

Health, Safety and Environment

042



The Company is committed to the promotion of the concept and culture of health, safety and environmental protection among all the staff. Employees are encouraged and urged to put these ideas into practice. Hence, we are making every effort to develop the HSE system and structure, and to organize the related training for all the management and staff members of the Company.

At CNOOC Limited, health, safety and environmental protection (HSE) are always the priority in various operating activities.

The culture of improving and reinforcing HSE has already become a consensus among our management and staff members at all levels. The emphasis on strict implementation has become part of the routine of HSE management. The priority on environmental protection and employees' health has also been acted on. In addition, there is an increasing awareness of social responsibility during the project implementation.

In 2005, the Company made sustained progress in respect of HSE management. During the year, it was neither involved in any material injury liability case, spillage or pollution incidents, nor subject to any safety-related liability claims for losses of over RMB1 million. Besides, the Company's OSHA Statistics results continued to be above average when compared with international peers.

Strict HSE Management

As an environment-friendly company, the Company is committed to preserving health and safety of its staff, as well as maintaining the harmony with environment, when pursuing its development and profit growth.

The oil and gas field development projects of the Company that were started during the year all underwent simultaneous reviews on health, safety and environmental protection in accordance with the laws of the PRC. These projects had been endorsed by the competent government departments. Relevant government approvals had been obtained.

During the year, our focus in HSE management was also placed on contractors. Through organizing case study seminars and issuing the HSE management standards for contractors, the Company further strengthened our HSE management toward contractors.

In 2005, we also placed considerable emphasis on safety in helicopter, diving and vehicle operations. Professional auditors were hired to conduct safety checks on 11 leased helicopters. In 2006, we plan to carry out special audits on diving operations.



044

The Company introduced the system of occupation health profiles to all branches in order to strengthen the health management of offshore operating staff.

Besides, we continued to require offshore operating staff to submit health certificates. We also analyze their health data, so as to offer proactive and constructive advices to them on health improvement.

In 2005, we enhanced our information exchange on HSE. As an OGP (International Association of Oil and Gas Producer) member, the Company assisted the Group in organizing the “Workshop on Safety Management of Offshore Accidents” in 2005.

Improvement on HSE Crisis Management

In 2005, the Company organized a large-scale offshore emergency drill. There were over 300 participants, including our offshore service contractors and transportation service contractors. This exercise was very successful in training the involved parties, including our offshore units, branches, contractors and the relevant public authorities, on working together to tackle emergency situations.

The Company continued to work with other entities to set up Oil Spill Response Base in Tangguh, Longkou, Weizhou and Zhuhai. Such initiatives strengthened our capability in handling offshore oil spill emergencies.



Cultivation of HSE Culture

To reinforce its work on health, safety and environmental protection, the Company kept on organizing various training sessions to further promote the HSE culture among its employees.

In 2005, nearly all the staff from the management to the operational level participated in our HSE training sessions. The topics covered HSE regulations, corporate values and

policies, risk management and control, offshore rescue and special operations.

In addition, the scope of our HSE training has been extended to the employees of contractors. The training requirement have also been further embedded in performance appraisals in order to enhance HSE practices during operations. More than 10,000 employees of our contractors participated in our training sessions in 2005.

CNOOC LTD'S OSHA Occupational Injury & Occupation Disease Statistics of 2005

Scope	Gross man-hours	Recordable cases	Rate of recordable cases	Number of cases away	Rate of cases away	Number of days away & working shifts	Number of days away & working bounds	Deaths
Company staff	7,196,936	5	0.139	1	0	3	0.028	0
Company staff & direct contractors	31,558,087	50	0.317	15	0.095	138	0.875	0

