



CNOOC Limited
Compliance Manual for Entities and Employees





Compliance

Compliance is a responsibility for all,
compliance is modeled by the management,
compliance creates value,
and compliance starts with action.

Address from the Chairman of Board



Chairman
of CNOOC Limited

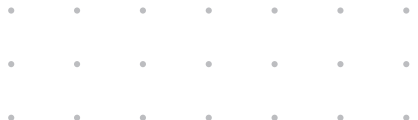
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We operate with the belief that compliance is the foundation of our success, and integrity is the foundation on which we stand tall. Our commitment to compliance and integrity shall guide us sailing through the ever-changing global environment of challenges while we make greater strides with stead-fastness and earnestness in the global energy industry.

The Company's corporate and operational value is that we strive to be a consistent pioneering force in the global energy industry and, we produce safe, economical and sustainable clean energy products. Since the very beginning of CNOOC Limited, we have complied with applicable laws, regulations, and mandatory industry standards of those countries in which we operate. To further our goals, we promote a set of ethical standards of integrity and fair competition, while promoting the learning and respect of the cultural norms of the countries in which we operate. In addition, we take proactive measures to fulfill our social responsibilities globally. With these corporate efforts, the Company has been realizing sustained and sound development while we have established

great international corporate image. In short, our commitment to integrity and compliance have rooted deeply in our corporate tradition and culture.

We see safety and compliance as rewarding corporate investments, which not only can earn trust from our employees, clients, partners, the local communities and host governments where we carry out operations and businesses, but also progress the establishment of our company's above-mentioned long term corporate values. At the Company, our employees are our most valuable resource. The safety of our employees and everyone's compliance conduct are the cornerstones of our global success. I therefore strongly encourage every citizen of the Company to embrace our corporate value and compliance measures with awareness and self-discipline, comply with the relevant procedures with steadfastness and thoroughness. In addition, we need everyone to protect and defend the integrity and compliance culture of the Company with determination and courage.



Address from the Chief Executive Officer

Chief Executive Officer
of CNOOC Limited

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With the leadership of Board of Directors of CNOOC Limited, we not only focus on achieving and surpassing our business goals, but also pay continued attention to our employee conduct in assessing compliance results. We have established a set of strong internal preventive and management procedures to ensure that every employee of the Company is able to perform his or her duties properly with clear guidance. We have also established high-standard ethical requirements for our employees so that every corporate citizen may develop and flourish within the Company through self-discipline, honest conduct and progress within the Company along a path of integrity.

I have personally worked on multiple international projects. These experiences have taught me that honesty and integrity are the cornerstones of sustainable development. It has become urgently important that we need to ensure that

every corporate citizen of the Company will act in compliance with our integrity and compliance principles under a global environment in which business operations is confronted with a high-level of uncertainty and competition.

This published Code of Ethics serves to help our employees to build up an accurate understanding of the global compliance landscape and, provides constructive guidance for employee conduct.

I therefore strongly appeal to every employee of the Company to comply with his or her code of ethic standard applicable to each relevant position. The successful implementation of our corporate value and culture of compliance requires everyone's cooperation starting with every business decision on a daily basis.

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1.0

Purpose

The purpose of this Compliance Manual and its annexes ("Manual") is to set out the basic code of conduct for the Company, defined below, and its employees. The Company refers to CNOOC Limited, and the branch offices and subsidiaries, representative offices, project units established by CNOOC Limited globally that are wholly or majority owned, or actually controlled by the Company, directly or indirectly. This Manual also intends to set forth the principles and rules on compliance management, consultation

and reporting, violation investigations and disciplinary actions against violation, and illustrates by example the types of conduct prohibited by the Company. This Manual is prepared with the aim to enhance employee compliance awareness and promote integrity in the workplace. In this Manual, actual control of a business means the control over a business through a contractual arrangement, a company charter provision, or law, other than holding majority shares in the business.



2.0

Scope of Application

The Manual applies to all domestic and international employees, directors and officers of the Company, including employees of both CNOOC Limited and its subordinate entities globally (collectively, the “Employees”).

Contract staff with CNOOC Limited and its controlled subsidiaries, including those who are assigned to minority-owned companies or other entities, should also comply with this Manual.

Third parties who represent the Company or work on behalf of the Company shall follow the provisions of the Manual when engaging in activities on behalf of the Company.

CNOOC Limited is incorporated in Hong Kong with its shares traded publicly in Hong Kong and the United States (ADS). In addition to this Manual, the directors and senior management of the Company are also required to comply with the Code of Ethics for Directors and Senior Officers formulated in accordance with applicable laws, as set out in Annex 2.





3.0

Compliance Principle

The Company requires employees to be aware of our ethical rules, encourage them to hold the rules firmly in mind, and urge them not to cross the line. For all business activities that we engage, the Company and all its employees are required to follow the principle that “Compliance is a responsibility for all, compliance is modeled by the management, compliance creates value, and compliance starts with action”.



4.0

Guiding Principles

4.1 Abiding by Laws and Regulations, and Company Rules

Employees must abide by applicable laws and regulations, established industry practices and Company rules. Employees must be familiar with the industry norms, customary and commercial practices in their places of operation commensurate with their responsibilities. If the requirements of the Manual conflicts with the requirements of applicable international treaties, laws and regulations, or administrative rules, the requirements of the latter shall prevail.

