controllable.
Time Frame of Impact* Short- to Medium-term Degree of Impact Medium	Conduct training for and develop a talent reserve of new energy safety management personnel. Focus on improving the inherent safety operation of equipment, conducting systematic research from aspects such as material selection, structural design, monitoring of service status, and emergency response. Strengthen the research and application of relevant standards and regulations for new energy safety management.
	Response Measures
Time Frame of Impact* Long-term Degree of Impact High	Develop a comprehensive plan for the update of old equipment and development plan of the refining business, optimise processes, and drive comprehensive improvements in equipment, technology, and energy efficiency through digital transformation and green upgrade to achieve inherent safety and improve quality and efficiency.
Time Frame of Impact* Medium- and long-term Degree of Impact High	Study market situation and invest early in technologies, incorporating the design concept of inherent safety from the process development stage, comprehensively enhancing the competitiveness of the process.

24.1

RMB billion

Annual expenditure on safety-related costs

Safety and Occupational Health Strategies and Management Systems

The safety risks and opportunities faced by the Company are mainly concentrated in the fields of high-sulphur gas fields and offshore oil and gas exploration and development in the oilfield sector, aging installations and new processes in the refining and chemical sector, as well as new energy sector. In the decision-making process related to the above businesses, the Company fully considers safety and health risks, and has formulated corresponding safety investment standards and safety supervision and assurance measures. The effective implementation of these measures can significantly mitigate potential safety risks for the Company, drive cost reduction and boost revenue growth.

The Company has formulated the *Sinopec Corp. Management Regulations on the Dual Prevention Mechanism for Production Safety Risk Classification Control and Hazard Investigation and Management*, conducting a comprehensive safety risk assessment once a year, incorporating risks that could lead to major fires, explosions, and poisoning incidents into the key supervision scope. The risks subject to key supervision in 2025 include 11 items, including development risks of deep oil and gas and high-hydrogen sulphide gas fields, trial operations of new processes, and fire and explosion risks in new energy battery charging and swapping businesses.

To effectively address safety risks, the Company places great importance on investment in production safety. In 2025, the Company spent a total of RMB24.1 billion on production safety, continuously enhancing the intrinsic safety level of equipment and facilities. According to the Company's safety and occupational health work plan, safety risk related expenses are expected to increase in 2026, but the Company's overall financial status will not undergo significant changes as a result.

The Company strictly complies with the series of safety and occupational health laws and regulations such as the *Law of the People's Republic of China on Work Safety*, the *Emergency Response Law of the People's Republic of China*, the *Labour Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*, and the *Basic Healthcare and Health Promotion Law of the People's Republic of China*. The Company's overseas subsidiaries also strictly abide by the safety and occupational health laws and regulations of the jurisdictions where they operate.

The Company ensures its safety and occupational health concepts by adhering to the safety principles of "people-oriented, safety first, emphasising on prevention, and comprehensive governance", and takes a zero-tolerance approach to all violations. The Company has established an HSE management system with policies and regulations covering all relevant aspects, including comprehensive safety management, safety risk and hazard management, safety technology management, supervision of contractors and direct operations, fire and accident emergency management, public security management, and employee health management. The HSE management system and related policies cover both the headquarters and subsidiaries of Sinopec Corp, as well as employees and workers of not only the Company but also its suppliers and contractors. The Company conducts annual audits of the HSE management system performance, and develops improvement suggestions to continuously enhance the effectiveness of the HSE management system.

The Company has formulated the *Three-year Action Plan for Fundamental Improvement in Safety Production (2024-2026)*, outlining 70 improvement actions. All 38 actions in the 2025 action plan have been fully implemented. Since 2025, the Company has formulated or revised nine HSE management policies, such as the *Sinopec Corp. Production Safety Accident and Incident Management Regulations* and the *Sinopec Corp. Hazardous Chemicals Transportation Safety Management Regulations*.

Sinopec Corp. places great emphasis on occupational health management. The Company has formulated and implemented the *Sinopec Corp. Occupational Health Management Measures*, and revised the *Sinopec Corp. Health Management Regulations*, to fully implement state laws and regulations as well as strategic requirements on preventing and controlling occupational disease hazards, protecting employees' health rights, and providing solid support for the sustainable development of the Company. Through measures such as establishing occupational health records, implementing comprehensive health management, improving labour protection and equipment technology, strengthening medical rescue guarantees, and paying attention to employees' mental health, the Company ensures effective control over the detection of occupational disease hazard factors, as well as the effectiveness of occupational health examinations and interventions for individuals at high health risk.

Based on the HSE management system and internal control manual, the Company has formulated an occupational health and labour rights protection plan that targets all employees and covers all operating sites. In 2025, on top of the existing HSE management system, the Company further optimised the occupational health standard system to regulate occupational health management practices across its subsidiaries. In addition, the Company also revised the relevant requirements of the "three simultaneities" system for occupational disease prevention facilities, and implemented management standards such as the *Technical Specifications for Monitoring Occupational Hazardous Factors* and the *Management Specifications for Occupational Health Surveillance*, forming a standard system covering all aspects of occupational health management.

System Audit and Certification

72

Number of subsidiaries obtained ISO 45001 (GB/T 28001) Occupational Health and Safety Management System certification

The Company supervises and reviews the strategy, objectives, and implementation of health and safety related issues with system audit and management review to ensure the timely identification and rectification of possible problems. The HSE Committee organises an annual HSE inspection and management system audit, conducting system audits on subsidiaries to assess the operation of their systems. In 2025, the HSE Committee conducted HSE management system audits on 109 subsidiaries, who also carried out internal audits of their own HSE management systems accordingly. As of the end of 2025, a total of 72 subsidiaries had obtained ISO 45001 (GB/T 28001) Occupational Health and Safety Management System certification.

In 2025, some subsidiaries, such as Zhenhai Refining & Chemical Company, Yanshan Petrochemical Company, and Qilu Petrochemical Company, introduced Det Norske Veritas (DNV) to carry out International Safety Rating System (ISRS) activities.



The Company has formulated the *Sinopec Corp. Comprehensive Risk Management Measures*, specifying the risk management mechanism and work processes related to safety and occupational health. The headquarters functional departments are responsible for managing relevant issues as well as the management of specialised risks, identifying and assessing specialised and targeted risks, implementing control policies, and preparing the quarterly major risk management reports. The Company has integrated safety risks into its operational risk management and conducts a comprehensive risk assessment annually. The Company's 2025 major risk assessment results show that HSE risks, including production safety, rank first among the Company's major risks.

Based on the nature of its business, the Company identifies existing sources of danger and the hazardous factors that could cause these sources to be out of control, analysing inherent risks along with internal and external environmental risks, examining deficiencies or shortcomings in the equipment, facilities, and management measures controlling these hazards, assessing the likelihood and severity of consequences in case of loss of control, and determining the safety risk level and risk value by referring to the Company's safety risk matrix. Then on this basis, the Company prioritises risk control actions, and sets specific risk control objectives.

The Company has formulated the *Sinopec Corp. Management Regulations on the Dual Prevention Mechanism for Production Safety Risk Classification Control and Hazard Investigation and Management*, laying out the risk management principle of tiered management. Sinopec subsidiaries are required to conduct a comprehensive risk identification at least once a year, and formulate their own tiered risk lists based on the risk identification results. To strengthen the inspection, supervision, coordination, and resolution of control challenges, the Company has implemented a leadership responsibility system for risk management and control. Company leaders are responsible for overseeing the control of certain key regulatory safety risks. Each business unit, specialised company, and subsidiary leader implements a hierarchical responsibility system, with specific risk prevention measures formulated and carried out by the respective units.

Workflow for Establishing the Safety Production Risk List		
1	Grassroots Units	Based on management scope, conduct risk identification and analysis for each managed entity and business unit, covering each device, facility and depot, and formulate the risk lists for grassroots units.
2	Safety Department of Secondary-level units	Organise relevant management departments to review the risks identified by grassroots units, and combine them with the risk assessments conducted by each department for their respective businesses to formulate a risk list for secondary units.
3	Safety Management Department of Subsidiaries	Establish a risk assessment team with personnel from process, equipment, safety, and engineering related functions, review the risk lists of secondary units, and formulate the subsidiary-level key risk control lists in combination with various targeted assessment results.
4	HSE Department at Headquarters	Before the end of each year, organise relevant business units to discuss the subsidiary-level key risks, and formulate the annual key risk control list of the Company.

Metrics and Targets

The Company has established a production safety and occupational health performance management evaluation system that focuses equally on process and results, and continuously optimises the relevant evaluation indicators, evaluation rules, and the performance evaluation information platform. Subsidiaries are urged to strengthen and improve production safety and occupational health through monthly evaluation reports, quarterly rankings and annual assessments, ensuring the continuous improvement in production safety and occupational health performance.

The occupational health performance evaluation system sets key performance indicators (KPIs) to measure the effectiveness of subsidiaries in occupational health management. The KPIs consist of three main categories: process indicators, outcome indicators, and incentive indicators. This system, through monthly assessments, calculates the subsidiaries' occupational health score based on actual scores and deductions, providing a basis for evaluating and improving the occupational health management of our subsidiaries.

In 2025, the Company had no major production safety accidents and no lawsuits related to production safety or occupational health.



Occupational Health Performance Evaluation System Indicators of Sinopec Corp.

Process Indicators	Focus on the basic work of occupational health management, including source prevention for occupational disease protection facilities with the "three simultaneities" requirements, identification, detection, and control of occupational hazardous factors, management of production and living rooms as well as small and medium-sized laboratories, and implementation of health control measures for key personnel.
Outcome Indicators	Mainly measure the newly diagnosed cases of occupational disease and non-work-related death incidents.
Incentive Indicators	Reward subsidiaries with innovations and outstanding contributions in occupational health management, such as implementing effective health management methods, receiving national excellent case awards for "Healthy Enterprise", winning provincial or municipal level "Healthy Enterprise" titles, or national or provincial commendations for health-related achievements.
Safety and Occupational Health Targets	Eliminate major and above level safety accidents and strive for zero accidents. No incidents of production safety liability accidents due to inadequate prevention of natural disasters. 100% detection rate of occupational disease hazard factors. 100% rectification rate for workplaces exceeding occupational health limits. 100% customised intervention rate for high health risk individuals.

Indicators	2024	2025
Number of accidents reported	0	3
Number of production safety emergency drills (10,000 times)	59	59
Participation of production safety emergency drills (10,000 person-times)	331	331
Employee occupational health examination coverage (%)	99.9	99.9
Coverage rate of health examinations and health records (%)	99.9	99.9
Number of newly diagnosed cases of occupational diseases	2	0
Number of deaths due to production safety accidents	0	3
Fatal accident rate of employees (per 200,000 working-hours)	0	0.00071
Fatal accident rate of contractors (per 200,000 working-hours)	—	0.0011
Lost workdays due to work-related injuries (days)	5,992	5,253
Total recorded accident (incident) rate of employees (per 200,000 working-hours)	0.0426	0.0453
Total recorded accident (incident) rate of contractors (per 200,000 working-hours)	—	0.0069
Employee work-related injury insurance expenses (RMB10,000)	58,251.5	58,265.4
Employee safety production liability insurance expenses (RMB10,000)	7,920	7,233
Coverage rate of employee work-related injury insurance (%)	100	100
Coverage rate of employee safety production liability insurance (%)	100	100



Safety Management Measures in 2025

1	Optimised Management Systems and Strengthened HSE Responsibilities	120 production and business units optimised their safety responsibility list, as well as the task lists for all employees.
2	Enhanced HSE Competency at All Levels	Carried out the "Production Safety Month" campaign, hosting over 15 thousand safety lectures. Conducted HSE performance evaluations for 60 newly appointed management staff, continuously improving the HSE competency records for the management and personnel of subsidiaries.
3	Implemented the 2025 Action for Fundamental Improvement in Safety Production	Formulated the <i>Sinopec Corp. 2025 Action for Fundamental Improvement in Safety Production</i> , including 38 key tasks planned to be implemented during the year, all of which were fully completed by the end of 2025.
4	Strengthened Risk Hazard Control	Carried out targeted actions for the investigation and rectification of safety hazards and targeted rectification of the entire hazardous chemicals chain, further improving the intrinsic safety management performance.
5	Deepened Safety Supervision	Conducted HSE inspections, completing 119 inspections and 31 follow-up reviews of subsidiaries. Organised the annual HSE inspection and management system audit, conducted in-depth inspections on 109 subsidiaries.
6	Enhanced Emergency Response Capabilities	Enhanced the Company's overall emergency response capability for major sudden incidents through enhancing the development of dedicated firefighting teams, releasing the revised version of <i>Sinopec Corp. Emergency Plan for Sudden Incidents</i> , and conducting emergency drills.

The Company continues to strengthen the relevance and effectiveness of production safety and occupational health training, systematically promoting safety training across all levels, with a total of 22 safety training programmes completed in 2025. Focusing on capability building of key HSE positions, the Company has formulated training plans covering key HSE personnel at all levels, organised safety training for grassroots heads of subsidiaries' safety departments, heads of grassroots units, team leaders, conducted targeted training for HSE system auditors, and continuously enabled key HSE personnel to obtain relevant certifications. The Company also continuously provided safety training resources, and supported the construction of practical training bases for subsidiaries, providing strong assurance for safety production education and training.

Qingdao Refining & Chemical Company invested RMB18.00 million to build an 1,800-square-meter safety practical training base. With eight separate training zones such as the personal protective equipment experience zone, the base can host simulation training, emergency capability enhancement training, special job operation skills training, and new employee safety induction training. In daily operations, the base continuously optimises training process and content, innovates training methods, and improves training facilities to ensure the efficient execution of practical training, further solidifying the Company's foundation for production safety.



Qingdao Refining & Chemical Company Launched New Safety Practical Training Base

CASE

Occupational Health Management Measures in 2025

Continuously Strengthened the Foundation of Occupational Health Management	
Optimised the health management system	Revised the <i>Sinopec Corp Health Management Regulations</i> to further clarify the management responsibilities of the HSE Committee, headquarters departments, business units and subsidiaries, and strengthen the management content of basic health services, healthy environments and conditions, and health protection. Organised the compilation of the <i>Guidelines for the Prevention and Control of Occupational Hazards in Small and Medium-sized Laboratories (Trial)</i> and the <i>Workplace Health Promotion Guidelines</i> .
Promoted the application of advanced noise control technology	Organised the collection of advanced noise control technologies and arranged technical exchanges of 40 key subsidiaries on this topic. Organised research on vibration reduction and noise control for large compressors.
Strengthened labour protection	Concretely promoted optimised and standardised designs of work outfits and high temperature protection measures, and organised the subsidiaries to revise the <i>Requirements for the Selection and Provision of Personal Protective Equipment</i> . Carried out targeted inspections and rectifications for potential safety hazards in key labour protection supplies.
Ensured effective supervision and inspection	Further implemented the health-related examinations under the HSE inspection, selected capable inspection personnel, conducted targeted trainings, and strengthened problem analysis during the inspection process.
Improved Work Environment and Conditions	
Deepened source control of occupational disease hazards in construction projects	Selected 30 construction projects for key supervision based on the risk level and management challenges of occupational disease hazard risks, strictly carried out technical reviews of the implementation of the "three simultaneities" requirements in occupational disease protection facilities, and organised on-site evaluations for 11 projects. Organised targeted assessments of occupational disease protection measures for 12 construction projects, and conducted nearly 2,000 professional reviews of the implementation of the "three simultaneities" requirements in occupational disease protection facilities.
Strengthened control of occupational disease hazards	Monitored occupational hazard factors for 50 thousand positions based on the technical requirements of the enterprise standard, the <i>Technical Specifications for Monitoring Occupational Hazardous Factors</i> , and carried out relevant targeted rectification projects.
Enhanced Employee Occupational Health Awareness and Literacy	
Organised trainings	Carefully designed training courses and organised 248 dedicated management personnel from 126 subsidiaries to participate in the advanced occupational health management training. Organised over 2,000 dedicated health management personnel from 130 subsidiaries to participate in targeted trainings held by the National Health Commission. Our subsidiaries organised more than 7,000 centralised occupational health training sessions throughout the year, with a total participation of 0.64 million person-times cumulatively.
Carried out the publicity week events for the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases	Organised and carried out more than 11,000 themed presentation sessions, reaching an audience of 0.63 million person-times.
Strengthened Health Protection Measures	
Actively promoted the Healthy Enterprise initiative	Built more than 200 provincial and municipal level Healthy Enterprises.
Strengthened employee physical health management	Guided subsidiaries to improve pre-hospital emergency medical care capabilities, and increased more than 200 emergency medical health rooms/clinics staffed by professional medical personnel, reaching a total of nearly 1,500 by year end. Had deployed over 5,000 automated external defibrillators (AEDs), and significantly improved employees' first aid capabilities, with 18 employees and members of the public treated within the year.
Coordinated to promote employees' physical and mental health management	Organised campaigns to provide Employee Assistance Program (EAP) services to frontline workers to provide psychological care and support to grassroots employees, cumulatively covering more than 0.30 million employees. Improved the physical and mental health management for overseas employees, strengthening health risk assessment, and actively building a three-tier overseas medical emergency support system.

5.2 Contractor Safety



The Company incorporates contractor management as a secondary element of its HSE management system, conducting real-time monitoring of its operation, and continuously strengthening contractor safety management. The Company has formulated targeted contractor supervision and management systems, such as the *Sinopec Corp. Business Outsourcing Management Measures*, the *Sinopec Corp. Contractor Management Regulations*, and the *Sinopec Corp. Contractor Safety Supervision Management Measures*, which set clear standards and management procedures for contractor admission conditions, bidding, qualification review, contract signing, process control, and supervision and assessment. Meanwhile, the Company also specifies the HSE supervision requirements for contractors in a series of general policies and systems, such as the *Sinopec Corp. HSSE Inspection Supervision Management Regulations*, the *Sinopec Corp. All-employee Safety Behaviour Norms*, the *Sinopec Corp. All-employee Safety Scoring Management Measures (Trial)*, the *Sinopec Corp. Management Regulations for Safety Production Accidents*, the *Sinopec Occupational Health Management Measures*, and the *Sinopec Corp. Safety Production Education and Training Management Measures*. In addition, the Company has established a safety performance process evaluation mechanism with regular quantitative evaluations of the safety management performance of its subsidiaries' contractors, with evaluation results reported to the subsidiaries.

