

Company Profile

Our Concept

Adhering to the corporate mission of "Caring for Energy, Caring for You", we uphold the operating principle of "Achieving excellence through innovation and integrity". We shall attach importance to development quality while maintaining efficiency, enhance development benefits while expanding our gross output, and harmonize corporate development with resources, the environment, society and employees while fulfilling our economic, environmental and social responsibilities.

To ensure the harmonious development of people and nature, and our business and society, safety, environment and people are the top priorities in all our operations. We are committed to realizing "zero injury, zero pollution and zero accident". We shall positively cope with climate change and strongly promote energy saving and emission reduction to realize safe, clean, energy-saving and harmonious development. We want to be an environmentally friendly and resource-conservative enterprise.

Employees are our most valuable asset. Having always adhered to a people-oriented, equal and unbiased employment policy, we care for employees' lives, health and safety and respect and protect their rights and interests. We actively build a development platform for our staff and are devoted to their all-round development and to the unification of our corporate and staff values, which all serve to build harmonious working relations.

The wealth we gain from society should serve to benefit the people. We care about people's lives and social development. We provide donations to education, take part in disaster relief, and promote the development of local communities. In overseas regions, in line with the spirit of "friendship, peace, cooperation and development" and the principle of "mutual benefit and win-win for common development", we strive for the harmonious development of CNPC and local communities.

China National Petroleum Corporation (CNPC) is the largest oil and gas producer and supplier in China with businesses covering a broad spectrum of oil & gas exploration and production, refinery & chemicals, pipeline transportation, sales & marketing, oil and gas field engineering & technical services, petroleum materials and equipment manufacturing and supply. In 2007, CNPC had total assets of RMB 1,540 billion, sales revenue of over RMB 1,000 billion and a total tax payment of RMB 197.5 billion with 1,673,000 employees. CNPC was ranked 24th in Fortune Magazine's top 500 enterprises and was seventh among the world's top 50 petroleum companies in 2007. CNPC is the controlling shareholder of PetroChina Company Limited with 86.29% of the total shares.

CNPC website: www.cnpc.com.cn

CNPC in 2007

Achieving a breakthrough in resource prospecting, accomplishing record production

Newly proven oil and gas in place recorded over 800 million metric tons and 400 billion cubic meters respectively. A resource base of over 1 billion metric tons in Jidong Nanpu Oilfield was identified, and the Sulige Gas province, with a reserve scale of 1,000 billion cubic meters, was formed. Besides, our oil and gas production achieved a new high, and the difficulty in resource replacement has been relieved by continuously improving our oil and gas security capability.

Promoting the supply of clean products

The technical reconstruction and construction of four 10-million-ton refinery projects at Dalian, Dushanzi, Fushun and Guangxi progressed smoothly. In the year 2007, domestic crude runs totaled over 120 million metric tons, 2.58 million metric tons of ethylene was produced and 82.8 million metric tons of refined products were delivered. Clean products production technology has been widely applied and the percentage of high-grade G-IV gasoline reached 47%.

Enhancing the oil and gas supply network

A batch of long-distance trunk lines including the Western Pipeline and Kazakhstan-China Crude Pipeline have been built and put into operation and our total oil and gas pipelines reached 30,000 km, and Beijing Oil and Gas Transportation & Dispatching Center was established. A diversified, flexible and stable oil and gas supply system has been formed. Natural gas sales cover 26 provinces, municipalities and autonomous regions, making an important contribution to air quality and energy mix improvement.

Developing international business

Our oil and gas businesses in five overseas oil and gas cooperation regions developed stably, with 52.41 million metric tons of oil added to our recoverable reserves through our overseas operations. Over 60 million metric tons of crude and 5.4 billion cubic meters of gas were produced.

Launching biomass energy collaborative development program

A three-year plan for new energy development and use was drawn up. In addition, we signed biomass energy framework agreements with SFA and seven provinces and municipalities, and established an

exemplary biodiesel forest base covering 68,000 hectares.

Enhancing CNPC's strength through technical innovation

We developed 10 core technologies with independent intellectual property rights. In 2007, we recorded over 1,200 key technological achievements.

Supporting the initiation of Green Carbon Fund to combat global climate change

As an initiator, CNPC donated RMB 300 million to establish the China Green Carbon Fund jointly with SFA and CGF to support and promote forestry carbon sequestration and reduce greenhouse gas emissions.

Improving safety and environmental conditions

In carrying out the three-year potential safety and environment hazards treatment plan, we invested RMB 11.7 billion and treated over 2,000 potential hazards. The number of accidents and industrial casualties in the year decreased substantially. Key pollutant COD and oil discharges fell by 4.4% and 13.2%, and no serious environmental accidents took place.

Sharing development with staff

Our human resource management system was popularized. An enterprise annuity program was launched. Grassroots development was strengthened, and over 60,000 team chiefs were trained in the past two years. We also attached importance to the health and safety of overseas staff and the concord of diversified cultures.

Supporting public welfare causes

We invested RMB 38 million to buy slots on the CCTV-7 Agricultural Channel to help promote businesses in over 40 poor counties. We carried out a batch of poverty-relief programs in Xinjiang and Tibet. We awarded scholarships worth over RMB 7.5 million to 4,141 poor students. We also donated RMB 120 million to disaster-hit areas such as Sichuan and Shandong provinces, and Chongqing Municipality.