4.2 Safeguarding the Company's Reputation and Interests

The Company attaches great importance to its corporate social responsibilities and actively performs relevant obligations. It endeavors to effectively enhance its corporate image while improving investment efficiency and accelerating self-development.

4.3 Implementing the Compliance Responsibility

4.3.1 The Company shall create a hierarchical compliance management system that applies to all employees with each employee's individual obligations and responsibilities clearly defined.

4.3.2 The Company shall establish compliance management policies, business processes, standards, and implementing guidelines to facilitate and effectuate the compliance management system and shall also establish a mechanism for routine compliance information sharing and communication.

4.3.3 The Board of Directors is the highest governing body for ethics, integrity and compliance management. The Board of Directors is responsible for decision-making and supervision on compliance management. The Chief Executive Officer ("CEO") is the first responsible person for the establishment of the Company's compliance management system and the promotion of compliance in the Company's business operations. The person in charge of each entity of the Company is the primary responsible person for the establishment of the compliance management system and the promotion of compliance in such entity.

5.0

Code of Conduct



5.1 Compliance Due Diligence

5.1.1 The Company shall perform appropriate due diligence on suppliers, intermediaries, and other business partners in accordance with applicable procedures.

5.1.2 The Company must conduct appropriate compliance due diligence before engaging third parties (including contracting, entering into new joint business development, providing donations and sponsorships, etc.), and must take all necessary precautions based on the third party's reputation on integrity.

5.1.3 When conducting third-party due diligence, employees must ensure that the investigation is comprehensive, and properly documented. The due diligence shall include reviews on the required qualifications and reputation of the third parties, its trade and tax compliance records, and internal prevention mechanism on anti-bribery and anti-money laundering.

5.1.4 Employees must ensure that the personal information being provided during the hiring process, or for position change or compliance investigations, is truthful. The Company is required to conduct background checks on employees in accordance with compliance requirement.



5.2 Compliance Training

5.2.1 The Company shall develop training programs, organize compliance trainings and conduct appraisals for employees in accordance with its compliance management policy.

5.2.2 The Company shall require its employees to sign a Letter of Commitment on Compliance during the employee on-boarding process, and remind them to comply strictly with the Manual, Code of Ethics and the Company rules as stated in the Letter of Commitment on Compliance.

5.2.3 The Company shall require employees to sign an annual statement of compliance each year to ensure that employees are reminded of the compliance requirements, and committed to complying with these requirements.

5.2.4 New employees and employees transferred to a new position shall complete appropriate compliance training and appraisal programs, and shall keep their personal training records.

5.3 Rights and Interests of Employees

5.3.1 The Company respects and protects the legitimate rights and interests of employees. The Company executes, implements, modifies, or terminates labor contracts with employees in accordance with law, and prohibits discrimination in employment on the ground of nationality, race, culture, religion, or ethnic origin.

5.3.2 The Company shall ensure the legitimate rights and interests of its employees are protected in terms of labor remuneration, leave and vacation, occupational safety and health protection, social insurance and vocational skills training, and shall not in any way derogate from or circumvent its legal obligations to employees.

5.3.3 The Company shall create a fair and just working environment for employees, and evaluate and promote employees according to their abilities and performance. The Company shall not discriminate against any employee on grounds such as nationality, race, culture, religion, age or ethnic origin.

5.3.4 Employees shall not discriminate others on the grounds of nationality, race, culture, religion, age, or ethnic origin.

5.3.5 Employees shall not resort to violence or threats.

5.3.6 Employees shall not physically or verbally intimidate or humiliate others.

5.3.7 Employees shall be fit for work and unaffected by drug or alcohol abuse.

5.3.8 If a person acts or behaves in a way that can reasonably be considered as harassment, the employees shall speak up and stop such behavior.



5.4 Health, Safety, and Environment (HSE)

5.4.1 The Company is committed to building long-term social contribution and avoid negative impact on ecosystems and biodiversity, and aims to utilize energy, water and other resources efficiently.

5.4.2 Employees must comply with applicable laws and regulations and relevant Company rules relating to environment and occupational health and safety.

5.4.3 The Company emphasizes on maintaining good communication with indigenous people and the communities in which it operates, and on using communication methods that are consistent with local customs and practices, endeavors to reduce potential negative impacts on indigenous people, local land use, etc. from its operations.

5.4.4 Employees shall value and promote respect for the indigenous people and the communities in which they work, develop mutually beneficial long-term relationships with them, respect their culture, lawful rights and interests.



5.5 No Conflict of Interest or Insider Trading

5.5.1 Employees must balance personal and corporate interests to avoid conflicts. Employees shall not take advantage of their employment or use their influence to effectuate transfer of the Company's interests to other companies or individuals.

5.5.2 Employees shall not use corporate assets and information for their personal gain or the benefits of others. Employees may act on behalf of the Company only after obtaining proper authorization. Employees are prohibited from conducting the following activities without authorization: engaging in inspection, negotiating and contracting with business partners, soliciting or submitting bids, providing guarantees, issuing certificates or conducting other business activities in the name of the Company or executive officers, or contacting media, making statements or releasing information on behalf of the Company.