In 2025, the Company revised the *Sinopec Corp. Contractor Safety Supervision Management Measures* based on actual production needs, further clarifying the mandatory annual proportional exit requirements for contractors, promoting the interconnection of the contractor "blacklist" with the Company's bidding, contracting and other systems to realise company-wide contractor "blacklist" information sharing. Currently, 68 subsidiaries have been granted access to the contractor information processing and sharing module, with shared blacklist details covering 184 contractors and 377 individuals.

The Company has comprehensively advanced the integration of contractor management into its corporate HSE management system, continuously strengthening process supervision of key contractor project personnel, and reinforcing the training and assessment of contractor team leaders to enhance their on-site organisational and management capabilities. During the reporting period, a total of 4,832 contractor team leaders completed relevant training and assessment. By promoting institutionalisation and digitalisation of contractor management, the Company has gradually established a full-chain management system covering selection and introduction, performance supervision, and performance evaluation.

In 2025, the Company carried out the annual HSE inspection and comprehensively reviewed the safety management of suppliers in ten aspects, including management system, qualification review, contract management, site management, construction plans, and process control. In addition, the management of outsourced business units was incorporated into the key focus areas of HSE supervision. Through supervision and inspection, the Company aims to help contractors further enhance their compliance management, improve their proactive safety awareness and capabilities, as well as the standardised management of construction operations, effectively preventing violations in high-risk operations.

4,832
Number of contractor team leaders completed relevant training and assessment



5.3 Public Security



Facing the complex and ever-changing global security challenges, Sinopec Corp. carries out overseas security management in accordance with the management philosophy of "people-oriented, prevention first, and safety-driven development", continuously optimising its management system and operational procedures for overseas security management and risk prevention and resolution. The Company has established a three-tier structure consisting of centralised management at headquarters, responsibility assigned to dispatching units, and project implementation by overseas organisations. Guided by the *Sinopec Corp. Overseas Security Management Measures*, the Company implements full-cycle, closed-loop, and interconnected management across all phases and elements, including risk control and assessment, risk prevention and safeguarding, emergency response and handling, as well as supervision and inspection.

The Company continuously optimises its overseas security system, formulating and implementing regulations such as the *Guidelines for Adjusting Overseas Security Risk Classifications* and the *Standards for Assessing Overseas Security Vulnerabilities*, striving to realise standardised and more scientific risk assessment. The Company attaches great importance to protecting the security of overseas employees, continuously enhancing its capabilities to prevent, control, and deal with security risks. In 2025, the Company revised targeted emergency plans for international business units to further enhance its overall overseas emergency coordination capabilities; strengthened physical and mental health management for employees by compiling the *Implementation Opinions on Improving the Physical and Mental Health Management of Overseas Employees*; improved rescue capabilities at the "first scene" and "first moment"; and continued to provide overseas security training and services, with 116 overseas security training sessions organised throughout the year, training a total of 7,811 participants.

The Company adheres to its commitment to neutrality and non-interference, strictly complying with international legal standards in regions with violent conflict risks. Overseas projects are equipped with security measures based on risk levels, safeguarding employees from harm with the implementation of an integrated three-in-one security system that combines personnel, material, and technological protection measures.

The Company implement strict access restrictions, requiring contractors to meet international standards in anti-corruption, labour rights protection, and compliance, with special attention to the scope of authorization to use force and labour contract guarantees for security contractors in high-risk areas, and strictly forbidding any contractors found in violation. The Company strictly limits overseas security forces to protecting assets and employees within project boundaries, prohibiting any involvement in local public law enforcement activities or community disputes. While respecting local sovereignty, the Company engages in friendly exchanges and security education with local communities, aiming to enhance the overall safety resilience around our operation sites and shifting security operations from a project-centred approach toward a "win-win" concept that benefits both the Company and local communities. The Company regularly organises trainings for overseas security personnel on the *Voluntary Principles on Security and Human Rights (VPSHR)* to raise the awareness of security personnel about preventing violence and conflict while maintaining normal production order and safeguarding security.

116
Number of overseas public safety training sessions organised in 2025

7,811
Number of overseas public safety training participants in 2025





Security Management of CIR in Kazakhstan

CASE

Following the *Sinopec Corp. Overseas Onshore Security Facilities and Force Deployment Specifications* as its guidelines and standards, CIR has formulated its security management policies and can conduct specific security practices within the boundaries permitted by local laws and regulations, effectively prevent and flexibly respond to potential conflicts and violence risks. In 2025, CIR conducted a public security information gathering and risk assessment in Kazakhstan, organised self-evaluations and self-inspections of its security management to identify risks and hazards, and made prompt upgrades of its security measures. The company also actively participated in regional security coordination, consultation and assistance. In addition, the company also actively organised employees to participate in security trainings and carried out emergency drills for public emergencies.

The company supervises and manages security operators in accordance with local laws, and clearly defines the human rights obligations of security contractors through contractual terms. In the contracts, the company explicitly requires security contractors and their personnel to comply with the local laws, international standards, as well as the values of Sinopec Corp., strictly prohibiting human rights violations, emphasizing the principle of community friendliness. The company ensures the effective communication and implementation of these policies through induction training, regular briefings, and on-site supervision, and conducts regular audits and on-site assessments of the security services. Meanwhile, CIR's subsidiaries regularly hold security knowledge exchanges with local communities to jointly prevent crime.



5.4 Data Security and Privacy Protection

Data Security

Sinopec Corp. attaches great importance to cybersecurity, strictly complying with the requirements of state laws and regulations such as the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, the *Regulations on Network Data Security Management*, and the *Regulations on Security Protection of Critical Information Infrastructure*. Following the guideline of ensuring effective protection and reasonable use of data, the Company has extensively drawn on domestic and international data security governance methodologies and industry best practices to build the overall Sinopec Corp. data security governance framework and continuously optimises relevant policies and systems. The Company has formulated a number of management policies and standard specifications, such as the *Sinopec Corp. Data Resource Management Regulations*, the *Sinopec Corp. Cybersecurity Management Measures*, the *Sinopec Corp. Application System Security Design Technical Requirements*, and the *Sinopec Corp. Classification and Grading Guidelines*, which define the requirements for data security and personal information protection. In 2025, the Company had no occurrence of any data security-related incidents.



Key Points of Sinopec Corp.'s Information Security Policies

Continuous Optimise Information Security System	Established the Sinopec Security Management Control Center (SMCC) system to enhance automatic security operations and proactive network security defence capabilities.
Ensure Data Integrity and Confidentiality	Established a centralised password service platform and management system to ensure the integrity and confidentiality of sensitive personal information and important data.
Monitor and Respond to Information Security Threats	Continuously collect and analyse information from open-source networks, industry platforms, and internal security incidents, provide risk warnings, and take timely countermeasures.
Clarify Individual Responsibilities for Information Security	Enhance all employees' awareness of information security responsibilities and risk awareness, conduct regular practical drills, and deeply integrate security requirements into daily process.
Supply Chain Information Security Management	Implement policies such as the <i>Sinopec Corp. Cybersecurity Management Measures</i> and the <i>Sinopec Corp. Detailed Rules for Cybersecurity Compliance Management</i> , requiring comprehensive enhancement of network security control over the supply chain, and conducting security audits of suppliers' products and services.

The Company has built a data lifecycle protection framework, modularising its data security service capabilities, and making these modules available on the Sinopec Smart Cloud industrial internet platform to ensure the integrated application of security services such as data encryption, data signature, data masking, document security, and database auditing across various business operations, safeguarding information security in data usage and data processing processes, as well as personal privacy information security. The Company's professional data security technology subsidiary has passed the ISO 27001 Information Security Management System certification.

01 Data Security Management System

1	Organisational Framework	The Company has established an Intelligent Digitalisation (Cybersecurity) Leading Group, chaired by the Chairman of the Board. Its members include the primary responsible persons from each department, forming a cross-departmental collaborative governance system. The Leading Group is responsible for the overall coordination of the Company's data and cybersecurity work, reviewing the Company's medium- and long-term plans, annual plans, and key tasks for data and cybersecurity, as well as providing guidance, coordination, and supervision for the data and cybersecurity work of all units. The Information and Digital Management Department undertakes the daily operations and manages the Company's data and cybersecurity efforts in a centralised way.
2	Notification and Reporting Mechanism	The Company has established a cybersecurity notification mechanism covering nearly 1,000 liaison officers, integrating data security notifications into the cybersecurity notification mechanism for integrated management. Data security alerts and rectification notices are timely issued based on routine monitoring results, with the rectification process of identified vulnerabilities being duly tracked. Information security incidents and suspicious activities are reported via the Sinopec Security Management Control Center (SMCC) system. When employees discover an information security incident or suspicious activity, they may report it to the information department liaison in their unit, who will create an incident ticket in the SMCC system, and simultaneously initiate preliminary analysis and handling. Once confirmed to be a real attack incident, the ticket will be reported to company headquarters for handling. Joint handling may be carried out if it is necessary.
3	Assessment Mechanism	The Company has established an annual evaluation and assessment mechanism for cybersecurity and informatisation progress, incorporating data security and personal information protection into the annual assessment scope. The evaluation results are directly linked to the annual performance of the management teams of subsidiaries. The Company has formulated and implemented the <i>Sinopec Corp. Employee Disciplinary Regulations</i>, which specifies that employees who violate data and cybersecurity regulations will be subject to disciplinary actions, such as warnings, demotions, dismissal from positions, or employment termination, depending on the severity of the offense.



02 Data Security Risk Management

1	Business Continuity Plan	The Company has formulated and implements a business continuity plan that is deeply integrated with operation security initiatives. This plan focuses on normalised governance and real scenario-oriented drills. Through routine measures such as targeted rectification campaigns and simulated attack and defence drills, the Company strives to systematically reinforce the business hosting environment, examine and optimise business recovery process, and effectively enhance the overall resilience of its business systems against attacks and the capacity for rapid recovery.
2	Security Vulnerability Management	The Company incorporates data security incidents into the integrated management of cybersecurity incidents and classifies them by severity, implementing measures such as early warning response, emergency handling, investigation and assessment, and prevention and protection. The Sinopec Security Response Centre (SSRC) actively monitors data security threat alerts, analyses data security attack behaviours in real time, quickly addresses abnormal data security threats, and works to prevent and reduce potential losses in production, operations and management, as well as mitigate risks of possible impact to the public. In 2025, the Company carried out targeted cybersecurity emergency drills to continuously optimise emergency response process and mechanism. The drills focused on simulated handling of typical security scenarios, such as ransomware attacks, dark web data leaks, and leaks from third-party sharing platforms. The Company also organised data security risk assessments for multiple key business systems to identify and rectify related risks.
3	Information Technology Infrastructure and Information Security Audit	The Company conducted a targeted internal audit on information management to optimise its information management system. The audit focused on aspects such as information management systems and mechanisms, full lifecycle management of information technology projects, network and data security, digital transformation, and the application of artificial intelligence and other new technologies. The Company engaged KPMG Huazhen LLP to carry out the annual audit, with IT infrastructure and information security management system included in the audit scope. The audit was conducted in accordance with the requirements of relevant laws and regulations and standards, such as the <i>Cybersecurity Law of the People's Republic of China</i>, the <i>Administrative Measures for Compliance Audits on Personal Information Protection</i>, the ISO 27001 Information Security Management System, as well as based on internal control audit and financial statement audit requirements. Audit procedures for cybersecurity risks and risk response measures include inquiries, interviews and inspections. The audit results showed that no anomalies were found during the audit.





03 Data Security Awareness and Skills Training

For nine consecutive years, the Company has carried out the Cybersecurity Awareness Week event, aiming to educate employees on cybersecurity, confidentiality, data security, and personal information protection through pop-science exhibitions, online interactive knowledge lectures, interactive walk-throughs, themed lectures, and promotional artwork and practical tactics competitions, etc.

In 2025, to cultivate data security talents, the Company organised targeted online and offline training on data security policy frameworks, risk classification and grading, and risk assessment, covering 324 dedicated personnel. For key subsidiaries, two sessions of Certified Information Security Professional - Data Security Governance (CISP-DSG) certification training were conducted, with 70 participants passing the assessments and obtaining certification. For security maintenance teams, key system administrators and other relevant personnel, the Company also organised various cybersecurity training sessions to effectively improve participants' practical skills in threat identification, coordinated response, and vulnerability closure.



Indicators	2024	2025
Monetary value of data security incidents (RMB10,000)	0	0
Losses caused by violations of laws and regulations regarding data breach (RMB10,000)	0	0
Coverage rate of data security-related standard certifications (%)	100	100
Coverage rate of trainings on data security (%)	100	100
Coverage rate of sensitive data encryption (%)	100	100
Coverage rate of access control mechanism (%)	100	100



Privacy Protection

Strictly in compliance with the provisions of the *Personal Information Protection Law of the People's Republic of China*, the Company has established a robust consumer privacy protection management system, covering the collection, storage, use, sharing and deletion of consumer data. The Company regularly conducts privacy protection training for employees to raise their awareness of privacy protection, and carries out unscheduled inspections to ensure the implementation of relevant policies and systems. The Company also strengthens partner management by specifying confidentiality obligations in contracts, requiring partners to sign the *Safety Responsibility Commitment* and pass the Level-3 National Information Security Graded Protection Certification, and conduct unscheduled inspections of partners to ensure compliance with information security regulations and standards during the cooperation period. In 2025, the Company had no incidents related to customer privacy breaches.

Based on internal policies such as the *Personal Information and Privacy Protection Statement of the EasyJoy Refuelling App*, the *Administrative Measures for Operation and Maintenance of the Sinopec Chememall Platform*, the *Sinopec Chememall Platform Personal Privacy Protection Statement (Version 2.0)*, and the *Sinopec Chememall Cybersecurity Management Policy*, the Company continuously improves key process such as handling and collecting sensitive personal information, automated decision-making procedures, and guidelines for information sharing and interaction. Application scenarios for facial recognition technology are clearly defined, with specific limits as well as reasonable alternative verification methods.

Regarding implementation and supervision stages, the Company has established a dedicated team responsible for external data disclosure and process approval, overseeing the implementation of privacy protection policies, and monitoring policy compliance through internal inspections and targeted legal reviews to ensure the timely identification of potential compliance and security risks. The Company has also established a dedicated complaint handling mechanism to promptly respond to and address complaints arising from the leakage of consumer information, striving for timely rectification as well as the prevention of similar risks.

In 2025, the Company joined the Cyber Security Association of China, establishing a regular communication mechanism with regulatory authorities to ensure timely understanding of the latest regulatory policies and requirements, and continuously promoting compliance in digital security and privacy protection.

Indicators	2024	2025
Monetary value of customer privacy leakage cases (RMB10,000)	0	0
Losses caused by violations of laws and regulations related to customer privacy leakage (RMB10,000)	0	0
Verified complaints involving breaches of customer privacy and loss of customer data (cases)	0	0
Coverage rate of training on customer privacy protection (%)	100	100

RESPECTING HUMAN RIGHTS AND CULTIVATING TALENTS



125	6.1 Respecting and Protecting Human Rights
132	6.2 Employee Development



6.1 Respecting and Protecting Human Rights

Sinopec Corp. strictly abides by the *International Covenant on Economic, the Social and Cultural Rights*, the *International Covenant on Civil and Political Rights*, the *Discrimination (Employment and Occupation) Convention*, and other international covenants and Human Rights Action Plan approved or signed by the Chinese government. The Company strictly implements relevant domestic laws, such as the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Civil Procedure Law of the People's Republic of China*, the *Civil Code of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Minors*, the *Law of the People's Republic of China on the Protection of Women's Rights and Interests*, the *Law of the People's Republic of China on the Protection of Persons with Disabilities*, and the *Regulations on the Prohibition of Child Labour*, and other relevant laws, regulations and policies of other countries where it operates, as well as relevant principles and policy documents such as the *Universal Declaration of Human Rights*, the *Ten Principles of the United Nations Global Compact*, and the *National Human Rights Action Plan (2021-2025)*. The Company also organises its employees to study the *Annual Report on China's Human Rights*.

Sinopec's Commitments and Goals on Human Rights Protection

Always regard employee safety and health as top priority, and strive to create a safe and healthy working environment for employees. The Company has set the overall goal of "zero harm, zero accident, and zero pollution", ensuring a 100% occupational health examination rate for employees through continuous monitoring of occupational disease risk factors and regular occupational health examinations.

Strictly enforce state labour laws and the laws of the jurisdictions where we operate to ensure that all business activities comply with international labour standards and the UNGC requirements. Adhere to the "people-oriented" development concept, strictly prohibit child labour and forced labour, respect the dignity and rights of employees, maintain a 100% labour contract signing rate, and make continuous efforts to optimise employee compensation and benefits mechanism and provide employees with better living conditions and work environment.

Actively fulfil social responsibilities, focus on social welfare, and participate in charitable activities such as poverty alleviation and educational donations, contributing to social harmony and stability.

Require all tier-1 suppliers to sign a *Social Responsibility Commitment Letter*. Use the digital procurement platform to ensure categorised management of suppliers, ensuring that our partners meet the Sinopec supply chain eligibility standards in human rights management such as labour protection and other aspects.

Regularly conduct human rights training for management and frontline employees. In overseas security management, focus on delivering *Voluntary Principles on Security and Human Rights (VPSHR)* training to ensure that security forces respect local human rights while maintaining production order.

When conducting business activities and related corporate operations, respect local guidelines and laws on human rights and anti-violent conflict. Based on the *Sinopec Corp. HSE Management System*, the *Employee Code of Conduct* and other regulations, systematically identify, prevent and control potential violence in the workplace and business conduct, and eliminate any behaviour that may lead to human rights violations.



Managing Human Rights Risks

01 Human Rights Risk Management Procedures

Focus on human rights risks covering its own operations (domestic and overseas branches and subsidiaries), value chain (contractors, suppliers), as well as business-related activities, the Company has established a comprehensive human rights risk identification and assessment management mechanism, encompassing risk identification, assessment, response, improvement and communication, ensuring in-depth integration of human rights compliance requirements into the entire process of corporate decision-making and execution.

