

## HEALTH, SAFETY AND ENVIRONMENT

We placed great emphasis on participating in HSE training programs organized by professional training institutions. Together with business partners, the Company also organized exchange activities that were related to international safety management, oil spillage crisis management and oilfield abandonment management.



In 2003, the Company continued to emphasize and strengthen its Health, Safety and Environment (“HSE”). Being responsible to staff members, the society and the environment as a whole, the Company regards HSE as a top priority of its daily operation and production, promoting strict management control, and pays great attention to details in order to further improve the Company’s HSE performance.

During 2003, the Company recorded no major fatalities, contaminations or any safety related liabilities that exceeded USD120,000 per incident.

According to the Company’s OSHA statistical results, we achieved an above-average rating as compared with major international oil companies, marking a new milestone in the company’s HSE standards.

### Promote Systematic Management

In 2003, the Company further refined management requirements in order to further enhance its HSE system. The Company completed its senior management review of all branches in China and CNOOC SES LTD., established health management systems for its offshore crew members and set out crisis management procedures. Such procedures were proved highly effective in withstanding the challenges during the SARS period.

During the year, the Company further strengthened safety management procedures for high-risk activities such as those involving helicopter and diving operations. The launch of the International Association of Oil & Gas



producers (OGP) HSE management system has also fully demonstrated our deep concern for the safety requirements of its contractors. In addition, the application for the ISO14000 environmental management qualification for the Company’s offshore oil and gas fields has achieved significant progress during 2003. Qinhuangdao 32-6 oilfield and Wencheng oilfields have already began operating under a standardised system with proper documentation.

In order to promote Bohai Bay Oil Spillage Awareness, support the establishment of the Bohai Oil Spillage Awareness Centre and strengthen crisis awareness capabilities in offshore work sites, CNOOC Ltd took part in the “National Offshore Oil Spillage Awareness Plan” seminar organized by the State Oceanic Administration, and discussed with participating oil and gas companies issues relating to resources sharing and risk assessment in case of oil spillage in Bohai Bay.

In accordance with changes to OSHA’s statistical mechanism, the Company has revised its internal documentation methods to keep abreast with OSHA’s standard, which uses OGP reporting methods to record the differences and standards of particular incidents. CNOOC Ltd also formulated new OSHA and incident reporting forms in order to better meet the requirements of international associations such as OGP and API.

The Company has been able to deliver working hour statistics and incident reports to investors and API on a quarterly basis.



## HEALTH, SAFETY AND ENVIRONMENT

### HSE Training and Information Exchange

During 2003, the Company organized a series of seminars covering the areas of HSE regulations and standards, special operations and offshore life-saving techniques in order to reinforce staff members' HSE concepts, enrich their HSE knowledge and raise their practical skills on HSE matters.

We placed great emphasis on participating in HSE training programs organized by professional training institutions. Together with business partners, the Company also organized exchange activities that were related to international safety management, oil spillage crisis management and oilfield disposal management.

The Company has continuously studied the HSE work of other international companies including contractors and business associates, reviewing their experience in order to further improve on the Company's regulations and systems. In addition, the Company has taken the initiative to study the incident cases of its peers and analyzed their situations in order to prevent encountering the same problems in future.

In 2003, the Company also assisted the nation's respective government departments to speed up the formulation of HSE standards.

### Employee Health and Safety

The Company spares no effort in protecting health and safety of its employees. Apart from monitoring and guiding employees' work safety awareness during the

course of production, the Company also paid special attention to the health and safety conditions of their employees outside of work.

The month of June is China's national safety production month. During this period, CNOOC Ltd launched a signature campaign entitled "Treasure Your Life, Fasten Your Belt". The campaign included road safety seminars, quiz programs as well as the publication of a "Road Safety Tips" CD-ROM. The campaign was intended to build up a safety culture in both work and daily life through the relatively small act of "Fastening a Seat Belt".

During the SARS outbreak, the Company took active steps to help employees and their families to combat the disease, established SARS Sterilized Scheme and advocated a "zero case" system. All employees working offshore and employees who were returning to the country from infected areas were closely monitored. As a result of the effective implementation of such preventive measures, not a single SARS or suspected SARS case was recorded during the period.

During the year, the Company organized various medical seminars including the prevention of cerebrovascular disease, cardiovascular disease, cancer and diabetes to promote healthcare knowledge among employees. The Company also published a healthcare guidebook for its employees.

### CNOOC Ltd. OSHA occupational injury & occupational disease statistics of 2003

Scope	INCIDENT RATE			WORK DELAY RATE	
	Man-hour (In thousand)	Recordable cases	Number of days away & working bounds	Death	Number of days away & working bounds
Permanent worker	2370	0.00	0.00	0.00	0.00
Permanent worker, & other worker & direct contractor	14133	0.06	0.06	0.00	1.27