5.5.3 Employees must exercise authority delegated by the Company properly. It is prohibited to abuse delegated authority

for personal gain. No employee shall intervene or interfere with such matters as supplier admission, bidding and contracting, designate or instruct to designate a specific transaction partner, nor shall any employees divulge pre-tender estimate and other insider information to any special related persons.

5.5.4 Employees shall not obtain economic interests directly or indirectly from any other enterprise or business entity in violation of their duties or obligations to the Company during their employment period.

5.5.5 Employees shall not take part-time jobs in any entity that competes with the Company or provide assistance to any competitor.

5.5.6 Employees shall not concurrently work as a director, representative, employee, partner, consultant or agent of, or provide services to, a supplier, customer or competitor of the Company.

5.5.7 Employees shall not obtain loans or personal debt guarantees from important customers, suppliers or competitors of



the Company, nor shall employees engage in personal financial transactions with the aforementioned entities. However, employees are not prohibited from conducting normal transactions with publicly recognized banks or other financial institutions.

5.5.8 After leaving the Company, employees shall not engage in any business or operate for others in any business that is similar to the business of the former employer within the agreed non-competition period and shall not enter into transactions, directly or indirectly, with the former employer as a supplier or distributor or engage in other activities that are detrimental to the interests of the Company.

5.5.9 Employees shall promptly report to the Company any situation that may give rise to

concerns on conflicts of interest, including circumstances in which relatives or family members are involved. Family members of an employee include (1) the employee's spouse, children and such children's spouses; (2) the employee's parents, siblings and such siblings' spouses; and (3) parents of the employee's spouse, siblings of the employee's spouse and such siblings' spouses.

5.5.10 Prior to the public disclosure of information, employees must not use information relevant to the Company or third parties obtained during the course of their work to trade stock or securities of the Company or third parties or share such information with outsiders to make a profit or trade the stock or securities of the Company or third parties.



5.6 Anti-Corruption, Fraud and Money-laundering

5.6.1 The Company shall always comply with applicable anti-corruption and anti-money laundering laws and the United Nations Convention against Corruption. No employee is allowed to conduct direct or indirect commercial bribery. It is prohibited to offer benefits to third parties, business partners and government officials for improper business opportunities and advantages, and it is also prohibited for any employee to accept, or demand benefits from others in business activities. The aforesaid prohibitions not only refer to direct payment and receipt, but also the payment and receipt made through a third party. Such benefits include but are not limited to cash, cash gifts, negotiable securities, in-kind items, rebates, travel and entertainment expenses, employment opportunities and other non-property benefits.

5.6.2 Discounts or commissions may be expressly provided in relation to a business transaction in compliance with laws and rules, provided that no off-the-book rebate or commission be given. Any discount or commission accepted in line with the normal procedures in the external transactions shall be truthfully recorded, and no rebate or commission may be accepted by employees themselves.

5.6.3 Payment of fees for advertising, promotion, consultancy, sponsorship, etc., shall strictly follow relevant rules. Supervising personnel shall review such payment rigorously to avoid improper transfer of benefits.

5.6.4 Gift giving, charitable donations or entertainment activities must follow applicable laws and regulations as well as relevant rules; and shall be recorded in detail. No conditions shall be attached to the recipients.

5.6.5 Employees shall not give gifts, make charitable donations or provide entertainment on behalf of the Company without approval, or carry out hospitality and charitable donation in violation of local laws, donate to social organizations which have potential business interests with the Company, pay charitable money in cash, remit donation to a private account, or include sponsorship in the scope of charitable donation.



5.6.6 Employees shall not give or receive extravagant, lavish or uncustomary gifts to or from business partners which might influence or be perceived to influence a business decision of the Company, or a business partner.

5.6.7 Employees must follow relevant business standards and company policies, as well as local laws and regulations, when exchanging gifts with, providing hospitality to or organizing other activities involving external business partners and government officials.

5.6.8 Employees shall not participate in political activities or make political donations in host countries (regions) in violation of local laws and regulations and relevant business standards and policies of the Company. Employees shall not participation in the above-mentioned activities that lead to adverse consequences.

5.6.9 Employees must comply with applicable anti-money laundering laws. Employees and the Company are prohibited from concealing illegal funds or otherwise attempting to legitimize illegal funds, and no payment shall be made to non-trading accounts and abnormal business accounts. Employees and the Company shall avoid dealing with counterparties suspected of money laundering.

5.6.10 If an employee suspects or knows of corruption within the Company or by any party (company or individual) with whom the Company does business, the employee shall report it immediately to the immediate supervisor or to the compliance management department, the audit department, or through the compliant channels.

5.7 Asset Utilization and Protection

5.7.1 Employees must abide by the Company rules relevant to asset management, utilize assets appropriately and effectively to avoid waste, loss and damage; employees shall not steal the Company's assets and shall protect the Company's assets from theft and infringement; employees shall not sell, transfer or otherwise dispose of Company assets without approval and authorization. Employees shall report abuse or infringement of the Company's assets to the relevant management departments in a timely manner.