1	Risk Identification	Identify risk factors that may affect human rights, such as forced labour and environmental issues in the supply chain, through comprehensive review of business operations, supply chain assessments, employee feedback and participation, and stakeholder communication.
2	Risk Assessment	Conduct qualitative and quantitative analyses of risks based on international and domestic human rights standards and principles, identifying their impact and likelihood of occurrence, and prioritising risk categories accordingly.
3	Risk Response	Formulate risk response measures, such as improving supply chain management, enhancing employee training, and optimising internal management systems, based on the assessment results.
4	Continuous Improvement	Monitor and evaluate the effects of human rights policies and measures based on employee feedback and stakeholders engagement results, and make adequate adjustments and optimisations in a timely manner.
5	Communication	Maintain transparent communication and cooperation with stakeholders when handling human rights issues, and timely respond to the expectations and feedback of stakeholders.

In 2025, the Company conducted a systematic management project of identified potential risks, and revised the *Guidelines for Overseas Human Resource Management*, as well as optimised the internal compliance manual. Regarding compliance issues of contractors identified during audits, measures such as cautionary talks, rectification with deadlines, or revoking qualifications were implemented to ensure that human rights standards were implemented in the supply chain.

02 Human Rights Risk Monitoring System

The Company has established a four-in-one human rights risk monitoring system of "top-level design, functional monitoring, on-site inspection, and grievance feedback" to promote the effective implementation of human rights protection measures across all business sectors and global operation sites.

- Integrate human rights due diligence into the entry stage of overseas investment projects and new business development. Before project initiation, conduct social impact assessments (SIA) to identify potential community conflicts, labour rights risks, and impacts on indigenous peoples.
- Incorporate human rights compliance indicators, such as working hours, labour protection, and working environment, into the annual comprehensive audit through the "Safety, Environmental and Social Responsibility" inspection mechanism of the Company, and conduct regular on-site compliance spot checks for overseas projects in high-risk areas.
- Establish a supplier human rights compliance assessment mechanism, conducting compliance reviews during supplier selection, and dynamically monitoring suppliers' performance in prohibiting forced labour, ensuring employee remuneration, and occupational health through the Supplier Performance Evaluation System during cooperation. Suppliers with violations are subject to measures such as point deductions, warning talks, or termination of cooperation.
- Set up multi-level grievance and reporting channels covering both headquarters and subsidiaries, such as mail, telephone and email, to ensure that employees, contractors, and community residents can safely and anonymously raise human rights-related concerns. A dedicated process has also been set up to track the progress of how issues are handled.

03 Human Rights Risk Mitigation Plan

Daily Operations

The Company is firmly committed to fulfilling its social responsibility to respect and protect human rights, operating in compliance with the requirements of the *UN Guiding on Principles for Business and Human Rights*(*UNGPs*), and adopting an "overall framework + targeted plans" model to formulate human rights risk mitigation measures. The Company has formulated and implemented a list of management response measures for all business units with identified human rights risks.

In daily operations, the Company has established a comprehensive human resources management system based on fundamental principles such as ensuring labour relations compliance, putting people first, strengthening employee democratic participation, and safeguarding employees' legitimate rights and interests. Relying on the HSE management system and the internal control manual, the Company has developed an occupational health and labour rights protection plan for all employees, covering 100% of its operating locations. The Company signs written labour contracts with employees and, through measures such as enhanced supervision and inspection, ensures the implementation of employees' legitimate rights such as salary based on work performed, equal pay for equal work, health and safety, right to leave, and equal development opportunities, fully safeguarding the fundamental rights of employees.

Supply Chain Management

In supply chain management, our business departments carry out targeted human rights due diligence and risk mitigation actions for contractors and suppliers, embedding human rights compliance into the contract management process through an information system. They require and supervise contractors and suppliers to ensure lawful hiring practices, strictly enforce state and local regulations on wage standards, social insurance, workplace safety and health, timely and fully pay salaries to outsourced workers, make lawful social insurance contributions, establish and improve workplace safety and health systems in accordance with the law, provide labour protection and occupational hazard prevention, comply with government regulations on working hours and rest, and genuinely respect and safeguard human rights.

International Operations

In international operations, the Company strictly complies with local laws and regulations, strengthens cooperation with labour organisations in the host country, and highly values, respects, and protects human rights. Overseas business units formulate relevant systems and measures such as *Guidelines for Overseas Human Resource Management* to regulate overseas employment practices, mitigate overseas labour risks, and develop and implement management response lists for identified risks, actively safeguarding the legitimate rights and interests of overseas employees. The Company attaches great importance to the career growth and development of overseas employees, and strives to enhance humanistic care and build harmonious labour relations.



04 Training on Human Rights Protection

The Company has strengthened the training on human rights protection to raise employees' awareness and sense of responsibility regarding human rights, promote the formation of effective supervision mechanisms, and improve the implementation effectiveness of human rights policies. Human rights training has been incorporated into induction training programmes for new employees, to guide them to strengthen their learning on labour rights protection, instil the concept of equal opportunities and the value of equity, and help them better protect their rights in work and life.

05 Supervision and Audit

The Company attaches great importance to respecting human rights and safeguarding employee rights, and has established a full-process, multi-dimensional audit, supervision, and evaluation mechanism to ensure that relevant requirements are integrated into all aspects of business management. The Company regards "respect for human rights and protection of employee rights" as a key focus of audits, eliminating risks of wage arrears, unlawful employment, and other violations of employee rights by inspecting wage payment records, labour contract signing records, on-site safety protection facilities, safety production training, and hazardous work approvals, thereby effectively safeguarding employees' safety and health. Over the past three years, the Company has conducted multi-level evaluations of relevant business activities, with the assessment scope covering 100% of its operational entities, including all affiliated subsidiaries and key overseas projects.

Protecting Labour Rights

01 Equal Employment and Rights Protection

The Company vigorously implements the *Labour Contract Law of the People's Republic of China*, adheres to the basic values of decent work, ensures that all workers are protected in labour relations, striving to continuously enhance employees' sense of inclusiveness, happiness, and security regarding their human rights. The Company strongly opposes any act that ignores or tramples on human rights, and strictly forbids any forms of discrimination with regard to recruitment, promotion, training, and remuneration based on nationality, gender, age, ethnicity, religion, pregnancy, and disability, insisting on treating all employees with equity and building harmonious and stable labour relations with employees.



Recruitment and Employment

Comply with the *Prohibition of the Use of Child Labour Regulations*, preventing child labour by conducting qualification review and verification in the recruitment process.

Ensure open and transparent recruitment process, providing real and accurate job information to the general public who apply voluntarily, with a clear prohibition on forced labour.

Sign written labour contracts with employees, adhering to the principles of "equality, free will, and consensus through consultation," covering essential statutory clauses such as the contract term, job content and location, working hours, rest and leave provisions, remuneration terms, labour protection, and occupational hazard prevention. All articles are approved or supervised by local labour authorities.

Formulate relevant labour management policies to ensure the effective implementation of labour contracts and adequate protection of employee rights and interests.

Commit to strictly complying with the statutory minimum wage standards in the locations of business operations (including China and overseas) regarding salary payments. In overseas projects, the living cost benchmark of the host country will be used as a reference to ensure that employees' income can maintain their families' basic living needs, while striving for greater salary competitiveness for local employees.

Commit to lawful signing, fulfilment, modification, and termination of labour contracts, as well as establishing a minimum consultation or notice period before any large-scale termination of contracts.

Rest and Leave Arrangement

Fully implement China's *Regulations on Paid Annual Leave for Employees* to ensure employees' rights to paid statutory leave such as annual leave, marriage leave, maternity leave, and home visit leave. The implementation of paid annual leave is included in the annual HSE and comprehensive assessment of units at all levels.

For personnel subject to flexible working hours or comprehensive working hour calculation follow the latest policy requirements on special working hour systems, as well as suggestions from the labour union, protecting employees' health with work-life balance.

Working Environment

Employees' personal freedom is strictly protected and must not be infringed through any means.

Prohibit any form of forced labour for any reason, and forbid forced labour through withholding documents and money, surveillance, threats, and other methods.

02 Caring for Employee Health

The Company actively advances employee sports and health management initiatives. In 2025, the Company further implemented the "Year of Weight Management" campaign for employees, launching online and offline weight-losing training camps, adding sports facilities, popularising the BMI calculation method and healthy weight standards, and providing professional guidance on healthy lifestyles for employees.

The Company places great emphasis on employees' mental health, striving to build a happy workplace and improve employees' happiness index, with a total of more than 4.8 thousand employees focusing on this issue. In 2025, over 700 mental health activity rooms were set up, and more than 4.8 thousand themed activities were organised, benefiting employees with a total of 900 thousand person-times. We also launched the "Xinfu Hotline" free mental health consultation service, conducting over 1 thousand consultations annually.

Comprehensive Protection of Employees' Mental Health

CASE

■ Guided by the principle that "wherever our employees are, our care follows", we have transformed specialized psychological assessment equipment and a team of mental health experts into a mobile service platform, called the "Happiness Express". By 2025, the Happiness Express had visited enterprises including Shengli Oilfield, Jinling Petrochemical Corporation, Northwest Oilfield, and Sinopec Marketing Guangdong Company, along with their surrounding areas. Through services such as expert lectures, themed group counselling, psychological assessments, and individual counselling, it provided mental health support to frontline employees with a cumulative total of 450 thousand person-times.



■ Fully incorporated the psychological crisis intervention plan into the HSE management system, and enhanced emotional monitoring for key positions; upgraded the "domestic + overseas" 24/7 consultation hotlines, serving more than 1.6 thousand employees annually; and launched the "Xinfu Consultation" WeChat platform, with an average of 150 thousand visits daily.



■ Invited external psychology experts to give lectures for employees; encouraged employees with psychology background to become volunteers, with a total of over 3 thousand volunteers providing various psychological services. Many subsidiaries have established psychological volunteer service systems, allowing them to offer timely psychological support to grassroots employees.



Diversity and Equal Opportunities

To promote equal employment and diversified job opportunities, the Company adopts flexible employment models based on actual needs, broadening recruitment channels to attract individuals with varied backgrounds, skills, and experiences to join the Company. The Company actively promotes industry-education integration and explores new corporate apprenticeship systems, prioritising apprentices trained under the "dual system of enterprise and school with work-study integration" model for frontline operational positions, and providing young skilled workers with equal and stable career development paths.

The Company advocates a corporate culture of respect, equality, and fairness. In recruitment, promotion, and compensation allocation, it implements a "position value-based distribution" system to ensure that male and female employees within the same job sequence enjoy identical starting salaries and career paths.

The Company cherishes the value and dignity of employees, incorporating the content of anti-discrimination and anti-harassment provisions from laws and regulations such as the *Labour Law of the People's Republic of China* into employee training; educating and guiding employees to comply with relevant laws, regulations and codes of conduct; strengthening professional ethics awareness and the awareness of discriminatory and harassing behaviours, as well as methods to avoid and address them, fully safeguarding employees' legitimate rights. The Company has established complaint channels to enable employees subjected to discrimination or harassment to timely report such behaviours, while paying attention to protecting whistleblowers' privacy and rights. Confirmed cases of discrimination and harassment will be handled seriously in accordance with applicable laws and regulations, and the handling results will be publicly disclosed to the affected employees and the public.

Female Employees	Established the Female Employee Committee at the trade union to better protect the rights of female employees.
	All labour contracts must include provisions on the protection of the rights and interests of female employees to be deemed legitimate and effective, providing a foundation for ensuring the rights and special needs of female employees.
	Pay attention to and strengthen the protection of female workers in workplace, carry out supervision and inspection on safety and health for female workers, and make continuous efforts to improve the working environment and conditions for female workers.
Employees with Disabilities	Implement maternity, prenatal and breastfeeding leave policies, as well as the regular health examination system, to safeguard the physical and mental well-being of female employees.
Ethnic Minority Employees	Fully safeguard the employment rights of persons with disabilities, carry out special recruitment activities as well as further develop and explore job opportunities for persons with disabilities, and ensure job stability for them.
	Leverage industrial advantages to continuously strengthen support for ethnic minority labour needs, establish a fair and just selection mechanism, and prevent discrimination and unfair practices.



Employee Communication and Engagement

01 Promote Employee Participation

Sinopec Corp. has formulated the *Implementation Measures for Employee Representative Assembly of Directly Affiliated Subsidiaries of Sinopec Corp.* and the *Implementation Measures for Factory Affairs Disclosure of Directly Affiliated Subsidiaries of Sinopec Corp.* in accordance with the *Trade Union Law of the People's Republic of China*, the *Regulations on Democratic Management of Enterprises*, and other relevant laws and regulations, further strengthening the democratic management system of enterprises that is based on the Employee Representative Assembly mechanism. The Company fully guarantees the employees' rights to information, participation, expression, and supervision. The Company adheres to democratic decision-making procedures, actively seeks employees' opinions on major decisions, and any significant matters concerning employees' vital interests must be reviewed by the employee representative assembly.

Employee representative assemblies at all levels gather proposals from employee representatives focusing on topics such as production and operations, safety and environmental protection, technological innovation, and employee care. The Company has established a closed-loop mechanism for handling employee proposals, with the filing, supervision and implementation status of proposals publicly available to employees in various forms.

Trade unions at all levels within the Company have established a normalised collective bargaining mechanism, legally representing employees in signing collective contracts and special collective contracts for female employees with their employers. These contracts focus on core rights such as remuneration, rest and leave, occupational safety and health, and insurance and welfare, and contain specific protection provisions for female employees during pregnancy, maternity, and breastfeeding periods. The draft collective contract shall be reviewed and approved by the employee representative assembly, and its implementation shall be included in the inspection content of employee representatives, and reported them to employee representative assembly.

The Company organises an annual quality assessment of the employee representative assemblies company-wide. In 2025, the assessment, covering 152 directly affiliated subsidiaries, conducted a comprehensive analysis focusing on five dimensions: event organisation, representative composition, exercising of powers, proposals, and distinctive practices. Based on assessment findings, the Company systematically identifies and duplicates successful experiences, continuously standardises operational procedures, optimises representative structures, and improves the quality and effectiveness of proposals, further enhancing the democratic management of the Company.

02 Establishing Diversified Communication Channels

The Company has established various channels for employees to express their concerns, such as online forums, mobile applets, and employee seminars, to extensively solicit opinions and suggestions from employees and timely respond to reasonable requests. An employee self-service system has been developed, providing services such as information inquiry, policy consultation, and learning and development, forming an employee self-service brand with distinctive Sinopec characteristics. The weight given employee representatives in the evaluation of management staff at all levels has also been increased to ensure greater employee participation. In 2025, the Company set up dedicated categorised mailboxes to handle matters including employee suggestions, consultations, requests for help, grievances, and expectations, and established mechanisms for timely tracking, regular feedback, and review and improvement to ensure efficient processing of employee demands.

The Company has developed the Sinopec Organisational Climate Model (SOC) to conduct surveys and assessments focusing on five factors: employees profile and employee engagement, employee satisfaction, cultural recognition, organisational innovation climate, and the effectiveness of reforms. The survey questionnaire consists of 49 single-choice questions and 4 multiple-choice questions. The evaluation results are feedback to the responsible managers. For enterprises with relatively low comprehensive scores or abnormal evaluations, the Company will step in to provide guidance to promote timely rectification and continuous improvement.

SOC Sinopec Organizational Climate Model	Employee Engagement	Employee Satisfaction	Cultural Recognition	Organisational Innovation Climate	The Effectiveness of Reforms
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03 Employee Care

Based on the *Regulations on Assistance and Relief Management of Sinopec Corp.*, the Company has established a two-tier (the Company and directly affiliated subsidiaries) assistance fund to provide aid to five employee groups, including employee households with low per capita income, those suffering from serious illness, those affected by accidents or natural disasters, children of employees in hardship, and other individuals in need. In 2025, the Company signed a cooperation agreement with the China Workers' Mutual Insurance Association to fully promote and implement the Employee Mutual Insurance Programme, providing extra protection coverage for the families of employees with serious illnesses or deceased employees to effectively alleviate employees' concerns. In 2025, the Company provided a total of RMB15.00 million to 30 directly affiliated subsidiaries in special employee assistance fund.

Indicators	2024	2025
Number of Employee Representative Assembly resolutions filed (Directly affiliated subsidiaries level)	1,386	1,565

6.2 Employee Development

Human Resources Management

Sinopec Corp. adheres to the principle of mutual growth of employees and the Company, and has established a comprehensive, scientific and standardised human resources management system that covers all human resource processes, such as recruitment and optimisation management, daily personnel management, compensation and benefits management, and training management. The Company conducts evaluations of the implementation of various human resources management systems each year, and formulates revision plans based on evaluation results in a timely manner. In 2025, the Company revised systems and policies related to strengthening and improving compensation management, performance evaluation of the senior management, and compensation and benefits management for overseas employees, ensuring the policies and systems in alignment with the actual needs of the Company's human resources development.

01 Risk Identification and Assessment

The Company attaches great importance to the identification of human resources management risks and has established a normalised risk assessment mechanism. The Company systematically monitors company-wide talent attrition, and conducts in-depth analysis of subsidiaries with prominent attrition rate to identify patterns and root causes of attrition. Furthermore, in conjunction with the implementation of the "Talent-Driven Enterprise" strategy and reforms to the talent development system and mechanisms, the Company comprehensively addresses talent attrition through measures such as expanding development opportunities, implementing more targeted and effective incentives, and fostering a nurturing culture that respects and values talent. A rich variety of methodologies and tools, such as the job value assessment tool, the "three-system" reform assessment tool, the evaluation tool for market-oriented employment mechanisms, the competency model, and balanced scorecards, have been used to ensure better understanding and analysis of human resources data to achieve more effective decision-making.