5.7.2 Employees shall not use the Company's funds or assets for illegal and/or improper purposes.

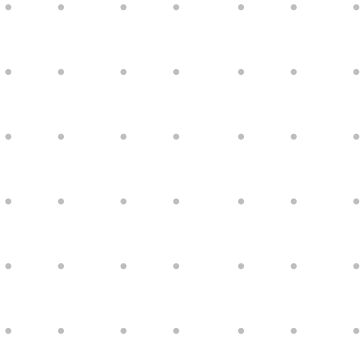
5.7.3 When incorporating a company, if the relevant laws and regulations of the place of incorporation require the mandatory investment of local shareholders, such company incorporation must be reported to the Company for approval. At the dissolution of the company, the company's assets shall be inventoried, turned over and transferred as required by the Company rules.

5.7.4 The Company shall legally obtain and hold the permits, qualifications and licenses required for the operation of its business, and shall not rent, lend, transfer or borrow any permits, qualifications, and licenses.

5.7.5 Employees are expected to use social media appropriately when representing the Company. The use of the company name and brand on social media, even by the employee him/herself as an individual, must also comply with the relevant requirements of the Company.

5.7.6 The Company shall apply for registration or register new inventions-creations, products, service marks and domain names in a timely manner, and renew and maintain the acquired rights effectively. The Company is required to effectively regulate the implementation and transfer of licenses, and effectively protect intellectual property rights of the Company. Violation of the intellectual property rights of the Company shall be promptly restrained once found, attention shall be paid to the preservation of evidence, and legal proceeding shall be initiated when necessary. Inventions by employees during performance of Company tasks, or inventions created mainly by using resources of the Company, which are service inventions-creations, belong to the Company, and the employees who actually created the invention shall not claim ownership of those inventions, but shall be entitled to rights provided for by law.

5.7.7 The use of intellectual property rights of third parties is allowed only when agreements have been reached with and permits have been obtained from the right holders. When researching and developing new products and new technologies, search on intellectual property rights must be performed to avoid infringing others' rights. In particular, when cooperating with overseas companies, it is required to search and analyze the destination countries (regions) with respect to foreign-related intellectual properties and formulate the prevention and control measures against being infringed by third parties or infringing on intellectual property rights of third parties.



5.8 Data Security and Privacy

5.8.1 The Company shall comply with relevant laws of China and the host countries (regions) regarding data security and privacy protection, establish and optimize effective cyberspace security and privacy protection management system, and ensure the information security measures (in terms of technical, business, personnel, and commercial information, etc.) are in place. Employees shall store and use work-related materials and information properly, and control access to such information in accordance with Company rules.

5.8.2 Personal information and important data collected and generated in the domestic operation shall be stored within the nation. Export of important information and data is prohibited. If it is indeed necessary to provide such

information and data to overseas parties due to business needs, relevant parties shall conduct an evaluation in accordance with applicable national laws and regulations on the security evaluation of personal information and important data to be transmitted abroad, obtain the necessary consent or go through necessary approval procedures.

5.8.3 New employees are required to sign a confidentiality agreement. Employees shall not disclose, declare, release trade secrets or other confidential information or use such information without the approval of the Company. Employees shall reasonably prevent any leak of information, and potential leak of information, and escalate issues up the chain of command.



5.8.4 Disclosure of any information relating to the Company's operation to an outsider for business needs may only be made after obtaining approval in accordance with the Company rules, and the execution of a confidentiality agreement between the disclosing and receiving parties. Employees who receive confidential business information from a business partner are required to maintain confidentiality of such business information pursuant to applicable laws and relevant agreements between the parties.

5.8.5 Upon termination of the employment relationship with the Company, an employee must return all properties, including media of all forms, without keeping any duplicate information. The employee will still be subject to the confidentiality obligations that are consistent with the law after the termination of the employment relationship.

5.8.6 Employees shall voluntarily avoid the Company's trade secrets that do not fall within the scope of their work.

5.8.7 The Company is responsible for the physical security of its networks, servers, terminals, storage devices and other facilities under its control. The transmission, storage and use of commercial sensitive information shall comply with the Company's confidentiality measures. Any data storage media that contains business related proprietary data shall not

be handed over to a third party without prior approval; and can be disposed of only after being processed by responsible IT staff.

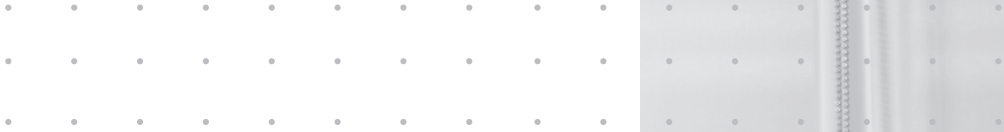
5.8.8 Employees shall not use the Company network or data storage space on the network for recreational purposes or to store personal data.

5.8.9 Employees shall not store work-related materials and information on their personal network or data storage media.

5.8.10 The Company and its employees must protect personal data from misuse, accidental, unlawful or unauthorized access, collection, disclosure, impairment, destruction, loss, inability to use.

5.8.11 The Company shall only collect personal data for specified, explicit and legitimate purposes, and must ensure the data is accurate, compatible with the purpose for which it was collected, and consistent with the data minimization principle.