Job value assessment tool	Developed a unified job value assessment tool and established a strategic job placement model centred on the job description tool, which helps address key issues such as how to define positions, how to measure the relative value between positions, and how to establish a corporate position management system. The tool has been implemented in more than 40 subsidiaries and achieved favourable results.
Evaluation tool for the reform of labour, personnel, and compensation systems	Constructed an evaluation model regarding the reform of labour, personnel, and compensation systems on 18 indicators under four factor categories, including the effectiveness, efficiency, benefits, and results of reform measures; conducted annual evaluations regularly to identify and address prominent issues and optimise the relevant systems.
Evaluation tool for market-oriented employment mechanisms	Developed a market-oriented employment mechanism assessment model, focusing on five factors including management system development, external recruitment, and contractual management, and 19 indicators. This model reflects the status of market-oriented employment mechanisms in subsidiaries, providing data support for them to identify gaps and implement improvement measures.

02 Talent Introduction

In line with the Company's short-term, medium-term and long-term business development goals and core technology needs, the Company intensifies the effort to attract high-level talents from domestic and abroad focusing on job compatibility and targeted talent acquisition. The Company implements a differentiated talent recruitment strategy. While exploring an independent talent recruitment filing system, the Company also continuously optimises talent resource allocation by encouraging reasonable talent mobility across different business segments, regions, and subsidiaries. The Company organises campus recruitment events focusing on the needs of corporate strategic development and developing talent pools. Adhering to the principles of openness, fairness, and impartiality, the Company ensures the "three opennesses" of recruitment information, recruitment procedure and recruitment results, effectively ensuring fairness in employee hiring.

03 Support Flexible Employment

Flexible Employment Opportunities Generated by Sinopec Corp.

The Company actively fulfils its social responsibilities and takes multiple measures to create flexible employment opportunities and safeguard the rights and interests of people engaged in flexible employment.

- Service stations and EasyJoy convenience stores: A large number of positions with flexible working hours are offered, such as gas attendants, cashiers, convenience store clerks, and car washers.
- Construction and maintenance projects of large refining and chemical bases: During engineering construction, equipment maintenance, and pipeline upkeep, a large number of short-term workers are hired through engineering contractors, forming a project-based flexible employment arrangement.
- In rural revitalisation and targeted assistance regions: With the establishment of specialty agricultural product processing workshops and sales outlets, many seasonal or part-time job opportunities are created for local farmers, allowing them to achieve flexible employment and increase income without leaving their hometowns.



While complying with state laws and regulations, the Company continuously optimises relevant management requirements in areas such as compensation assurance, safety management, training support, and humanistic care, to safeguard the fundamental rights of flexible employment workers.

Contract and Agreement Management

Require cooperating labour dispatch agencies and business outsourcing contractors to lawfully sign labour contracts or labour agreements with workers, specifying their basic rights and interests such as job content, pay, and working hours. For flexible personnel such as non-full-time employees directly managed by the Company, corresponding agreements shall be signed in accordance with the law.

Compensation and Payment Assurance

Require cooperating organisations to establish standardised payroll systems to ensure timely and full payment of labour remuneration, and monitor the contract performance of major partners.

Security Assurance

All flexible workers entering the Company's workplaces must undergo necessary safety training, be equipped with appropriate labour protection equipment, and strictly follow safety operating procedures to ensure their safety.

Training and Skills Development

Provide pre-job training to help flexible workers quickly adapt to their positions.

Humanistic Care and Communication

At workplaces operated by the Company, flexible workers are included into our employee care programmes. A communication and feedback mechanism has been established, under which flexible workers can raise issues and requests through the station manager, management staff, or designated channels.



Compensation, Benefits, and Incentive Mechanisms

Sinopec Corp. continues to deepen the remuneration system reform, optimises its market-oriented remuneration mechanism, implements a remuneration policy that combines remuneration incentives with non-remuneration incentives. Focusing on factors such as job value, competence, and performance contribution, the Company has built a multi-dimensional remuneration system covering job (basic) salary, performance bonuses, and medium- to long-term incentives. The Company actively conducts market benchmarking of remuneration performance, deepens the application of benchmarking results, adjusts income distribution gaps between different job levels, enhances the remuneration competitiveness of key core talents, safeguards the income of frontline production employees, so as to build a reasonable distribution structure.

The Company has built a multi-level and customised benefits system for employees, forming a diversified benefits system in accordance with relevant state and local policies and in combination with the Company's actual situation. The Company strictly implements regulations such as the *Regulations on Paid Annual Leave for Employees* and the *Regulation on Public Holidays for National Annual Festivals and Memorial Days*, providing employees with paid annual leave, parental leave and other benefits, with special attention given to ensuring maternity, childbirth, and nursing leave for female employees.



01 Implementation of Performance Appraisal

The Company has established a comprehensive performance appraisal management system for all employees by employee track as well as level. To continuously stimulate organisational vitality and employee potential, employees have differentiated performance appraisals according to their talent track, which includes management, technology, and skilled operators. The Company implements tenure-based and contract-based management for management personnel, and contract-based management for other personnel, clearly defining work performance and competency assessment requirements by signing performance contracts with all employees.

In the performance management process, the Company strengthens full-process closed-loop management to coordinate target setting, process tracking, appraisal evaluation, improvement and other tasks. Assessment targets are set based on the overall objectives of the unit and the job responsibilities of the employee. The Company provides timely feedback on appraisal results to employees and helps them improve through performance discussions and other methods.

In terms of assessment cycles, the Company generally conducts annual and tenure-based performance evaluations for management personnel, with a typical tenure of three years. Performance of technical staff and skilled operators is evaluated annually in general.

The Company has incorporated sustainability/ESG indicators as assessment criteria in the annual performance evaluation of the management personnel of its subsidiaries. Failure to meet assessment goals will result in point deductions. If any major or higher-level safety, environmental protection, or quality accident or incident occurs, the assessment result will be directly downgraded to unsatisfactory.

Sustainability/ ESG Indicators

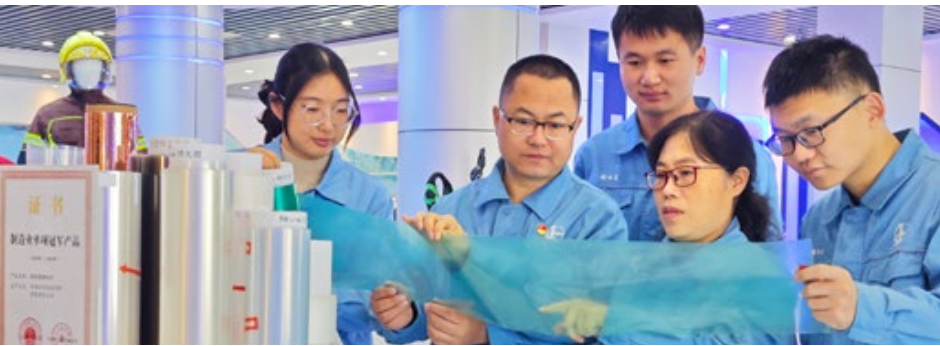
- Safety, including but not limited to safety incidents penalised, and contractor safety performance.
- Energy conservation and environmental protection, including but not limited to carbon peaking and carbon neutrality goals, GHG emissions, pollutant control, energy efficiency management, and environmental penalties.
- Quality management.
- Compliance management, etc.

02 Implementation of Incentive Mechanisms

In 2022, the Company formulated an incentive system framework, including the *Guiding Opinions on the Medium-term and Long-term Incentives of Sinopec Corp.* and equity incentives for listed company, equity and dividend incentives for technology enterprises, employee shareholding for mixed-ownership enterprises, sharing mechanisms for excess profits, and implementation rules for co-investment, effectively stimulating the innovation and value creation enthusiasm of management personnel and key employees. As of the end of 2025, the Company's incentive methods include equity incentives for listed company, equity and dividend incentives for technology enterprises, sharing mechanisms for excess profits, and co-investment. A total of 155 employees were covered by the Company's medium- and long-term incentives. The Company implements a deferred incentive payment mechanism, with payment of cash incentives starting in two years, and equity incentives starting in three to five years in general.

Key Performance Assessment Indicators Linked to Long-Term Incentives

- Indicators for the lifting of restrictions on restricted stock: annual cash return on net asset, annual compound growth rate of net profit, annual economic value added
- Indicators for excess profit-sharing: annual net profit
- Indicators for project dividend bonus: project revenue growth rate, number of patents and intellectual property rights of project, growth rate of new project contracts
- Indicators for follow-on investment: cumulative operating income, number of Chinese invention patent applications



Employee Cultivation and Development

01 Career Development Channels

Based on the *Implementation Opinions on Improving the Construction of Talent Development Channels* and the *Sinopec Corp. Expert Management Measures*, the Company actively builds talent development channels, and takes measures to strengthen position quota settings, selection standards and procedures, as well as role performance management, aiming to achieve "expert based on positions, differentiated setups, and standardised management". Three job tracks have been set up for management talent, technical talent, and skilled operators talent growth paths, providing ample development space for employees in different fields.

The Company strictly implements the *Sinopec Corp. Management Measures of Academic Qualification Assessment* and the *Sinopec Corp. Management Measures of Vocational Skill Level Assessment*, continuously deepening talent evaluation and implementing professional title evaluation and professional skill level certification.



02 Employee Training

Sinopec Corp. continuously optimises the top-level design of employee education and training, formulating policies such as the *Sinopec Corp. Employee Education and Training Management Regulations*, the *Sinopec Corp. Online Training Management Measures*, and the *Sinopec Corp. Education and Training System Outline*, and comprehensively implementing its *2024-2028 Employee Education and Training Plan*, carrying out targeted capacity building activities for management talent, technical talent, skilled talent, international talents, as well as grassroots employees. The Company provides employees with diversified training and development opportunities, including various internal and external trainings, professional seminars, joint-cultivation, and participation in further education courses, to help employees improve their professional skills. In 2025, the Company organised trainings for key talent training, with a total participation of 4,167 person-times, and trainings for headquarters departments and business units, with a total participation of 13.6 thousand person-times. Labour dispatch personnel and outsourced contractor workers were also included in our training programmes, allowing them to better improve their work skills.

Management Talent	Optimised the basic training content system for eight levels; promoted the application of a segmented training model for middle-aged and young management staff, which consists of online self-study, centralised training, on-the-job practice, and presentation and assessment; and provided targeted training on safety and environmental management for leadership staff to comprehensively enhance their business management capabilities.
Innovation Talent	Organised thematic seminars on high-quality oil and gas development, smart refining and chemical processes and other topics, and organised diversified workshops, implemented demonstration trainings for young technology talent and leading skilled professionals, talent reserve training for international business operations, and artificial intelligence boot camps.
Grassroots Employees	Strengthened training for key positions such as dedicated HSE personnel, equipment electrical/instrumentation specialists, and grassroots team leaders, and enhanced certification training for key HSE positions.

The Company continuously innovates on training models, providing employees with various learning methods such as lecture-based, discussion-based, and case-based approaches, and implementing a "master-apprentice" system to improve the relevance and effectiveness of learning and training. To ensure training quality and effectiveness, the Company has innovated its training assessment methods by implementing comprehensive performance documentation management for trainees in medium- and long-term programmes, establishing a holistic evaluation system, as well as exploring post-training follow-up assessment mechanisms. The Company also strengthens quality evaluation of training institutions, programmes, and courses, with evaluation results serving as an important basis for training institutions to improve and enhance the quality of education.



03 Promoting Just Transition

The Company focuses on integrating employees' personal development with the enterprise's strategic transformation, aiming to mitigate the impact and disruption of the transformation process on individual employees. In the face of rapid development of technologies, the Company actively provides targeted training and skill redevelopment opportunities to help employees better adapt to new positions, effectively reducing unemployment risks caused by technological innovation. These measures not only lead to greater workforce stability, but also contribute to the mutual development of the enterprise and employees during the green and low-carbon transition.

Strengthening Training on Digital and Intelligent Transformation

CASE

In 2025, the Company organised artificial intelligence training camps by function and level to enhance employees' knowledge and skills in digital-intelligence transformation and artificial intelligence. The AI Innovation Workshop project trained over 500 technology backbone personnel through a "online knowledge course + offline practical workshop" model, and generated 45 intelligent application technology solutions, effectively promoting the development of strategically high-value AI application scenarios, and playing a positive role in empowering the transformation and upgrading of the petrochemical industry.



04 Talent Team Building

The Company has established a professional, differentiated, and tiered talent development channel system, continuously expanding career development paths, and highlighting the effectiveness of high-level experts with the implementation of expert position management. The Company also emphasises on-the-job training and full employee participation, actively promoting the "Strongest Operation Competition" campaign initiated by Zhenhai Refining & Chemical company-wide, hosting a series of national and company-level competitions, and organising teams to participate in relevant national-level vocational contests. There are 42 employees awarded the Sinopec Technical Expert title and 17 employees promoted to Senior Technician level.

The Company regards the development of the technical talent as a top priority, and has organised 19 pilot units to carry out pilot reforms in the system and mechanism for cultivating technology talent. The Company continues to promote talent exchange and interdisciplinary training, implementing the "Hundred Boats and Thousand Sails" youth talent practical training programme, striving to build a normalised mechanism for talent exchange and cultivation across business segments, subsidiaries and fields.

As of the end of 2025, among the Company's employees, there were 20 academicians, 14 national-level candidates for the National Hundred, Thousand and Ten Thousand Talents Project, 314 employees receiving special government allowances, 6 winners of the China Skills Award, and 105 National Technical Experts.

05 Joint Talent Cultivation

The Company has created a new model for university-enterprise joint talent cultivation with the establishment of the Sinopec Outstanding Engineer Training Centre. A total of 514 master's and doctoral engineering students have been jointly trained in collaboration with universities.



ACTIVELY FULFILLING SOCIAL RESPONSIBILITY



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7.1 Product Quality Management

Governance

Governance Structure and Personnel

The Company is committed to fully integrating product quality management into its strategic planning, corporate governance system, comprehensive risk management system, as well as its daily operation and management. The Company has established a "Board-Management-Implementation" three-level governance structure with well-defined responsibilities at each level.

Board Level1

Organisation	Strategy Committee	Audit Committee	Sustainability Committee
Members	Chairman, Executive Directors, Independent Directors	Non-Executive Directors, Independent Non-Executive Directors	Vice Chairman, Non-Executive Directors, Executive Directors, Independent Non-Executive Directors
Authorities, tasks and objectives	Responsible for reviewing development plans, policies, and systems related to product quality management, and providing the Board with suggestions accordingly.	Responsible for assessing the effectiveness of the Company's risk management and internal control systems.	Responsible for conducting research on policies, strategies, and action plans related to sustainability issues, including product quality management.
	Responsible for reviewing and supervising the implementation of product quality management related initiatives.		Responsible for supervising the commitment and performance of the Company on key issues such as product quality management, and providing suggestions to the Board.
	Responsible for identifying, assessing, and managing the risks and impacts related to product quality, and reviewing the list of major risks and annual evaluation reports.		Responsible for reviewing the Company's annual sustainability report and supervising product quality related information disclosure of the Company.

Management Level2

Members	Mainly consists of the president, senior vice presidents and other management, as well as heads of relevant functional departments.
Authorities, tasks and objectives	Review work plans related to product quality management, guide the formulation of relevant policies and ensure their implementation, and review and approve key decisions on matters related to product quality management. Approve the standard system, workflow, and annual work plan for product quality testing and monitoring. Supervise the implementation of relevant functional departments and subsidiaries, continuously promoting the Company's product quality and certification management.

Implementation Level3

Organisation	Department of Technology	Office of Comprehensive Risk Management	Business Units/ Professional Companies	Subsidiaries
Authorities, tasks and objectives	Supervise and coordinate the Company's quality management initiatives.	Incorporate product quality related risks into the comprehensive risk management system and internal management processes; organise and implement annual risk identification and assessment; compile quarterly report on major risk management and report to the Board. Supervise the management of product quality risks through annual risk control and internal control inspections, and corporate self-assessment.	Formulate and revise quality management measures and regulations.	Implement the Company's quality management policies, formulate specific quality management rules and work plans.
	Formulate and revise quality management guidelines, objectives and policies.		Set specific quality objectives, develop quality work plans and ensure implementation of the plans.	Establish and improve the quality management system, strengthen laboratory construction and management.
	Formulate annual quality management priorities.		Organise major quality improvement projects, promote the application of advanced quality management methods.	Organise and carry out quality education and training for all employees.
	Guide the establishment and certification, and supervise its implementation of the quality management system.		Supervise and inspect the product quality, engineering quality, service quality, and quality management system of subsidiaries.	Manage and supervise the quality of products and services.
	Organise investigations and handle particularly severe quality accidents.		Organise investigations and handling of major quality accidents.	Investigate and handle general and relatively significant quality accidents within the Company.

Professional Skills and Capabilities



Sinopec Corp. has appointed directors and senior management with expertise in quality management to provide professional support and guidance for the Company's quality management related initiatives. The Company has developed and continuously implements professional training programmes on quality management, inviting industry experts to lecture on the latest policies and regulations, development trends and best practices regarding quality management, updating the Board and the senior management on latest developments in relevant fields. All these efforts provide strong professional support for the Company's quality management efforts.

Reporting, Supervision and Evaluation



The Company has established an internal reporting and supervision mechanism for product quality management and incorporated it into the internal control system of the Company. Each year, the Board of Directors and the Sustainability Committee review reports on product quality related strategic planning, implementation results and goals and targets, as well as hear the management team's report on the progress of product quality management. To ensure efficient and well-coordinated quality management, the Company implements a quarterly quality management meeting mechanism where management listens to reports on last quarter's quality management of each business unit and professional companies, coordinates the resolution of quality issues, and prioritises key quality management task for the next phase.

The Company promotes quality management and improves overall quality performance by conducting product quality supervision sampling inspections. Each year, supervision sampling inspections are conducted on all petroleum and petrochemical products produced and sold by refining and sales enterprises, as well as on five major categories of materials purchased by oilfield enterprises. In addition, the Company conducts a comprehensive enterprise quality and measurement inspection. Following the principle of full coverage within three years and based on the requirements of the quality management system and measurement management standards, the Company supervises the status of enterprise quality and measurement management, identifies weak points in management, proposes improvement suggestions, and urges enterprises to make rectifications, thereby continuously enhancing the level of quality management.