5.8.12 With respect to matters not covered in this sub-section, employees are required to abide by relevant data security and confidentiality rules of the Company; if conflicts arise with applicable laws and regulations of any host country (region), the laws and regulations of the host country (region) shall prevail.



5.9 Financial Reporting, Taxation, and Public Disclosure

5.9.1 The Company must abide by the Company rules on accounting, and conduct transactions, financial lending and reimbursement in strict compliance with relevant management review and approval procedures to ensure true and accurate recording in the ledgers, financial statements and documents; only actual expenditures incurred from business operations and in compliance with relevant Company rules shall be reimbursed. Expenditures that were not actually incurred, or were not incurred for business operations, shall not be reimbursed. Employees shall not hide or withhold income, use revenue income to finance expenses, misappropriate or otherwise inappropriately transfer funds.

5.9.2 Accounting records and financial reports must comply with relevant laws and regulations, and accounting standards. Information and data shall be authentic, accurate, complete and timely. Relevant financial records shall not be concealed, falsified or tempered, nor can false financial reports and related information be fabricated, provided or disclosed.

5.9.3 The Company shall pay taxes in accordance with law, actively fulfill its obligation to withhold and pay taxes, and truthfully reflect to the tax authorities the production and operation of the company and the implementation of the financial policies. The Company shall provide the corresponding statements and information according to the relevant provisions to tax authorities, and shall not conceal, omit, misrepresentation, or commit tax evasion or tax leakage.

5.9.4 The Company shall comply with financial and accounting reporting and disclosure requirements of the countries (regions) where the entities conduct business, and disclose information related to business, financial status and operation results in a timely and correct manner. The Company shall not provide false financial information, or otherwise engaging in coercing, manipulating, misleading or fraudulent activities that may directly or indirectly impact the audit of the Company.





5.9.5 The Company shall keep good record of all accounting vouchers and related approval documents to ensure complete and accurate accounting books and records in strict compliance with regulations and Company rules.

5.9.6 The business with incompatible duties shall not be handled by same person.

5.9.7 Employees shall not make false or misleading entries, or otherwise concealing undisclosed or unrecorded funds, payments or receipts of funds.

5.9.8 Employees must make timely reporting when they find that financial reports are erroneous, incomplete or untimely, especially for issues in relation to the inconsistency between financial results and the performance of related businesses, transactions without obvious business objectives and irregularities on approval procedures.

5.9.9 Employees shall not gain unfair advantage by manipulating, concealing, abusing privileged information, distorting facts, or any other unfair trade behaviors.

5.9.10 Employees shall not publicly disclose the business activities of the Company without authorization. If authorized to disclose information, employees must comply with the Company's disclosure policy to ensure that the information is true, accurate, consistent and not misleading.



5.10 Anti-trust

5.10.1 The Company supports free competition, seeks to compete fairly within the framework of applicable competition laws, and will not prevent others from competing freely with us. The Company and employees must comply with antitrust laws of host countries (regions), and relevant industry practice, and shall not engage in monopolistic practices that unreasonably restrain competition in the market.

5.10.2 Employees shall refrain from discussing confidential commercially sensitive information with competitors, and shall not consult with competitors about business decisions in violation of antitrust laws.

5.10.3 When meeting with competitors, employees must abide by applicable laws and regulations and company rules and regulations. Employees shall not discuss the following matters with competitors: prices, discounts or costs, terms to be submitted in response to a tender, market allocation, and other matters that restrict market competition.

5.10.4 If any of the above matters is mentioned at a meeting, employees must object and request immediate stop of the discussion. If the employee is unable to stop the discussion, he or she must leave the meeting and report to the immediate superior at once.

5.10.5 Where the Company acquires control over other operators or is able to control other operators through mergers, acquisition of equity or assets, contracts or other means, which reaches the threshold for declaration of the concentration of business operators, it shall make a declaration to competent antitrust authority in accordance with law. If any doubts remain, employees can consult with relevant authorities for opinion in advance.

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5.11 Trade Compliance

5.11.1 The Company attach importance to export controls and trade sanctions to avoid violations that may lead to additional costs, delays, loss of import and export rights, reputational damage, fines and/or imprisonment.

5.11.2 Employees must abide by the relevant laws and regulations of international trade and the Company's policies.

5.11.3 The Company shall conduct export control and economic sanctions risk assessment for its major business related to export control, including procurement and supply chain management, terminal product export and international business, and formulate corresponding measures.

5.11.4 The Company shall strengthen the compliance investigation and screening of trading counterparties, in order to understand their background comprehensively and deeply, identify risky ones, and determine whether they are subject to specific country and regional sanctions.

5.11.5 The Company shall archive and preserve records of cross-border trade transactions and transaction agreements, and record the time, content and decision-making procedures, etc.

5.11.6 The Company shall provide training on economic sanctions and export control rules for employees, especially those in positions closely related to import and export trade and investment, for them to understand the rules and procedures of export control.

5.11.7 Before engaging in cross-border transfers of goods, technology, software or services, employees must be aware of the potential impact of applicable export control laws and sanctions.

5.11.8 Employees must understand which of the export controls or sanctions may result in restrictions or prohibitions on the business conducted and the possible legal consequences.