According to the *Sinopec Quality Incident Management Regulations*, all subsidiaries shall report significant or above-level quality incidents to relevant business unit or professional companies, as well as the Technology Department within 24 hours. And after the nature of the incident is determined, they shall also submit a supplementary quality incident report form, conduct statistical analysis on the incident, and formulate rectification measures accordingly. Subsidiaries responsible for quality incidents will be held accountable, and their senior management team will have their performance evaluation points deducted or face demotion. The Company includes quality management and related indicators as binding assessment criteria, incorporating them into the annual performance evaluations of senior management and the management of subsidiaries, linking them to the annual performance bonuses. The Company organises the "Sinopec Quality Management Award" event every two years, granting rewards to units and individuals who have made outstanding achievements in product quality management.

The Company attaches great importance to product quality management, and has fully incorporated quality related impacts, risks and opportunities in formulating its overall development strategy and supervising the implementation of the strategy, making major transaction decisions, and managing risks. The Company closely follows government policy trends and makes timely adjustments to its development strategies and work plans. The Company has thoroughly studied state policies and laws such as the *Measures for the Implementation of Safety Production Licenses for Hazardous Chemical Production Enterprises*, evaluating their impacts, formulating response measures, and optimising internal management systems accordingly. The Company has formulated and issued a number of management systems, such as the *Sinopec Corp. Quality Management Measures* and the *Sinopec Corp. Quality Accident Management Regulations* and the *Sinopec Corp. Quality Supervision and Spot Check Management Measures for Petroleum and Petrochemical Products* and the *Procurement Materials of Oilfield Enterprises* and the *Sinopec Corp. Metrology Management Measures*.

Incorporating Product Quality Considerations into Management Decision-Making





Strategy

Risks			Response Measures
Compliance Risk	Regulators have strict standards and requirements for refined oil and chemical products regarding safety and quality. If its products do not meet relevant standards, the Company may face risks such as compensation, administrative fines, product recalls, which could lead to increased non-operating expenses and operating costs, and decreased revenue.	Time Frame of Impact* Short-term	Optimise the standardisation management of the Company, continuously improving the effectiveness of the quality management system.
		Degree of Impact Low	
Reputation Risks	Product safety or quality issues may cause a reputational crisis for the Company, affecting its brand image and consumer trust, leading to decreased revenue.	Time Frame of Impact* Short-term	Rigorously carry out product quality testing. Promptly forward complaints and potential reputational crises to relevant internal departments for handling to eliminate negative impacts.
		Degree of Impact High	
Opportunities			Response Measures
Market Opportunities	By providing high-quality products, the Company can establish a good brand image, enhance consumer and customer loyalty and satisfaction, which in turn helps to strengthen the market competitiveness.	Time Frame of Impact* Medium- term	Provide customers with satisfactory products and services, and standardise product quality information disclosure; implement product quality accountability; and carry out events such as the <i>Sinopec Quality Day</i> and the <i>National Quality Month</i> to enhance quality awareness.
		Degree of Impact Medium	
Technological Innovation	The Company increases investment in technological R&D, promoting the development of new technologies or new products, so as to open up new markets.	Time Frame of Impact* Medium- term	Standardise the management of technology research projects, strictly approve project initiation, increase annual technological R&D investment, accelerate the development of new technologies or new products, thereby opening up new markets.
		Degree of Impact Medium	

*Short-term: Within 1 year; Medium-term: 1-5 years; Long-term: More than 5 years.



216
RMB million

Annual expenditure
amount for product quality
management

The Company strictly complies with the *Product Quality Law of the People's Republic of China*, the *Metrology Law of the People's Republic of China*, and other relevant laws and regulations, and has formulated a series of quality, measurement, and standard management policies and systems, including the *Sinopec Quality Management Measures*, the *Sinopec Quality Accident Management Regulations*, the *Sinopec Quality Supervision and Spot Check Management Measures for Petroleum and Petrochemical Products*, and *Procurement Materials of Oilfield Enterprises*, the *Sinopec Standardisation Management Measures*, and the *Sinopec Metrology Management Measures*. The Company actively implements government policies such as the *Outline for Building a Quality Strong Nation* and the *Implementation Opinions on Excellent Quality Engineering in Manufacturing*, optimises its quality management system, accelerates quality management digitalisation, effectively intensifies the identification and prevention of quality risks, striving to achieve significant improvements in quality efficiency.

The Company continuously strengthens supervision and inspection to achieve comprehensive management of product quality and avoid problematic products from entering the market. Its subsidiaries carry out production control, testing, and evaluation of their products to ensure that the products or services meet established quality standards. The business units and professional companies set clear quality control requirements for their subsidiary companies and continuously enhance the quality management of products and services through strengthened process management, setting critical control points, and applying rigid quality inspection measures. The Department of Technology conducts on-site inspections of the quality management and metrology management of the subsidiaries, which are required to conduct thorough analysis as well as rectification of the identified issues accordingly.

The Company has formulated the *Sinopec Quality Management Measures*, *Sinopec Domestic Upstream Enterprises Quality Management Measures*, *Sinopec Refining Enterprises Quality Management Measures*, *Sinopec Chemical Enterprises Quality Management Measures*, and other policies regarding product quality control and the handling of quality related complaints. In response to customers' after-sales service needs or quality-related complaints, the Company communicates in a professional way, carries out internal and external investigations, and actively negotiates with customers to avoid or reduce customer losses, striving to ensure customers' understanding and satisfaction.



In 2025, the Company spent a total of RMB216 million on product quality inspection, measurement, and identification. This expenditure is expected to remain stable in 2026.

Management of Impacts, Risks and Opportunities

Sinopec Corp. has formulated the *Comprehensive Risk Management Measures*, which defines a series of risk management responsibilities and processes, including those related to product quality risks. The Company organises a comprehensive risk assessment each year, utilising questionnaires, targeted analyses, and major risk reports to assess and identify significant risks that may impact the achievement of development strategies and operational management objectives in the coming year. Product quality risks fall under operational risks. The risk assessment results for 2025 show that the quality risk management of Sinopec Corp. ranks among the top in the industry, with a relatively low risk priority.

The Company identifies and evaluates quality risks and opportunities annually. Quality risks mainly stem from factors such as insufficient effectiveness of the quality management system, inadequate control of the production process, weak employee awareness of quality, and unstable quality of purchased raw materials. If a quality incident occurs or a batch of nonconforming products is released, the Company may face not only potential economic losses but also a negative impact on its brand image. In response, the Company is committed to strengthening quality management in all stages of product manufacturing, placing emphasis on company-wide quality education and training to continuously enhance employees' quality awareness, ensuring effective management of product safety and quality risks.

Over the past decade, the quality of the Company's products and services has been generally maintained stable, with no occurrence of major or above quality incidents, or quality related events affecting the Sinopec brand image. Although product quality management is not a high priority issue in the annual risk assessment results, the Company remains committed to continuously strengthening quality management throughout all stages of product manufacturing. Our subsidiaries actively pursue quality management system certification, product certification, and service quality management system certification, strictly controlling quality checkpoints.

Metrics and Targets

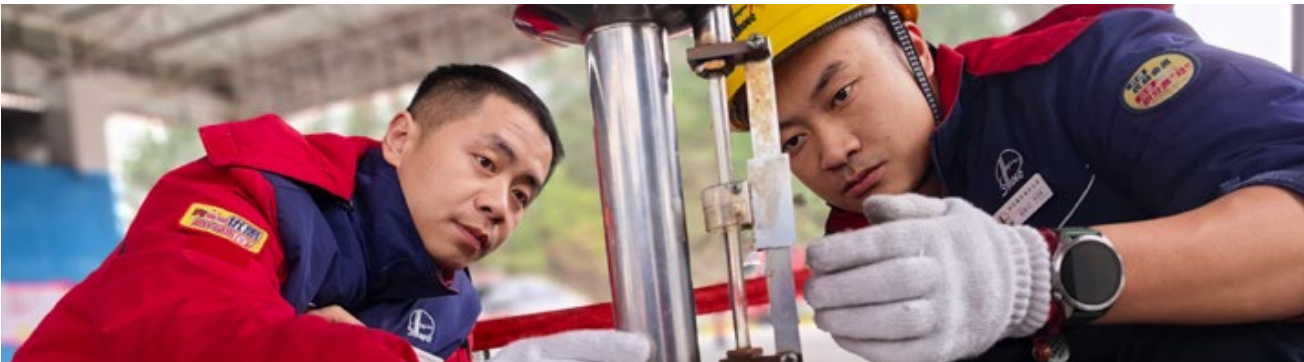
Sinopec Corp. adheres to the principle of "high quality, sufficient quantity, and customer satisfaction," and strives to continuously improve the effectiveness of the quality management system and significantly enhance the quality of products and services. The Company's quality risk control objective is to prevent major or above quality accidents and strive to achieve "zero quality accidents".



Indicators	2024	2025
Number of units passed the ISO 9001 Quality Management System certification	216	224

Indicators (Sales of Oil Products)	2024	2025
Customer satisfaction rate (%)	99.9	99.9
Number of customer complaints cases	24,851	17,643
Customer complaint resolution rate (%)	100	100
Percentage of products recalled for safety and health reasons (%)	0	0
Number of product recall incidents (cases)	0	0

Indicators (Sales of Chemicals)	2024	2025
Customer satisfaction rate (%)	97.4	97.6
Number of customer complaints cases	101	54
Customer complaint resolution rate (%)	100	100
Percentage of products recalled for safety and health reasons (%)	0	0
Number of product recall incidents (cases)	0	0



Continuous Enhancement of Quality Management

The Company continues to optimise its quality management system, actively carrying out quality management system certification, product certification, and service quality management system certification. Adhering to the "customer-centred" service concept, the Company is committed to providing customers with high-quality and convenient services, and continuously improving customer satisfaction. The Company strictly abides by the relevant laws and regulations such as the *Advertising Law of the People's Republic of China* and *Product Quality Law of the People's Republic of China*, ensuring truthful and complete product labelling, including certificates of conformity, manufacturer name and address, specifications, shelf life, etc., forbidding false or exaggerated marketing communications, and requiring all promotions and publicity campaigns to be conducted based on the principles of truthfulness, accuracy, and fairness. The Company also strives to continuously enhance its brand image through strengthening terminal image recognition, product packaging, and the management of promotional materials. The Company adopts a centralised national customer service centre operation model, operating a centralised national customer service centre, and continuously optimising customer service experience.

Quality Management Supervision

Conducted on-site inspections of the quality and metrology management of 36 subsidiaries; carried out quality supervision spot checks on products and procured materials, inspecting a total of 1,615 petroleum and petrochemical products and 430 procurement materials; and urged timely rectification of identified issues, strictly safeguard quality risk control.

Quality Culture

Organised the "Quality Day" and "Quality Month" events, including emergency drills for product quality incidents, quality case analyses, quality training and other quality-themed activities.

Organised 12 quality and metrology-related training sessions, with a total participation of 1,528 person-times from 193 subsidiaries.

7.2 Contributing to Philanthropy

Supporting Rural Revitalisation

01 Continuously Deepening "Industry + Consumption" Assistance

The Company focuses on industrial development consumption support and education support to provide continuous support for rural revitalisation and common prosperity, and is committed to sharing its development achievements with society with the continuous implementation of a variety of philanthropic programmes to enhance people's well-being.

In 2025, the Company revised the *Sinopec Corp. External Donations Management Measures* and the *Management Measures for the Implementation and Fund Use of Targeted Support and Designated Assistance Projects of Sinopec Corp.* to further standardise and optimise the donation workflow, promoting improved efficiency in the use of assistance and public welfare funds.

The Company integrates rural revitalisation with its development strategy, fully advancing targeted assistance efforts in production, sales, consumption, and education, to continuously expand the benefits of rural revitalisation initiatives. By continuously implementing its rural revitalisation programmes, the Company deepens the coordinated development of industrial support and livelihood improvement, expanding the synergy between corporate responsibility fulfilment and business development while serving local economic and social development needs. Leveraging measures such as empowering the agricultural industry and rolling out green projects, the Company effectively drives the implementation of advantageous businesses in rural areas, cultivating new drivers of growth.

Relying on EasyJoy convenience stores, the Sinopec Employee Group Purchase platform, and events such as the "Chinese New Year Goods Festival" and "Easy Enjoy Festival", the Company actively carries out sales activities to form a virtuous cycle of "production driving sales, and sales promoting production", achieving over RMB2.1 billion in annual consumption-based assistance for three consecutive years.

Industrial Development and Cooperation	Promoted collaborative wheat planting project, successfully trialled high-quality wheat varieties in Yingshang County, and helped increase wheat yields and farmers' income through measures such as the promotion of improved varieties, the modernisation of agricultural facilities, and agricultural technical training. Engaged in collaborative procurement and sales support of assistance products, adopting an inter-procurement arrangement for agricultural products from counties receiving assistance, such as coordinating subsidiaries in Hubei to purchase assistance products such as quinoa from Dongxiang and kiwifruit from Fenghuang, effectively boosting sales of agricultural products from poverty-alleviated areas. Hosted a Central Enterprise Consumption Assistance Synergy Campaign in Youyang, with more than 400 exhibitors offering over 1,000 specialty assistance products for exhibition and sale, realising orders worth RMB89.6989 million in total.
Strengthening Demonstration Projects	In Dongxiang County: Built a multifunctional base with support in operational management, which has hosted more than 50 training sessions and activities, covering over 6,000 participants.
Extending the Industrial Chain	In Dongxiang County: The "Li Zhi Xiang" quinoa brand was named a leading brand for rural revitalisation empowerment by the energy and power sectors in 2025, and the "Li Zhi Xiang" quinoa product has consecutively won the single-item sales championship for two sessions during the Central Enterprise Consumption Assistance and Agricultural Promotion Week event. In Dongxiang County: Established the Binaiya Rural Revitalisation Employment Plant, building a new production line for labour protection leather products, such as boots and workwear customised for various industries, with a total sales of over RMB16.8 million company-wide in 2025. In Yuexi County: Promoted the branding development of the "Yuexi Cui Lan" tea product, reaching a brand value RMB3.488 billion and a brand influence index ranking 22nd nationwide.
Fostering Integrated Development of Industries	In Fenghuang County, Luxi County and Youyang County: Consolidated agricultural, cultural, and tourism resources to create boutique cultural tourism routes and launch online promotional campaigns relying on the "Hemei Xiangtu" joint cultural tourism assistance platform of central enterprises.



02 A "Neighbourhood School" for the People

"Three-Dimensional" Assistance	Organise 8 Sinopec subsidiaries to pair up with and assist 9 assistance schools in Dongxiang County, establishing the "Education for Excellence" assistance concept, building a four-dimensional empowerment system for students, curriculum, teachers, and facilities. With comprehensive assistance from the Company, the teaching quality of various subjects at Dongxiang Sinopec Middle School has continued to improve, with its overall performance rising to the forefront in the prefecture. Implemented the "Safety + Rural Revitalisation" campus programme, developed 8 safety education modules based on local conditions, invited expert instructors to provide training for teachers and students, effectively improving the safety conditions in basic education. Continued implementing brand programmes such as Spring Bud Power Station, Academician Classroom, Glimmer Plan, Sinopec Rural Classroom for Retired Principals, and Sinopec School Buddy. Among them, the Spring Bud Power Station programme innovatively built a model of "facility construction + diversified services + social mobilisation" to provide comprehensive assistance for rural girls and their families.
"Paired" Training	Implemented the third batch of education assistance pairing programmes, pairing 82 directly affiliated subsidiaries with 72 schools, distributing scholarships and grants to close to 10 thousand students in need, and organising study tours for students. Introduced educational resources from top domestic schools to provide assisted schools with support in teaching research and demonstrations, fostering "sister school" relationships between prestigious schools and assisted schools to promote resource sharing. Established the Sinopec School Buddy caring partnership platform, fully leveraging the roles of on-campus volunteers and sister school assistance programmes, effectively establishing an education support framework with coordinated participation from families, schools, communities, and enterprises.

03 Exploring Win-win Models for Economy and Ecology

PBST Agricultural Film Project

Tea Plantation Photovoltaic Green Power Project

Advanced research on PBST agricultural film with an integrated "production-sales-research" joint task team. After the application of PBST agricultural film in Yuepuhu County, local corn yields increased by more than 20%.

Organise seminars on PBST technology and PBST agricultural film industry development, analysing technical and industry development bottlenecks, and implemented trials of customised PBST agricultural film application solutions in Yuepuhu County, Dongxiang County, and Yingshang County based on local conditions, achieving a win-win situation with high-quality rural revitalisation.

Installed photovoltaic panels across an 800-mu tea plantation, realising a "photovoltaic + tea plantation" integrated development model.

The generated electricity is supplied to Sinopec subsidiaries based in Anhui through green power trading, with an annual energy saving equivalent to approximately 9 thousand tons of standard coal, and an annual emissions reduction about 20 thousand tons of carbon dioxide equivalent.

Pays photovoltaic rack rental fee directly to tea farmers, allowing farmers to benefit from both land rental and labour wages. In addition, the project has also helped generate income for tea farmers through higher tea yield and greater revenue from rural tourism.

Indicators	2024	2025
Total investment in rural revitalisation (RMB10,000)	25,520	22,071
Number of beneficiaries of Sinopec rural revitalisation initiatives (persons)	615,200	626,000



Philanthropic Programmes

63.86
RMB million

Investment in supporting public welfare and charity initiatives in 2025

The Company supports the assisted counties in cultivating new green industries, helping to create a favourable situation of "higher ecological value, greater income for farmers, and business growth", thus creating mutual benefits both ecologically and economically.

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Sinopec Lifeline Express Programme

CASE

In 2025, the "Sinopec Brightness" Sinopec Lifeline Express travelled to Dezhou in Shandong, Xinzhou in Shanxi, and Cangzhou in Hebei, providing free cataract surgeries for 1,014, 1,025, and 1,050 patients respectively. On 22 December 2025, the Sinopec Lifeline Express 28th Anniversary and Lifeline Express Foundation 2025 Annual Summary Conference was held in Beijing, where the Company won the "Special Brightness Achievement Award" for the 20th consecutive year. As the first and only charitable medical express programme donated by a domestic enterprise, Sinopec Lifeline Express has visited 52 locations in 20 provinces over the past 21 years, providing free cataract surgeries for more than 62 thousand patients. The Company has also donated 28 Lifeline Express Ophthalmology Centres nationwide, helping to enhance local ophthalmology expertise.



Driver's Home and Caring Stations Programmes

CASE

The Company leverages its resources and turns its extensive service stations into windows for volunteer services, continuously implementing its hallmark the "Driver's Home" programme and the "Caring Stations" programmes, providing heartwarming services such as resting area, dining, hot water, shower, laundry, parking, and battery charging for mobile workers such as truck drivers, sanitation workers, and delivery personnel, striving to provide them with a "home on the road". As of the end of 2025, the Company has established and offers a nationwide service network of 4,338 "Driver's Homes" and 7,056 "Caring Stations".



"Warm Stations, Homebound with Love" Programme

CASE

For thirteen consecutive years, Sinopec Corp. has been launching the "Warm Stations, Homebound with Love" public welfare programme, with a total of over 88 thousand volunteers participating in providing free refuelling, rest and other services to more than 4.93 million homebound motorcyclists and 67.83 million homebound travellers during the Chinese New Year festival period cumulatively. During the 2025 festival travel period, the programme increased its service scope to 2,025 integrated energy stations across 31 provinces nationwide.



Indicators	2024	2025
Number of employee youth volunteer service teams	3,435	3,522
Number of employee youth volunteers	103,533	105,571

7.3 Sustainable Supply Chain

Sinopec Corp. attaches great importance to supply chain management, and strives to adhere to the concepts of sunshine procurement and green procurement and integrate ESG concepts and requirements into the management system of suppliers and contractors. The Company continuously optimises supply chain management, safeguarding supply chain security, aiming at building a transparent, healthy, and honest ecosystem with supply chain partners through open cooperation.

The Company has formulated 36 material supply management policies, covering key areas and critical links of procurement and supply management, including major procurement types such as group-level centralised procurement, subsidiary-level centralised procurement, tender procurement, non-tender procurement, and framework agreement procurement. The policy framework consists of the *Sinopec Corp. Material Supply Management Regulations* as the overarching system, supported by 19 procurement management policies such as the *Sinopec Group Procurement Management Measures*, 12 targeted management systems such as the *Sinopec Corp Material Procurement and Resource Supply Management Measures* and the *Sinopec Corp. Material Procurement Quality Management Measures* and 4 supervisory management policies such as the *Sinopec Corp. Ten Prohibitions on Material Procurement*.



Green Procurement	Formulated the <i>Sinopec Corp. Green Procurement Management Measure</i> and the <i>Sinopec Corp. Green Enterprise Evaluation Guidelines (2024 Edition)</i> to specify the concrete requirements for green procurement and continuously promoted green supply chain evaluation and assessment.
Safety Management	Formulated the <i>Sinopec Corp. Key Material Supply Safety Supervision Management Measures</i> to strengthen safety control throughout the entire process of key material supply, clarify the management of key safety facilities and the requirements for receiving hazardous chemicals, and prevent safety risks at the source.
Anti-corruption and compliance	Formulated the <i>Sinopec Corp. Ten Prohibitions on Material Procurement</i> , specifying ten prohibited behaviours, such as violating regulations to intervention, restricting competition, evading bidding, manipulating bid evaluation and accepting bribes.

01 Supplier Risk Management

The Company has established and continuously improves an ESG risk identification, assessment, monitoring, and response mechanism covering the entire supply chain, to systematically control supply chain ESG risks and ensure the resilience, safety, and sustainability of the supply chain. In 2025, the Company conducted a comprehensive risk assessment based on the major risk prevention and control situation of the previous year, as well as issues identified through internal audits and external inspections, identifying and evaluating supply chain risks in terms of likelihood and impact, and developing response strategies accordingly.

Key Supply Chain Risk Categories and Response Measures		
1	Material Quality Risk	Revised the series of quality management policies, and strengthened the construction and application of the procurement technical standards system, specifying quality requirements from the source of demand planning. Intensified supplier inspection, promoting full supply chain quality improvement with a problem-oriented approach.
2	Integrity Risks	Conducted in-depth rectification of prominent issues in the field of material procurement, and continuously promoted integrity and anti-corruption warning education. Comprehensively identified integrity risk points for various business positions, and formulated and implemented targeted prevention and control measures, strengthening supervision and restraint over the exercise of power.
3	Supply Chain Security Risks	Further optimised and coordinated the advancement of material and equipment R&D work plans to ensure the security of the material procurement supply chain, and included equipment required for new processes, core components of important equipment, and key materials in the material and equipment R&D work plan. For medium- and long-term projects, encourage subsidiaries to conduct independent research and development and extensively carry out joint ventures and cooperation.
4	Supplier Management Risk	Implemented centralised pre-qualification of suppliers, established and regularly updated the list of qualified suppliers for key material categories, and encouraged suppliers to further enhance their capability to guarantee material supply. Implemented management measures such as suspension of cooperation or restricted access for suppliers with legal, financial, integrity, quality, credit or other risks that may affect contract fulfilment, or those that have already committed violations.
5	HSE Risks	Carried out HSE risk awareness raising activities among employees and suppliers. Ensured the effective implementation of safety responsibilities, and enhanced the standardisation and normalisation of HSE management processes to strengthen the foundation of safety management. Strengthened emergency plans and drills to enhance the emergency response capabilities of front-line workers. Allocated greater weight to HSE assessment indicators to motivate subsidiaries to ensure stringent management of supply chain safety risks.

When selecting key suppliers, the Company conducts a comprehensive assessment of country-specific risks, industry-specific risks, and specific product risks to ensure ESG compliance and stability of the supply chain. In terms of country-specific risks, the compliance environment at the national level is analysed, such as the strictness of environmental protection regulations and mechanisms for safeguarding labour rights, taking into account the potential impact of economic fluctuations or social instability on the continuity of suppliers' operations. For industry-specific risks, the requirements of national laws and regulations for particular industries are evaluated, giving priority to suppliers who have obtained certifications such as green factories and green supply chains. Regarding specific product risks, the environmental and social impacts during product manufacturing are analysed, requiring suppliers to strengthen green management in production, packaging, transportation, and other processes to minimise environmental impact.

In 2025, the Company upgraded the Procurement Full-Process Management Supervision Platform, launching a total of 29 risk monitoring indicators covering 90 business risk points. It converted policy requirements such as the *Sinopec Corp. Ten Prohibitions on Material Procurement* into quantifiable, monitorable digital rules, building an online monitoring system featuring "pre-event risk warning, real-time control during the event, and post-event closed-loop rectification", realising real-time monitoring and automatic alerts for legal litigation, financial deterioration, dishonest conduct, quality incidents, as well as other supplier-related risks.

02 Green Procurement

The Company continues to advance the construction of a green procurement supply chain, formulating the *Sinopec Corp. Green Procurement Management Measure* and establishing a long-term mechanism for green procurement characterised by "greenness, low carbon, circulation and efficiency". Specific management requirements are proposed for aspects including green supply resource management, green procurement implementation, green logistics and environmentally friendly disposal of obsolete materials. Through supplier selection and on-site inspections, the Company strives to reduce the emissions and discharge of toxic and hazardous substances related to the supply chain and incorporates the concept of full life-cycle costs, including energy consumption, environmental benefits, maintenance, and decommissioning into procurement decisions.

Building Green Supply Resources	Established evaluation standards and certification systems for green products and green suppliers, incorporating requirements such as green product certification, and checking for records of administrative penalties regarding violations of energy conservation and environmental protection laws into supplier qualification reviews. Applied green evaluation results to material procurement decisions; promoted the adoption of green management system construction, clean production, treatment of the wastewater, waste gas and solid waste, green warehousing, packaging, and logistics, and other green evaluation indicators; and specified selection conditions and requirements in procurement plans, bid evaluation methods, and contract terms. Guided suppliers to incorporate the green and low-carbon concept throughout the entire process of product design, procurement, production, packaging, logistics, services, and disposal by establishing a green supplier incentive mechanism, which encourages suppliers to actively seek green certification and continuously improve their green management systems.
Implementing Green Material Procurement	Strictly prohibits the procurement of products listed in the government catalogue of "high pollution, high environmental risk" products, the guidance catalogue for eliminating outdated production processes, equipment, and products, as well as products with high energy consumption and high pollution that are restricted or discouraged for production, procurement, or use by the state. Strictly implements the procurement of special materials such as hazardous chemicals, radioactive materials, and civilian explosives in accordance with state safety and environmental protection requirements. Takes measures such as restricting, suspending or terminating procurement, depending on the severity of the situation, against suppliers with energy conservation and environmental protection issues.

The Company revised the *On-site Inspection Standards for Suppliers* to include green procurement and the construction of a green procurement management system as part of the evaluation content, and conducts on-site inspections of the certification status of green products produced by manufacturers at the national or industry level. The Company, using chemical engineering and materials as pilot fields, has gradually incorporated suppliers' product carbon footprint data in procurement activities such as bidding and inquiries, such as awarding extra points to bidders who hold third-party-issued carbon footprint evaluation reports for steel products, and ranking and scoring bidders based on the carbon emission values of their products.

The Company actively promotes the establishment of green evaluation standards, and collaborated with the *China Association for Standardization and jointly formulated the Evaluation Requirements for Green Procurement* group standards for five product categories, including chemical agents for drilling fluids, oilfield chemicals for oil extraction, refining additives, fuel oil additives, and plastic additives.

The Company has formulated and implemented the *Sinopec Corp. Material Procurement and Resource Supply Management Measures*, setting clear anti-corruption requirements in stages such as supplier qualification review, quantitative evaluation, risk control and breach of contract handling. The Company has established a regular monitoring mechanism regarding suppliers' anti-corruption behaviour and credit risks, entrusting third-party evaluation agencies to conduct background credit certification of suppliers, regularly updating the credit profile of suppliers and monitoring suppliers' business risks in real time. In 2025, one supplier was disqualified from trading for violating the *Business Integrity Commitment*, three suppliers were blacklisted and prohibited from conducting transactions with the Company for three years.

03 Sunshine Procurement

Supplier Management Procedures

1	Supplier Registration	At supplier registration, suppliers are required to sign the <i>Business Integrity Commitment</i> and the <i>Compliance Commitment Letter</i> , committing to refraining from any corruption and commercial bribery, tax violations, unfair competition, environmental pollution, data and personal privacy breach, dishonesty or other violations, and to complying with the anti-corruption regulations of both parties.
2	Supplier Qualification Assessment	Qualification Review: Suppliers are reviewed regarding their production and operation qualifications, HSE system certification, quality management system certification and safety incidents in the past two years, with a focus on environmental protection qualifications such as HSE management system certification, green product certification and low-carbon product certification. On-site Inspection: Carry out a comprehensive evaluation of suppliers from aspects such as HSE management, fulfilment of social responsibilities, production inspection capabilities, warehousing and transportation capabilities, R&D capabilities, quality assurance systems and after-sales service systems. Evaluate in particular the operation of suppliers' ISO 14000 and ISO 18000 management systems, establishment of production safety emergency management systems, as well as the key indicators such as clean production, treatment of wastewater, waste gas and solid waste and green warehousing, packaging and logistics. Based on procurement needs, conduct random re-checks on qualified suppliers; a re-examination of qualification is needed for suppliers suspended due to supply risks, suppliers suspended trading qualifications for two years and suppliers whose trading qualifications are restored after being blacklisted.
3	Supplier Evaluation	In accordance with ISO standards, established a quantitative supplier evaluation system, covering aspects such as corporate credit certification, product quality appraisal and market performance. Indicators such as green production, environmental protection, safety management and administrative compliance are included to encourage suppliers to intensify their efforts on developing green technologies and products.
4	Supplier Due Diligence	Entrust third-party evaluation agencies to conduct due diligence studies through on-site inspections and interviews on suppliers' legal entity credit, product quality, etc. In 2025, the Company conducted due diligence studies of 2,445 suppliers and a total of 12,764 suppliers have received due diligence surveys cumulatively.
5	Supplier Violation Disciplining	Suppliers with incidents such as failing to comply with commitments or violating integrity commitments or suppliers with compliance risks, will be disciplined with measures such as termination or temporary suspension of trading qualifications, which will be publicly disclosed. Their supplier accounts shall be frozen, closed or deleted accordingly.
6	Supplier Training	In 2025, a total of seven supplier training sessions were held, with 705 participants. The training covered management concepts and relevant management systems, placing higher requirements on suppliers in green procurement, safety management, compliance and risk prevention.

The Company has specified ESG minimum entry requirements in the supplier qualification review criteria. Suppliers that fail to meet the requirements will be directly rejected and will not be allowed to participate in the Company's material procurement or sign contracts. Meanwhile, the Company has strengthened compliance review in key stages such as procurement, and contract signing and fulfilment, implementing full-process control over actual procurement activities. At the procurement stage, supplier credit requirements are uniformly set in both tendering and non-tendering procurement qualification conditions, suppliers with dishonest conduct will trigger relevant early warnings. At the contract signing and fulfilment stages, a supplier risk warning model is set up to dynamically monitor the operations, creditworthiness, legal activities and associated risks. Cases are managed differently on risk levels with an integrated business and risk control approach. For serious cases, measures such as restricting contract signing and payment will be adopted to prevent potential conflicts between procurement activities and the Company's ESG requirements.

In 2025, the Company strengthened internal evaluations by tracking and assessing indicators such as the fulfilment rate of green procurement, the proportion of new energy transportation tools used, and the recycling rate of obsolete materials. Meanwhile, in addition to on-site inspections of suppliers, the Company further formulated audit standards for suppliers' quality management systems, and organised targeted training seminars for key personnel engaged in quality management, supplier management, and related professional procurement, to enhance their professional capabilities in quality management and supplier on-site inspections.

04 Supplier Communication

The Company strives to establish a dynamic and efficient communication mechanism with suppliers, working together through business cooperation, exchanges and discussions to create a transparent, healthy and trustworthy supply ecosystem.



Indicators	2024	2025
Number of suppliers	30,289	32,949
Of which: Number of suppliers from Mainland China	28,468	31,122
Number of oversea suppliers	1,821	1,827
Number of Tier-1 suppliers	13,245	12,898
Number of key Tier-1 suppliers	8,849	8,525
Percentage of total procurement amount from Tier 1 suppliers (%)	100	100
Percentage of suppliers passed QHSE management system certifications (%)	28.4	28.30
Number of suppliers passed the quality management system (ISO 9000) certification	11,922	12,517
Percentage of suppliers passed the quality management system (ISO 9000) certification (%)	39.4	37.99
Number of suppliers passed the environmental management system (ISO 14000) certification	10,647	11,576
Percentage of suppliers passed the environmental management system (ISO 14000) certification (%)	35.2	35.13
Number of suppliers passed the occupational health and safety management system (ISO 18000) certification	8,860	9,579
Percentage of suppliers passed the occupational health and safety management system (ISO 18000) certification (%)	29.3	29.07
Percentage of total procurement accounted for by the top five suppliers (%)	9.87	8.18
Percentage of procurement through tender (%)	83.0	70
Percentage of procurement by open tender (%)	98.8	99.2
Total number of suppliers assessed via on-desk assessments/on-site assessments	30,289	32,949
Percentage of significant suppliers assessed (%)	54.3	52.15
Number of suppliers assessed with substantial actual/potential negative impacts	1,997	2,209
Percentage of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan (%)	44.6	44.14
Number of suppliers with substantial actual/potential negative impacts that were terminated	203	143
Total number of suppliers the Company supported during the implementation of the corrective action plan	8,633	4,811
Percentage of suppliers assessed as having significant actual/potential negative impacts who received guidance and assistance from the Company in the implementation of corrective action plans (%)	3.81	6.82

Note: Suppliers refer to entities that provide materials, logistics and quality supervision and manufacturing services for Sinopec's production and construction activities.

7.4 Community Communications and Engagement

01 Community Relations Management Policies and Systems

Sinopec Corp. actively identifies, assesses, and mitigates the potential impacts of its operations on neighbouring communities during business operations, continuously optimises community communication mechanisms, respects local cultural backgrounds and customs, and strives to jointly contribute to the common development and prosperity of both the enterprise and the communities.

The Company strictly abides by relevant laws, regulations, and ethnic customs of where it operates, and has formulated and complies with community relations management policies and systems. Upholding the principle of "integrity and compliance, and cooperation and mutual benefit", the Company continues to optimise social responsibility standards and norms, focuses on listening to community concerns, and promotes positive interaction and coordinated development with local communities.

The Company proactively understands the needs and expectations of various stakeholders, and makes timely responses accordingly. The Company formulated social responsibility policies that align with the interests of both the Company and local communities, and maintains communication with local government agencies, communities and the public through community townhall meetings, face-to-face visits, phone and email exchanges, public open day events, dialogue working groups, and other channels, so as to fully understand local development needs and promote the establishment of cooperative relationships based on mutual trust and support.

Sinopec's overseas subsidiaries attach great importance to actively communicating with indigenous peoples, identifying and mitigating the impacts of their operations on indigenous communities, respecting local cultures and customs, strictly adhering to the FPIC (Free, Prior, and Informed Consent) principles, committing to protect cultural heritage from operational activities, and taking effective measures to reduce impacts on the normal lives of indigenous peoples. The Company actively engages with community representatives through activities such as community hearings, to work together to jointly identify environmental and social risks, discuss protection objectives and mitigation measures, and formulate corresponding community protection policies and action plans. In addition, the Company has also established a complaint mechanism for local communities and the public, assigning dedicated agencies to address received complaints.

02 Community Impact Assessment and Management

Sinopec Corp. has established a robust pre-production social impact assessment procedure, covering the processes of project proposal development, construction plan formulation, and environmental protection acceptance. Our overseas subsidiaries have established a community affairs consultation mechanism, which requires public hearings and consultations before any major designs, plans, and environmental permits are approved, so as to ensure that the environmental impact of their construction and production activities complies with both applicable environmental regulations and the expectations of local communities, and there is appropriate participation of local communities in project management. In addition, the Company has established a standardised project implementation monitoring process and strictly conducts social and environmental impact due diligence studies to fully protect community rights.