5.11.9 When transferring goods or services cross national border to other countries, employees must understand and ensure the satisfaction of import requirements and compliance with customs charges and other taxes.

5.11.10 Employees shall not bring restricted goods into a country without declaration or import prohibited goods.

5.12 Fair Trade and Competition

5.12.1 Employees must deal fairly and impartially with suppliers, customers and third-party business partners, and employee shall not accept any improper advantage from suppliers, customers and third-party business partners.

5.12.2 Employees shall not provide any improper benefit payments to suppliers, customers or other persons through relevant third parties in the form of consulting fees, brokerage fees, labor fees, etc.

5.12.3 The Company shall keep its integrity in the performance of contractual engagements with suppliers, customers and third-party business partners.

5.12.4 In the course of doing business with the Company, third-party business partners shall strictly abide by all applicable laws

and regulations, industry practices and the Company's Code of Ethics, accurately record and disclose information about their business activities, organizational structure, economic conditions and operating performance; they cannot obtain illegitimate interests through bribery, fraud, collusion, coercion, embezzlement of assets, unfair competition, conflicts of interest or other means.

5.12.5 Employees shall not win customers through unfair competition means (such as fraud, collusion, etc.); shall not maliciously steal or abuse competitors' trade secrets; shall not make false statements about competitors' business activities; and shall not reach any agreement or arrangement with competitors to harm the interests of customers in order to reduce fierce competition with competitors.



6.0

Violations

6.1 Breaches of this Manual and the Company rules may constitute a violation. Such behavior or conduct will be investigated and dealt with in accordance with applicable laws and regulations and relevant Company rules.





7.0



Compliance Consultation and Suggestion

7.1 During the implementation of the Manual, employees who have compliance-related issues or concerns may consult with the Company's internal departments responsible for compliance consultation.

7.2 Employees can express their suggestions on the Manual directly to the Risk Management, Internal Control and Compliance Management Office("RMICC office") by sending formal letters, e-mails, etc.





8.0

Speak Up

8.1 Employees have the obligation to report actual, perceived or potential illegal or unethical behavior and will promptly report the relevant matters to the Company.

8.2 Employees shall make complaints based on facts and be responsible for the content of their complaints. Employees shall not fabricate or make up facts or retaliate others.

8.3 Employees can use complaint channels to express or report concerns. For more information, please visit the CNOOC Limited's website.

8.4 The Company will promptly initiate an investigation of each reported actual, perceived or potential violation and will take necessary remedial measures as appropriate in compliance with the applicable laws and Company rules. If the reported matter is believed to constitute a violation of applicable laws, it will be investigated and, if appropriate, reported to the responsible government authority.

8.5 The Company will protect and award whistle-blowers, and will not tolerate any retaliation against whistle-blowers.



9.0

Supplementary Provisions

9.1 During the implementation, the Manual is subject to updates and improvements in order to respond to changes in the external regulatory and internal management needs, and the Company will release the latest version in a timely manner.

9.2 If any branch or subsidiary is required to establish and improve its own compliance management system and implementing rules, it should do so in accordance with applicable local laws and regulations, the Manual, and relevant Company rules.

9.3 The Company will arrange training sessions on the Manual for employees.

9.4 Employees shall familiarize themselves with the Manual, and shall sign the Letter of Commitment on Compliance. The Letter of Commitment on Compliance is an essential attachment to the employment contract.



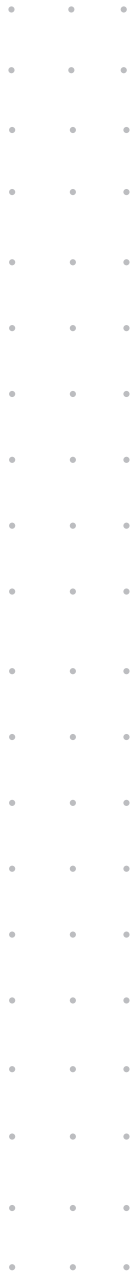
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Annex

Annex 1: Code of Ethics for CNOOC Limited

Annex 2: Code of Ethics for Directors and Senior Officers

Annex 3: Letter of Commitment on Compliance (Sample)



Annex 1: Code of Ethics for CNOOC Limited

1. Our Compliance Principle

We require employees to be familiar with our ethical rules, encourage them to hold the rules firmly in mind, and urge them not to cross the line; and all of us shall follow the principle that “compliance is a responsibility for all, compliance is modelled by management, compliance creates value, and compliance starts with action”. This principle is fundamental to all our work. The Code of Conduct provides guidance and recommends on how to avoid circumstances that may place you or CNOOC Limited in an undesirable situation. It sets high standards and guides you on how to meet them. This Code applies to every employee, director or officer of CNOOC Limited. Directors and Senior Officers must also comply with the Code of Ethics for Directors and Senior Officers.

2. Our Standards and Compliance with Law

Everywhere we conduct business, our commitment to safety and integrity stays the same. To help guide our actions and comply with law, we have established business standards (“Standards”) to provide us with a common framework for managing our business, addressing ethical concerns and navigating many of our everyday decisions. You are required to make yourself familiar and comply with all our Standards. Underpinning the Standards is, of course, our commitment to fully comply with relevant laws, rules and regulations. You will be responsible for any action in violation of this Code of Ethics. Meanwhile, the business partners we work with shall share our compliance values, are aware of our ethical standards, and undertake to maintain integrity and compliance jointly with us.

3. What We Expect of You



3.1 Compliance Due Diligence and Training

Compliance Due Diligence

We will conduct compliance due diligence on our suppliers, intermediaries, and other business partners in accordance with relevant company procedures. You are required to follow these procedures and either conduct due diligence on third parties yourself following the Company’s policy, or cooperate with such due diligence.

Compliance Training

We will develop compliance training and appraisal programs for our employees based on our assessment of the need for such programs, and will arrange for employees to participate in training and appraisal sessions. You are required to attend the compliance training sessions and cooperate in the appraisals arranged for you.



3.2 People and Safety

Protection of Employees’ Rights and Interests

We are committed to protecting the legal rights and interests of our employees. We have a zero-tolerance policy for discrimination based on prohibited grounds including ethnicity, geographic location, gender, age, or nationality, and for workplace harassment of any kind on any ground. We are committed to maintaining a work environment that is free from bullying, harassment and discrimination, where all individuals are treated with dignity and respect.

Health, Safety and Environment

You have the duty to protect your own health, safety and wellbeing, and the health, safety and wellbeing of your coworkers and the

local community, and the duty to protect the environment. We are committed to providing a safe, healthy and productive work environment aligned with laws and regulations and industry best practices. Our commitment to health, safety and environmental protection is embedded in our culture and is an essential component of how we create long-term value.

Sustainable Development

We are committed to a sustainable growth model that helps meet the world's growing energy needs in ways that are economically, environmentally, and socially responsible. We will make efforts to balance our short- and long-term interests, and integrate economic, health, safety, security, environmental, and social considerations into business decisions.

Respect for and Promotion of Relationship with Communities and Indigenous Peoples

We value and promote respect for the communities in which we work. Our business practices are consistent with applicable laws and regulatory requirements. We are committed to establishing and developing long-term mutually beneficial relationships with local communities and indigenous peoples, respecting their rights and interests protected by local laws and regulations.

No Alcohol or Drugs

All employees shall be fit for work and unaffected by alcohol and drugs abuse.



3.3 No Conflict of Interest or Insider Dealing

No Conflict of Interest

Employees shall proactively avoid or manage, and where appropriate, report conflicts of interest. Actual or perceived conflicts of interest may cause damage to the Company's business interests and reputation. You must not take advantage of your position or authority within the Company to achieve personal gain. You are also prohibited to use the Company's assets and

information to seek personal gain. Below are examples of where conflicts of interest may occur.

- Actual or perceived conflicts of interest can easily arise in supply chain activities. We have detailed business procedures that must be followed including no intervention or interference with supplier access, bidding and disclosure of bid information;
- A conflict of interest may arise if an individual is simultaneously employed or engaged by a business or entity that competes with CNOOC Limited or where losses are caused to CNOOC Limited by the simultaneously employment;
- Whilst you are not prohibited from conducting normal transactions with publicly recognized banks or financial institutions, you must not obtain loans or personal debt guarantees from important customers, suppliers or competitors of CNOOC Limited, or conduct any other personal financial transactions with them;

Actual or perceived conflicts of interest are not always readily identifiable, as they may involve personal life that is not known to the Company, and activities of family members may also create conflicts of interest, therefore, if you believe there is an actual or perceived conflict of interest, please report it to the Company immediately.

No Insider Dealing

You must comply with all applicable laws when trading shares. Insider trading is illegal and strictly prohibited by CNOOC Limited. For publicly traded securities, we are committed to the principles of fair and open markets and compliance with all applicable securities laws and exchange rules.



3.4 Anti-Bribery and Corruption and Anti-Money Laundering

Anti-Bribery and Corruption

We are committed to conducting business in an honest and ethical manner, which reflects the highest standards of integrity in compliance with relevant laws and regulations. No one may directly or indirectly give, solicit or accept any form of bribery. Bribery acts may be overt (and thus easily identifiable) or disguised. Acceptance

of hospitality, opportunities or other benefits offered by others for the purpose of obtaining returns may constitute or be perceived as bribery. The indirect acceptance (e.g. through a third party) of benefits could also be deemed as bribery. The benefits can be cash or gifts, securities, physical items, rebates, travel and entertainment expenses or employment opportunities. Accordingly, it is critical that you speak up immediately, should you become aware of any instances of bribery or corruption.

Interaction with Government Officials

The offering of gifts and hospitality (“G&H”) including travel-related expenses for government officials creates special concerns. You shall not offer G&H to the spouses, family members or guests of government officials. You shall not pay for non-business travel and hospitality for any government official. You must comply with all applicable laws and with CNOOC Limited’s internal procedures regarding G&H to government officials.

Anti-money Laundering

You shall not knowingly conduct any business activities in violation of applicable anti-money laundering¹ law. Examples of prohibited activities include, but are not limited to: dealing with criminal proceeds in business activities, hiding the origin or nature of criminal property, and facilitating the acquisition, ownership or control of criminal gains.

In addition, you must follow due diligence requirements on knowing your prospective business partner, which may include researching and documenting its reputation, qualifications, management information, ownership and control structure, background and past performance, and examining its audited or unaudited financial statement.