03 Community Communication

Continuously Deepening the Public Open Day Event

CASE

Sinopec Corp. has established an institutionalised community grievance and communication mechanism with a dedicated community relations team to take overall responsibility for related matters and to establish fixed liaison channels with local communities. For major matters, the Company proactively engages and invites local community representatives to participate, enhancing the effectiveness of communication.

The Company has also built a diversified "online + offline" communication and grievance channel network. Online channels include dedicated grievance emails and hotlines, while offline channels rely on on-site offices, community hearings, regular communication meetings, and Public Open Day events to enable face-to-face interaction with stakeholders. The dedicated grievance team is responsible for accepting and registering grievance complaints, as well as conducting preliminary assessments. Complaints received are assigned to the relevant business departments according to their nature, with the handling progress regularly briefed to their submitters to ensure full transparency and traceability.

Since 2013, the Company has organised the "Opening the Door to Run Enterprises" event, which was upgraded in 2016 to the "Sinopec Public Open Day" brand activity. As of the end of 2025, the event had become the largest of its kind among Chinese industrial enterprises and the first branded public open day event by a central enterprise. By combining both online and offline activities, the Company had held more than 5,000 events cumulatively, invited over 0.27 million people for on-site visits, and attracted more than 200 million virtual visitors, building a bridge for communication between the Company and society while fully showcasing the solid foundation of our green development. In 2025, our Public Open Day keynote event went abroad for the first time and was successfully held at Middle East R&D Centre in Dammam, Saudi Arabia. Meanwhile, over 100 domestic subsidiaries opened their doors to the public in more than 100 cities nationwide, with nearly 10 thousand people visiting our facilities, while our overseas subsidiaries also launched similar events in Rio de Janeiro in Brazil, Atyrau in Kazakhstan, Colombo in Sri Lanka, and Algiers in Algeria.



Mansarovar in Colombia Establishes Grievance Procedure

CASE

Mansarovar in Colombia has established a formal Petition, Complaint, and Claim (PQR) management procedure for stakeholders including local communities, suppliers and employees, to ensure timely, transparent, and effective handling of issues raised by stakeholders.

Reception and Entry: Receive petitions, complaints or claims through various online and offline channels, and enter the received information into the PQR system.
Registration and Allocation: After information is registered, it is assigned to the responsible department for handling.
Investigation and Handling: Analyse the cause, determine the action plan, implement the solution measures, and provide feedback to relevant parties.
Case Closure and Optimisation: Formally close and archive the case, review, and continuously optimise the system.

The progress of tracking and handling PQR information can be queried in the PQR system. During the handling process, the system generates periodic reminders and follow-up emails to ensure that relevant personnel monitor the response time and provide timely feedback to the complainant.

Regarding community communication, Sinopec overseas subsidiaries attach great importance to the compliance with behaviour norms of security personnel in respecting human rights, fostering awareness among security contractors to respect human rights through both contractual constraints and training programmes. In addition, the Company has established a grievance mechanism for local communities and the public. Upon receiving a complaint, the Company will arrange a dedicated unit to conduct follow-up investigations and promptly resolve the issue. For more measures on human rights risk management in relation to security, please refer to the "Public Security" section of this report.

04 Community Engagement

The Company actively promotes community contribution and public welfare activities in key areas such as educational support, environmental protection, employee participation, healthy living, and cultural exchange, fulfilling corporate social responsibility and supporting the sustainable development of the communities where it operates. The Company strictly complies with the laws and regulations, as well as industry regulatory requirements of the countries where it operates, and gives priority to local suppliers to maximise the localised value creation of the supply chain. Taking the CIR as an example, the subsidiaries of the CIR attach great importance to localised procurement, and continuously develop local manufacturers by systematically sorting out major material and technological needs, and carrying out dedicated research and testing of local products and technologies. In addition, they also actively strengthen communication and cooperation with local enterprises, chambers of commerce, and industry associations to tap potential local suppliers, facilitating with the orderly integration of local enterprises into the Company's supply chain system.

In terms of local supplier admission and management, the Company implements a multi-dimensional and rigorous screening mechanism, explicitly requiring suppliers to comply with local laws and regulations, and comprehensively assessing their performance capability in terms of finance, technical capacity, HSE standards, and respect for human rights, thereby promoting the healthy development of localised supply chains.

Percentage of Localised Procurement		
CIR in Kazakhstan	Mansarovar in Colombia	Angola Program
72%	99%	100%

In overseas production and operations, the Company regards the employment of local staff and fosters local talent development as a core strategy. All local employees are lawfully employed through proper channels with formal labour contracts. And the Company strictly adheres to local labour laws regarding remuneration, insurance contributions, leave arrangements, and other aspects. To empower employee growth, the Company has also developed a systematic training system , covering pre-job training, on-the-job training, and training in China, effectively building a stable talent pipeline, reducing operating costs and cultural barriers, and enhancing community recognition and operational sustainability. For example, each subsidiary of CIR in Kazakhstan prioritises hiring unemployed individuals from local communities, and allocates a specific budget annually to support the skill training for low-skilled community members. In 2025, the workforce localisation ratio for the Company's overseas projects was 98%, and the percentage of female workers was 29%.

On 30 September 2025, our Angolan Program, in cooperation with the Chinese Embassy in Angola, visited the ASCA Girls' Orphanage located in Luanda. The ASCA Girls' Orphanage is a social welfare institution. For more than 30 years, the orphanage has been providing shelter, education, and skills training to disadvantaged girls. During the visit, the Company donated computers, sewing machines, school supplies, personal hygiene products, and other daily necessities, to help teachers and students improve educational and living conditions.

CIR in Kazakhstan cooperates with local governments and vocational schools to regularly offer targeted skills training courses for unemployed community members. The training content covers essential skills required for jobs such as basic safety regulations, equipment operation, and maintenance. Upon completion, participants who pass the assessment are given priority for recruitment, effectively boosting local employment and talent reserves.

Sinopec Corp. actively and continuously advocates for stronger regulations in the energy and chemical sectors regarding energy and water conservation, energy efficiency management, and low-carbon recycling. In 2025, the Company participated in the formulation of a number of national standards, such as the *Norm of Water Intake for Industry in the Yellow River Basin – Section: Petroleum Refining and Energy Consumption Test and Calculation Method for Oilfield Production Systems*, as well as industry standards such as the *Energy Conservation Evaluation of Fixed Asset Investment Projects in Oil and Gas Fields*. Meanwhile, the Company supports the development of domestic and international industry organisations and professional institutions through participation in cooperations and exchanges, jointly promoting the formulation of industry standards and sustainability standards, and driving breakthroughs in cutting-edge technologies.

Supporting the ASCA Girls' Orphanage

CASE

Providing Training for Unemployed Individuals

CASE

7.5 Supporting Industry Development

KEY PERFORMANCE

Environmental Performance

GHGs Emissions And Management			
Indicators	2023	2024	2025
GHGs emissions (million tonnes CO ₂ -equivalent) ^{Note①}	168.64	167.95	167.25
Of which: Direct GHGs emissions	142.28	139.09	139.30
Indirect GHGs emissions ^{Note②}	26.36	28.86	27.95
Of which: Exploration and production segment	20.33	21.43	19.91
Refining and chemicals segment	146.70	145.02	145.78
Marketing and distribution segment	1.61	1.50	1.56
GHGs emissions intensity (tCO ₂ e/RMB1 million) ^{Note③}	52.50	54.63	60.08
CO ₂ capture (ten thousand tonnes)	174.9	210	205
Methane recovery (million cubic metres)	874	956	1,164
Methane emissions (million cubic metres)	250.21	239.48	167.72
Of which: Exploration and production segment ^{Note④}	216.55	208.57	133.53
Refining and chemicals segment	14.78	15.80	18.55
Marketing and distribution segment	18.88	15.11	15.64
Note①: The Company conducts statistical accounting of greenhouse gases in accordance with the <i>Specification with Guidance at the Organisation Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals (ISO 14064-1:2018)</i> and <i>Requirements of Carbon Emissions Accounting and Reporting Part-16: Oil and Gas Production Enterprise (GB/T 32151.16-2023)</i>, including direct and indirect greenhouse gas emissions. Currently, the greenhouse gases emitted by the Company only include CO₂, CH₄, N₂O, HFCs, and SF₆. Note②: The Company's Scope 2 greenhouse gas emissions are "location-based" emissions. Note③: GHGs emissions intensity (tCO₂e/RMB1 million) = GHGs emissions/operating revenue (in RMB1 million) Note④: Oil and gas field enterprises continue to conduct on-site measurement of methane emission factors. When calculating methane emissions in 2025, measured emission factors were applied for gas gathering stations, booster stations, and natural gas processing facilities.			

Energy and Resources			
Indicators	2023	2024	2025
Consumption of crude oil (million tonnes)	1.07	1.08	1.04
Consumption of crude oil (tonnes of standard coal)	—	1,542,888	1,485,744
Percentage of crude oil consumption (%)	—	2.45	2.32
Consumption of natural gas (billion cubic metres)	4.70	4.85	5.02
Consumption of natural gas (tonnes of standard coal)	—	6,318,000	6,526,000
Percentage of natural gas consumption (%)	—	10.03	10.21
Consumption of purchased electricity (billion kWh)	36.53	38.18	39.61
Consumption of purchased electricity (tonnes of standard coal)	—	4,692,322	4,868,069
Percentage of purchased electricity consumption (%)	—	7.45	7.61
Consumption of raw coal (million tonnes) ^{Note①}	—	24.55	24.12
Consumption of raw coal (tonnes of standard coal)	—	17,536,065	17,228,916
Percentage of raw coal consumption (%)	—	27.85	26.95
Total energy savings (ten thousand tonnes of standard coal)	86	79	55
Energy consumption per energy factor unit for refinery (kg of standard oil/(tonne·energy factor))	—	7.54	7.46
Note①: The Company has adjusted the statistical scope of coal consumption and comprehensive energy consumption per RMB10,000 output value by deducting the item "energy used for raw materials", and updated the 2024 data accordingly under this scope. Industrial output value is calculated at constant 2020 prices in RMB10,000.			

Energy and Resources			
Indicators	2023	2024	2025
Total energy consumption (tonnes of standard coal)	—	62,967,927	63,930,771
Comprehensive energy consumption per RMB10,000 output value ^{Note①} (tonnes of standard coal per RMB10,000)	—	0.453	0.454
Industrial freshwater withdrawal (million cubic metres)	622.8	616.6	605.4
Industrial freshwater withdrawal intensity (cubic metres/RMB1 million) ^{Note③}	193.88	200.55	217.49
Total water savings (million cubic metres)	6.3	6.2	11.2
Note②: Direct energy sources mainly include crude oil, natural gas and raw coal, while indirect energy sources mainly consist of purchased electricity. Note③: Industrial freshwater withdrawal intensity (cubic metres/RMB1 million) = Freshwater withdrawal for industrial use/ revenue (in RMB1 million)			

Emissions, Effluents, and Waste ^{Note①}			
Indicators	2023	2024	2025
COD (tonnes)	4,550	4,432	4,450
Ammonia nitrogen (tonnes)	71	69	68
Approved annual COD (tonnes)	—	19,106	18,098
Approved annual ammonia nitrogen (tonnes)	—	1,966	1,755
Sulphur dioxide (tonnes)	4,661	4,652	4,481
Nitrogen oxides (tonnes)	19,984	18,482	18,484
VOCs (tonnes)	49,714	47,698	46,532
Approved annual sulphur dioxide (tonnes)	—	46,258	37,208
Approved annual nitrogen oxides (tonnes)	—	82,025	68,764
Approved annual VOCs (tonnes)	—	78,251	74,081
Solid waste (thousand tonnes) ^{Note②}	1,796.4	1,609.3	781.8
Solid waste intensity (kg/RMB10,000) ^{Note③}	12.19	11.09	5.27
Solid waste recycled/reused (thousand tonnes)	13,967.3	12,343.4	12,418.4
Solid waste disposed (thousand tonnes)	1,912.2	1,629.8	1,090.2
Waste disposed of by other units, such as qualified third-parties (thousand tonnes)	1,796.4	1,609.3	781.8
Hazardous waste (thousand tonnes) ^{Note④}	464.8	431.9	390.0
Hazardous waste intensity (kg/RMB10,000) ^{Note⑤}	3.59	3.42	2.61
Hazardous waste recycled/reused (thousand tonnes)	1,009	1,077	1,122
Hazardous waste disposed (thousand tonnes)	675.0	659.5	541.5
Hazardous waste disposed of by other units, such as qualified third-parties (thousand tonnes)	464.8	431.9	390.0

Note①: This report discloses the emissions of oilfield, refinery, and professional subsidiaries included in the Company's list of key pollution discharge permit management units, with data calculated based on self-monitoring data. The ultimate emissions data are subject to data published by local environmental authorities.

Note②: The total amount of general industrial solid waste entrusted by the Company to qualified third-parties for disposal.

Note③: Solid waste intensity (kg/RMB10,000) = Total amount of waste/total industrial output value (at constant 2020 prices, calculated in RMB10,000)

Note④: The total amount of hazardous waste entrusted by the Company to qualified third-parties for disposal.

Note⑤: Hazardous waste intensity (kg/RMB10,000) = Total amount of hazardous waste/total industrial output value (at constant 2020 prices, calculated in RMB10,000)

Social Performance

Employment			
Indicators	2023	2024	2025
Total number of employees	368,009	355,952	351,104
Of which: Employees aged 30 years and below	48,819	52,335	55,624
Employees aged between 31 and 50 years	209,558	192,251	182,434
Employees aged 51 years and over	109,632	111,366	113,046
Of which: Male employees	254,938	249,543	246,445
Female employees	113,071	106,409	104,659
Of which: With a Master's degree or above	31,199	33,888	36,953
With a university degree or below	336,810	322,064	314,151
Of which: Domestic employees	367,797	355,760	350,548
Of which: Full-time employees	345,025	334,655	332,909
Percentage of female employees (%)	30.73	29.89	29.81
Percentage of female employees in management (%)	13.63	14.16	14.38
Percentage of female employees in all management positions (%)	—	14.16	14.38
Percentage of female employees in junior-level management positions (%)	—	16.10	16.35
Percentage of female employees in senior management positions (%)	—	7.27	7.93
Percentage of female employees in management positions in revenue-generating functions (%)	—	13.15	13.77
Percentage of female employees in technological staff (%)	36.46	36.25	35.98
Percentage of female employees in operational staff (%)	30.64	29.08	29.12
Percentage of ethnic minority employees (%)	4.36	4.53	4.68
Number of employees newly hired during reporting period	28,941	21,995	25,558
Of which: Male employees	15,069	12,873	13,475
Female employees	13,872	9,122	12,083
Of which: Employees aged 30 years and below	15,740	14,426	13,575
Employees aged between 31 and 50 years	12,788	7,382	11,529
Employees aged 51 years and over	413	187	454
Number of employee turnover during reporting period	18,425	17,633	14,161
Turnover rate (%)	0.50	0.55	0.38
Of which: Turnover rate of male employees (%)	0.45	0.55	0.34
Turnover rate of female employees (%)	0.62	0.54	0.48
Of which: Turnover rate of employees aged 30 years and below (%)	1.73	2.43	1.29
Turnover rate of employees aged between 31 and 50 years (%)	0.39	0.30	0.30
Turnover rate of employees aged 51 years and over (%)	0.17	0.18	0.09
Of which: Turnover rate of senior management (%)	0.25	0.00	0.00
Turnover rate of medium-level management (%)	0.22	0.15	0.12
Turnover rate of grassroots employees (%)	0.54	0.56	0.39
Of which: Turnover rate of domestic employees (%)	0.50	0.55	0.38

Employment			
Indicators	2023	2024	2025
Collective contract coverage (%)	100	100	100
Social insurance coverage (%)	100	100	100
Enterprise annuity coverage (%)	87	88	89
Percentage of employees with labour union membership (%)	100	100	100

Training			
Indicators	2023	2024	2025
Vocational training participation (person-times)	1,979,853	1,520,552	1,547,596
Of which: Training participation of male employees	1,390,561	1,066,968	1,079,386
Training participation of female employees	589,292	453,584	468,210
Of which: Training participation of senior management	2,610	1,338	1,534
Training participation of mid-level management	28,757	29,675	30,428
Training participation of grassroots employees	1,111,807	1,113,936	1,129,355
Online training participation (person-times)	5,895,570	6,010,535	7,210,431
Total amount of online training (hours)	50,855,000	57,088,000	58,133,000
Vocational training coverage (%)	99.4	99.5	99.6
Of which: Vocational training coverage of senior management (%)	100	100	100
Vocational training coverage of mid-level management (%)	100	100	100
Vocational training coverage of grassroots employees (%)	99.3	99.4	99.5
Of which: Vocational training coverage of male employees (%)	99.4	99.5	99.6
Vocational training coverage of female employees (%)	99.4	99.5	99.6
Total amount of vocational training (hours)	20,675,680	23,719,149	23,887,842
Average training hours of employees (hours)	56.18	66.63	68.04
Of which: Average training hours of male employees (hours)	57.15	67.58	68.95
Average training hours of female employees (hours)	54.06	65.12	66.57
Of which: Average training hours of senior management (hours)	70.52	71.26	72.13
Average training hours of mid-level management (hours)	60.23	61.57	63.96
Average training hours of grassroots employees (hours)	55.78	57.63	60.32
Of which: Training participation rate of male employees (%)	43.67	44.58	45.63
Training participation rate of female employees (%)	43.35	44.29	45.32
Of which: Training participation rate of senior management (%)	98.53	99.12	99.37
Training participation rate of mid-level management (%)	97.61	98.56	98.91
Training participation rate of grassroots employees (%)	92.35	93.37	93.58
Amount of expenditure on employee training (RMB10,000)	126,405	112,429	109,864