You must ensure that business transactions on behalf of the Company do not involve monetary proceeds or property acquired through crime. If you have knowledge or suspicion that a business partner is involved in money laundering, you must promptly report it to the compliance department.

¹Money laundering refers to the process used to disguise the source of money or assets derived from criminal activity.



3.5 Protection of Company Assets

Protection of Our Resources

You are required to abide by the Company’s asset management rules, utilize assets properly and efficiently to avoid waste, loss and damage. You must protect and respect intellectual property rights and protect CNOOC Limited’s assets from theft and external damage, and may not use or dispose of the Company’s assets without approval and authorization.

Protection of Reputation

We must maintain the Company’s reputation. The use of the Company’s name and brand on social media, either representing the Company or in the name of an individual employee, must comply with the relevant requirements of the Company.

Protection of Intellectual Property

The Company respects Intellectual Property rights, include patents, trademarks, know-how, and trade secrets. You must follow the Company’s standards on Intellectual Property.



3.6 Company Information and Personal Privacy

Protection of and Respect for Confidentiality

You must not breach confidentiality when conducting business activities. Any non-public company information that you become aware of in connection with your employment must be treated as confidential and proprietary to the Company.

Acceptable Use of Information Technology

You must use the information technology in accordance with the Company’s expectations. The Company ensures ensure assets and services are used appropriately in order to protect the Company and its employees.

Personal Privacy

You must respect privacy, and safeguard the security of personal information and data. We will take steps to ensure compliance with legal requirements for the management of personal information collected by the Company.

3.7 Financial Reporting and Public Disclosure

Recognition and Protection of Our Financial System, and Undertaking of Reporting and Tax Obligations

You must value and protect our financial system and undertake the reporting obligations. We ensure the accuracy and completeness of our business records. We create, maintain and retain our business records in accordance with the laws of the country in which the business is located and the applicable accounting standards. We have a robust process for estimation, validation and reporting in order to meet legal, business and regulatory requirements, as well as public expectations. You shall make timely reporting whenever you find any record is erroneous, incomplete or untimely. We pay taxes in accordance with the law and fulfill our obligations to withhold taxes.

Public Disclosure

You must not make public disclosures about CNOOC Limited's business activities without proper authorization. If you are authorized to disclosure information, information disclosed must be true, accurate, consistent and not misleading.

3.8 Trade Compliance

You shall abide by applicable national and international trade compliance regulations. Trade compliance regulations include regulations governing the import, export and domestic trading of goods, technology, software and services, and economic sanctions rules.

3.9 Competition Compliance

Antitrust

You must comply with the antitrust rules that apply in your field of work. We are committed to fair competition, and accordingly our business activities must comply with the antitrust law of the jurisdiction where we have business operation.

Anti-unfair Competition

We conduct business solely on the basis of free and unhindered competition, and follow market economy principles.

3.10 Values-based Decisions

You should make values-based decisions in everything you do. Our Business Standards guide decisions in many situations and scenarios, but they can't address every possible circumstance, and are not a substitute for exercising good judgement. When faced with a decision where there is no specific guidance and no clear positions to be taken, you need to make that decision by employing a values-based approach and consider the following:

- Will there be any impact on health, safety or the environment?
- Is it legal and consistent with our standards?
- Will it result in an outcome that is fair, honest and respectful?
- Is it aligned with our values and long-term business goals?
- Will it negatively impact others, our business or our reputation?

The answers to these questions will help you reach the appropriate decision. But if you are not sure, speak with your manager or a member of the local leadership team for guidance.

Tell Us

Speaking Up

If you encounter problems when implementing this Code, or if you have any suggestions on this Code, you can directly consult and make suggestions to departments with compliance consulting functions.

Complaints Concerning Violation of Integrity and Compliance

We are all expected to raise concerns in good faith, particularly when one or more elements of the Code of Ethics are compromised. Retaliation against anyone who speaks up about potential or actual violations is not acceptable and will not be tolerated. Appropriate action will be taken where an employee retaliates against someone who speaks up. A range of possibilities are available for individuals who need to speak up on any issue. You are encouraged first to speak to your manager. If speaking to your manager does not seem like a suitable option, matters may be reported through the complaint channels set up by the Company.

Complaints Channels

You can use complaint channels to express or report concerns. For more information, please visit the website of CNOOC Limited.

Thank you for taking the time to read this Code of Ethics. It will help you understand the major risks you and CNOOC Limited face in terms of ethical operation of the business, understand your responsibilities, and enable you to contribute in the maintenance of the Company's reputation.

We encourage you to reread this Code when you encounter new challenges or when you are transferred to a new position. We expect you to live up to the requirements of this Code in your daily work and always make the right decisions.

Annex 2: Code of Ethics for Directors and Senior Officers

For more information, please visit the CNOOC Limited's website.

Annex 3:

Letter of Commitment on Compliance (Sample)

To: _____

I hereby acknowledge receipt, review and understanding of the *CNOOC Limited Compliance Manual for Entities and Employees*, including the *Code of Ethics*, and agree to be bound by and comply with the terms set forth in the Manual and applicable Company rules.

Name:

Date:

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