Workplace Health and Safety			
Indicators	2023	2024	2025
Number of accidents reported	1	0	3
Number of deaths due to production safety accidents	1	0	3
Total recorded accident (incident) rate of employees (per 200,000 working-hours)	0.05052	0.0426	0.0453
Fatal accident rate of employees (per 200,000 working-hours)	0.00023	0	0.00071
Lost workdays due to work-related injuries (days)	5,586	5,992	5,253
Total recorded accident (incident) rate of contractors (per 200,000 working-hours)	—	—	0.0069
Fatal accident rate of contractors (per 200,000 working-hours)	—	—	0.0011
Number of production safety emergency drills (10,000 times)	59	59	59
Participation of production safety emergency drills (10,000 person-times)	333	331	331
Employee occupational health examination coverage (%)	99.9	99.9	99.9
Coverage rate of health examinations and health records (%)	99.9	99.9	99.9
Number of newly diagnosed cases of occupational diseases	4	2	0
Employee work-related injury insurance expenses (RMB10,000)	48,188.5	58,251.5	58,265.4
Employee safety production liability insurance expenses (RMB10,000)	6,957	7,920	7,233
Coverage rate of employee work-related injury insurance (%)	100	100	100
Coverage rate of employee safety production liability insurance (%)	100	100	100

Supply Chain			
Indicators	2023	2024	2025
Number of suppliers	26,186	30,289	32,949
Of which: Number of suppliers from Mainland China	24,446	28,468	31,122
Number of oversea suppliers	1,740	1,821	1,827
Number of Tier-1 suppliers	—	13,245	12,898
Number of key Tier-1 suppliers	—	8,849	8,525
Percentage of total procurement amount from Tier 1 suppliers (%)	—	100	100
Percentage of suppliers passed QHSE management system certifications (%)	30.5	28.4	28.30
Number of suppliers passed the quality management system (ISO 9000) certification	10,815	11,922	12,517
Percentage of suppliers passed the quality management system (ISO 9000) certification (%)	41.3	39.4	37.99
Number of suppliers passed the environmental management system (ISO 14000) certification	9,208	10,647	11,576
Percentage of suppliers passed the environmental management system (ISO 14000) certification (%)	35.2	35.2	35.13
Number of suppliers passed the occupational health and safety management system (ISO 18000) certification	7,869	8,860	9,579
Percentage of suppliers passed the occupational health and safety management system (ISO 18000) certification (%)	30.0	29.3	29.07
Percentage of total procurement accounted for by the top five suppliers (%)	5.6	9.87	8.18
Percentage of procurement through tender (%)	86.7	83.0	70
Percentage of procurement by open tender (%)	97.0	98.8	99.2
Total number of suppliers assessed via on-desk assessments/on-site assessments	26,186	30,289	32,949
Percentage of significant suppliers assessed (%)	72.8	54.3	52.15
Number of suppliers assessed with substantial actual/potential negative impacts	1,794	1,997	2,209
Percentage of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan (%)	31.0	44.6	44.14
Number of suppliers with substantial actual/potential negative impacts that were terminated	220	203	143
Total number of suppliers the Company supported during the implementation of the corrective action plan	—	8,633	4,811
Percentage of suppliers assessed as having significant actual/potential negative impacts who received guidance and assistance from the Company in the implementation of corrective action plans (%)	—	3.81	6.82

Note: Suppliers refer to entities that provide materials, logistics and quality supervision and manufacturing services for Sinopec's production and construction activities.

INDEPENDENT ASSURANCE
REPORT

English Translation for Reference Only

Independent Practitioner's Limited Assurance Report

毕马威华振通字第 2600086 号

To the Board of Directors of China Petroleum and Chemical Corporation:

Report on selected information in China Petroleum and Chemical Corporation's Sustainability Report as of 31 December 2025 and for the year ended 31 December 2025

Conclusion

We have performed a limited assurance engagement on the following information in the Sustainability Report of China Petroleum and Chemical Corporation (the "Company") as of 31 December 2025 and for the year ended 31 December 2025 (hereafter referred to as "the assured sustainability information"):

The assured sustainability information	Point in time or period subject to assurance
GHGs emission (million tonnes CO ₂ -equivalent)	For the year ended 31 December 2025
GHGs emissions intensity (tonnes CO ₂ -equivalent/RMB million)	For the year ended 31 December 2025
Direct GHGs emission (million tonnes CO ₂ -equivalent)	For the year ended 31 December 2025
Indirect GHGs emission (million tonnes CO ₂ -equivalent)	For the year ended 31 December 2025
CO ₂ capture (ten thousand tonnes)	For the year ended 31 December 2025
Consumption of purchased electricity (billion kWh)	For the year ended 31 December 2025
Chemical Oxygen Demand (COD) (tonnes)	For the year ended 31 December 2025

Independent Practitioner's Limited Assurance Report (Continued)

毕马威华振通字第 2600086 号

Conclusion (Continued)

The assured sustainability information	Point in time or period subject to assurance
Ammonia and nitrogen (tonnes)	For the year ended 31 December 2025
Nitrogen oxides (tonnes)	For the year ended 31 December 2025
Sulphur dioxide (tonnes)	For the year ended 31 December 2025
Hazardous waste (thousand tonnes)	For the year ended 31 December 2025
Number of accidents reported	For the year ended 31 December 2025
Number of deaths due to production safety accidents	For the year ended 31 December 2025
Total recorded accident (incident) rate (per 200,000 working-hours)	For the year ended 31 December 2025
Fatal accident rate (per 200,000 working-hours)	For the year ended 31 December 2025
Total number of employees	As of 31 December 2025
Employees with Master's degree or above	As of 31 December 2025
Employees with university degree or below	As of 31 December 2025
Employee turnover rate (%)	For the year ended 31 December 2025
Turnover rate of male employees (%)	For the year ended 31 December 2025
Turnover rate of female employees (%)	For the year ended 31 December 2025
Percentage of female employees (%)	As of 31 December 2025
Percentage of female employees in management (%)	As of 31 December 2025
Percentage of ethnic minority employees (%)	As of 31 December 2025
Number of patients cured by "Sinopec Lifeline Express Programme"	As of 31 December 2025
Number of patent applications filed in the year	For the year ended 31 December 2025
Number of patent applications granted in the year	For the year ended 31 December 2025
Employee occupational health examination coverage (%)	For the year ended 31 December 2025
Number of units passed the ISO 9001 Quality Management System certification	As of 31 December 2025

Independent Practitioner's Limited Assurance Report (Continued)

毕马威华振通字第 2600086 号

Conclusion (Continued)

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the assured sustainability information of the Company as of 31 December 2025 and for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the criteria set out in the appendix to this report.

Our conclusion on the assured sustainability information does not extend to any other information that accompanies or contains the assured sustainability information and our report (hereafter referred to as "other information"). We have not performed any procedures as part of this engagement with respect to the other information.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Restriction on use / Intended use or purpose

This report is made solely to the Board of the Company, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our conclusion is not modified in respect of this matter.

Independent Practitioner's Limited Assurance Report (Continued)

毕马威华振通字第 2600086 号

Responsibilities of the Board of Directors for the assured sustainability information

The Board of the Company are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the assured sustainability information such that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the assured sustainability information and appropriately referring to or describing the criteria used; and
- preparing the assured sustainability information in accordance with the criteria set out in the appendix to this report.

Inherent limitations in preparing the assured sustainability information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the assured sustainability information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Board of the Company.

Independent Practitioner's Limited Assurance Report (Continued)

毕马威华振通字第 2600086 号

Our responsibilities (Continued)

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the assured sustainability information that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the assured sustainability information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. Within the scope of our work, we only performed procedures on the Head Office of the Company, Sinopec Beijing Oil Products Company and Sinopec Zhenhai Refining & Chemical Branch. In carrying out our engagement, the procedures we performed primarily consisted of:

- Assessing the risk of material misstatement of the assured sustainability information in the Sustainability Report, whether due to fraud or error;
- Conducting interviews with relevant staff at the Company who are responsible for providing the assured sustainability information;
- Performing analytical review procedures on the assured sustainability information;
- Inspecting the assured sustainability information on a sample base;
- Recalculating of the assured sustainability information;
- Reading the information presented in the Sustainability Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of the Company; and
- Perform other procedures deemed necessary.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

KPMG Huazhen LLP

Beijing, China

20 March 2026

Appendix: Compilation and Reporting Basis of the assured sustainability information

GHGs emission (million tonnes CO₂-equivalent):

GHGs emission disclosed herein refers to the sum of direct GHGs emission and indirect GHGs emission produced by the operation subsidiaries of China Petroleum & Chemical Corporation.

GHGs emissions intensity (tonnes CO₂-equivalent/RMB million):

GHGs emissions intensity disclosed herein refers to Greenhouse gas emissions / revenue (RMB million).

Direct GHGs emission (million tonnes CO₂-equivalent):

Direct GHGs emission disclosed herein refers to direct GHGs emission from fixed emission source, mobile emission source, process emission source and escape emission source produced by the production operation subsidiaries of China Petroleum & Chemical Corporation.

Indirect GHGs emission (million tonnes CO₂-equivalent):

Indirect GHGs emission herein refers to indirect greenhouse gas emissions resulting from the consumption of purchased electricity, purchased heat (steam), etc by the operation subsidiaries of China Petroleum & Chemical Corporation.

CO₂ capture (ten thousand tonnes):

CO₂ capture herein refers to the total amount of carbon dioxide captured by refinery enterprises of China Petroleum & Chemical Corporation in carbon dioxide recovery work.

Consumption of purchased electricity (billion kWh):

Consumption of purchased electricity herein refers to the difference between total consumption of electricity of industrial subsidiaries of China Petroleum & Chemical Corporation and their self-generated electricity.

Chemical Oxygen Demand (COD) (tonnes):

Chemical Oxygen Demand (COD) herein refers to the COD of discharged wastewater of the companies included in the key management of emission permits as counted in the environmental protection information system of China Petroleum & Chemical Corporation.

Ammonia and nitrogen (tonnes):

Ammonia and nitrogen herein refers to the Ammonia and nitrogen of discharged wastewater of the companies included in the key management of emission permits as counted in the environmental protection information system of China Petroleum & Chemical Corporation.

**Appendix: Compilation and Reporting Basis of the assured sustainability information
(Continued)**

Nitrogen oxides (tonnes):

Nitrogen oxides herein refers to the amount of nitrogen oxides in the external exhaust gas of the companies included in the key management of emission permits as counted in the environmental protection information system of China Petroleum & Chemical Corporation.

Sulphur dioxide (tonnes):

Sulphur dioxide herein refers to the amount of Sulphur dioxide in the external exhaust gas of the companies included in the key management of emission permits as counted in the environmental protection information system of China Petroleum & Chemical Corporation.

Hazardous waste (thousand tonnes):

Hazardous waste herein refers to the total weight of hazardous waste entrusted for process and disposal, which is collected in the Environmental Protection Information System of China Petroleum & Chemical Corporation.

Number of accidents reported:

Number of accidents reported herein refers to the number of General Grade A and higher accidents that occurred of China Petroleum & Chemical Corporation. A General Grade A accident means an accident in which some person died.

Number of deaths due to production safety accidents:

Number of deaths due to production safety accidents herein refers to the number of permanent employees that are eventually confirmed dead in General Grade A accidents of China Petroleum & Chemical Corporation.

Total recorded accident (incident) rate (per 200,000 working-hours):

Total recorded accident (incident) rate (per 200,000 working-hours) herein refers to the number of accidents (incident) that occurred at China Petroleum & Chemical Corporation, per 200,000 working-hours.

Fatal accident rate (per 200,000 working-hours):

Fatal accident rate (per 200,000 working-hours) herein refers to the number of fatal accidents that occurred in General Grade A accidents of China Petroleum & Chemical Corporation, per 200,000 working-hours.

Total number of employees:

Total number of employees herein refers to the total number of employees who has signed full-time employment contracts with China Petroleum & Chemical Corporation, excluding dispatched employees.

**Appendix: Compilation and Reporting Basis of the assured sustainability information
(Continued)**

Employees with Master's degree or above:

Employees with Master's degree or above herein refers to the total number of employees with a Master's degree or above who has signed full-time employment contracts with China Petroleum & Chemical Corporation, excluding dispatched employees.

Employees with university degree or below:

Employees with university degree or below herein refers to the total number of employees with a university degree or below who has signed full-time employment contracts with China Petroleum & Chemical Corporation, excluding dispatched employees.

Employee turnover rate (%):

Employee turnover rate herein refers to the proportion of the number of employees whose labor contracts were terminated by China Petroleum & Chemical Corporation for personal reasons (excluding ordinary employees such as gas station operators).

Turnover rate of male employees (%):

Employee turnover rate of male employees herein refers to the proportion of the number of male employees whose labor contracts were terminated by China Petroleum & Chemical Corporation for personal reasons (excluding ordinary employees such as gas station operators).

Turnover rate of female employees (%):

Employee turnover rate of female employees herein refers to the proportion of the number of female employees whose labor contracts were terminated by China Petroleum & Chemical Corporation for personal reasons (excluding ordinary employees such as gas station operators).

Percentage of female employees (%):

Percentage of female employees herein refers to the proportion of the number of female employees who has signed full-time employment contracts with China Petroleum & Chemical Corporation, excluding dispatched employees, to total number of the employees.

Percentage of female employees in management (%):

Percentage of female employees in management herein refers to the proportion of the number of female employees in the management function who have signed full-time employment contracts with China Petroleum & Chemical Corporation, excluding dispatched employees, to total number of the employees in the management function who have signed full-time employment contracts.

Appendix: Compilation and Reporting Basis of the assured sustainability information
(Continued)

Percentage of ethnic minority employees (%):

Percentage of ethnic minority employees herein refers to the proportion of the number of ethnic minority employees who have signed full-time employment contracts with China Petroleum & Chemical Corporation, excluding dispatched employees, to total number of the employees who have signed full-time employment contracts.

Number of patients cured by "Sinopec Lifeline Express Programme":

Number of patients cured by "Sinopec Lifeline Express Programme" herein refers to the number of patients who have undergone rehabilitation surgery in the Lifeline Express Programme, which was launched by China Healthy Express Foundation in reporting year and supported by China Petroleum & Chemical Corporation.

Number of patent applications filed in the year:

Number of patent applications filed in the year herein refers to the number of patent application documents submitted by China Petroleum & Chemical Corporation to the China Intellectual Property Office and overseas national or regional intellectual property institutions in this year.

Number of patent applications granted in the year:

Number of patent applications granted in the year herein refers to the number of patent authorisation certificates issued by China Intellectual Property Office and overseas national or regional intellectual property institutions obtained by China Petroleum & Chemical Corporation in this year.

Employee occupational health examination coverage (%):

Employee occupational health examination coverage refers to the occupational health examination coverage of personnel exposed to occupational hazardous factors in China Petroleum and Chemical Corporation before, during and after work in this year.

Number of units passed the ISO 9001 Quality Management System certification:

Number of units that have passed the ISO 9001 Quality Management System certification refers to the number of units that have obtained the Third Party Quality Management System Certification (ISO 9001) certificate for enterprises affiliated with Sinopec in this year.

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Guidelines No.14 of Shanghai Stock Exchange for Self-Regulatory
of Listed Companies– Sustainability Report (Trial)

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	21	Anti-unfair competition	Article 56	31; 151-154
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Note❶: The Company is not engaged in scientific research or technological development activities in technology ethics-sensitive fields such as life sciences, therefore this topic is not applicable to the Company. In the process of technological innovation, we have taken the principles of green and low carbon, increasing human well-being, reasonable control of risks and information security protection into consideration, actively preventing and controlling the risks of scientific and technological innovation, and effectively promoting the development of scientific and technological innovation.

HKEX ESG Reporting Code Content Index			
Part C: "Comply or explain" Provisions			
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	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	91-94; 160
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	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	91-94
Aspect A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.		67-69; 73-74 77; 91-95
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	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	67-69; 73-77
	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.	95-96
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A ^{Note1}
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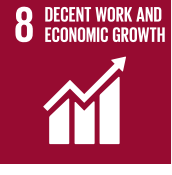
Note¹: The indicator is not applicable since the main products sold by the Company are energy and chemical products.

Subject Areas, Aspects, General Disclosures and KPIs			Pages
B Social			
Employment and Labour Practices			
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, equity opportunity, diversity, anti-discrimination, and other benefits and welfare.		125-131 135-136
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Aspect B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		106; 109-111 115-116; 125; 128
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	112; 163
	KPI B2.2	Lost days due to work injury.	112; 163
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	107-116
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	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	143-145
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	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	118-122
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.		21; 25-30
	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.	26; 28
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	25-30
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	5. The effective abolition of child labour.	125; 128
	6. The elimination of discrimination in respect of employment and occupation.	125; 130
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	8. Undertake initiatives to promote greater environmental responsibility.	59-78; 81-102
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FEEDBACK

Dear Readers,

Thank you for reading this report. Your opinions and suggestions are important to us and can help us improve the preparation of future reports. Please help us by completing the following Feedback Form and sending it to the following address:

Office of the Board
China Petroleum & Chemical Corporation
No.22 Chaoyangmen North Street, Chaoyang District, Beijing 100728, PRC

Your Information

Name:_____

Organisation:_____ Title:_____

Tel:_____ Fax:_____ E-mail:_____

Multiple choice questions (please place a check mark ✓ in the answer box)

Content	Very good	Good	Fair	Poor	Very poor
1 This report provides a complete and accurate description of the significant economic, social and environmental impacts of Sinopec Corp.	☐	☐	☐	☐	☐
2 This report responds to and discloses information about the concerns of stakeholders.	☐	☐	☐	☐	☐
3 The information, indicators and data disclosed in this report are clear, accurate and complete.	☐	☐	☐	☐	☐
4 This report is easy to read, i.e., its structure, content, wording and layout are well designed.	☐	☐	☐	☐	☐

Open-ended questions

1 What do you like the most of this report?

2 What other information do you think that should be included in this report?

3 What are your suggestions that how we can better prepare our sustainable development progress report in the future?

WE SUPPORT



中国石化
SINOPEC

Address:

No.22 Chaoyangmen North Street,
Chaoyang District, Beijing, PRC

Zip code: 100728

Tel: 86 - 10 - 59960028

Fax: 86 - 10 - 59960386

Website: <http://www.sinopec.com/listco/en>

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