Communication with Stakeholders

Stakeholders are the groups or individuals who are able to influence corporate decisions and activities or are subject to influence from corporate decisions and activities, including government, employees, customers and consumers, partners, relevant agencies and communities, etc. Stakeholders' participation in CSR work can help deepen mutual communication, understanding, trust and cooperation, and is beneficial to the Company's development.

We adhere to the principles of honesty, interaction and equality, and actively establish and improve the mechanism of stakeholder participation. We introduce a variety of ways to collect and analyze the expectations and concerns of our stakeholders, enhance our communication with stakeholders, and invite them to participate in decision-making and activities related to our sustainable development. In addition, we learn from international standards and advanced experiences home and abroad to continuously improve stakeholder participation.

Improving Disclosure of Social Responsibility Information

In 2016, we released reports on our progress in poverty alleviation and low-carbon development, including the CNPC CSR Special Report on Poverty Alleviation and Development (2006-2015), the Health, Safety and Environmental Protection Report and the Environmental Protection Communique.

Expanding Public Communication Channels

In 2016, we encouraged stakeholders to participate in the Company's major decision-making and activities, and provided the media and the general public with a better understanding of CNPC. We introduced a variety of ways to enhance communication with our stakeholders including the staff congress, announcements, seminars, dialogues and joint actions. We also launched a series of activities including the Service Station Open Day, CNPC Open House Day, mystery customer visits, and activities which invited energy experts, college student journalists and Internet VIPs to pay visits to CNPC.

We hosted the "China Student Reporters Practice Camp" jointly with China Youth Daily. Thirty student reporters from 28 universities visited our oilfields, where they gained firsthand experience about the whole process of oil production and the daily work of CNPC employees.



Parent-Child Summer Camp

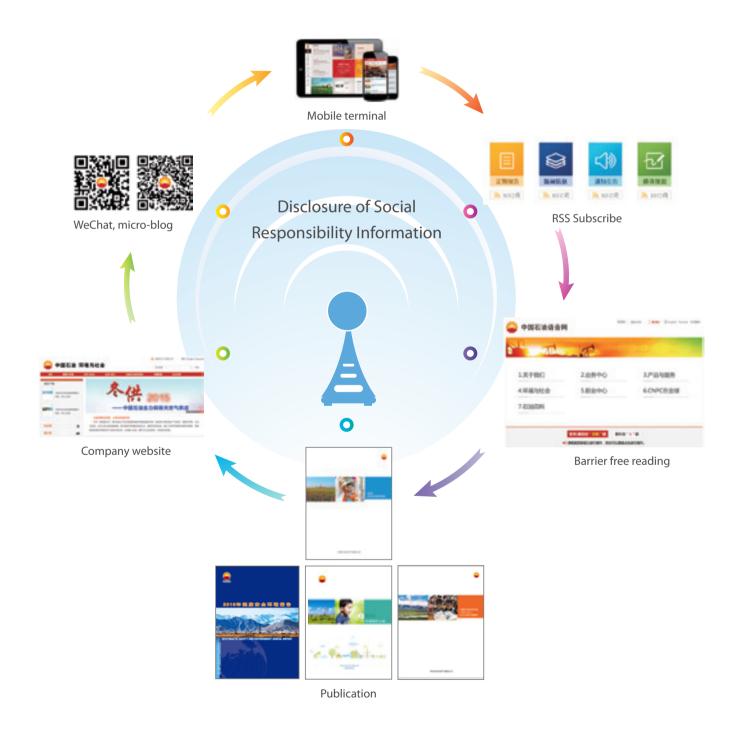
CNPC's refinery project in Yunnan invited the general public to participate in project environmental impact assessment, set up the "Yunnan Petrochemical Green Construction Advisory Committee" composed of representatives from local communities, enterprises, social organizations and local government, and organized roundtable dialogues. Through these dialogues, Yunnan Petrochemical responded to issues one by one including residents' relocation and resettlement, local employment, impact on surrounding safety and environment, project information disclosure, communication with the general public, refinery knowledge promotion and government supervision.

More than 50 people participated in the roundtables including representatives from Kunming municipal people's congress and municipal CPPCC, local communities of Anning city, local governments, NGOs, and nearby enterprises, as well as petrochemical experts. Representatives of the Center for Environmental Education and Communications of the Ministry of Environmental Protection and Yunnan Environmental Protection Department attended the roundtables as observers.

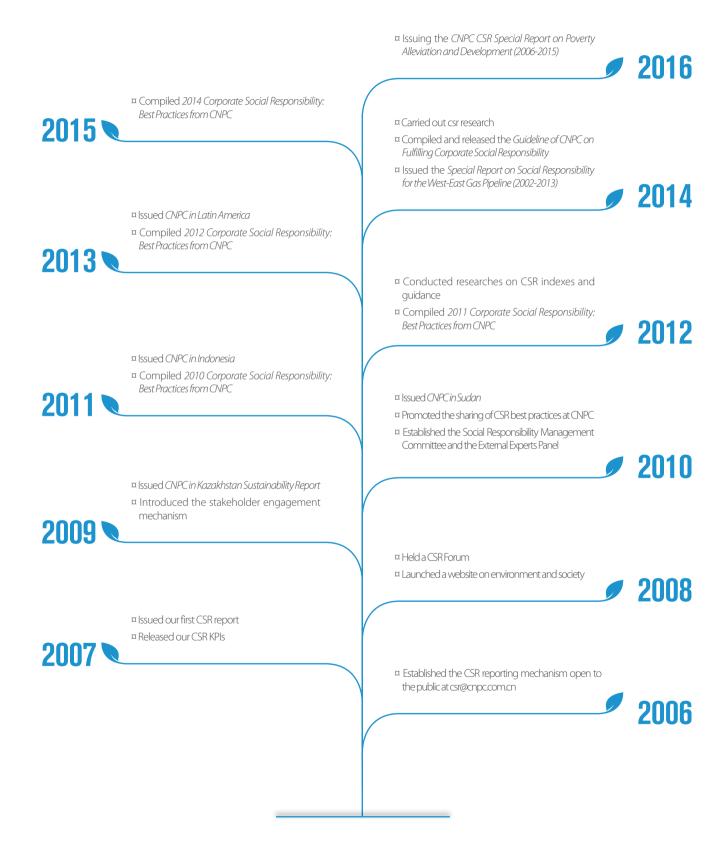


Increasing Routine Disclosures

Through the Company's website and its microblog, WeChat, mobile platforms and other new media, we enrich information disclosure on social responsibility and enhance the effectiveness of our communications.



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Goals and

Concerns

Government

• Guarantee energy security

- Stabilize market supply
- Fulfill social responsibility
- Energy conservation and emission reduction
- Strengthen operation in compliance with all legal requirements
- Deepen enterprise reform
- Guarantee investors' interests

Employees

- Guarantee employees' rights and interests
- Employee career development
- Employee value realization
- Employee health and safety

Customers and consumers

- Provide safe, environmentally friendly, and high-quality products
- Provide quality services
- Improve customer satisfaction
- Establish communication mechanisms
- Advocate sustainable consumption patterns
- Protect consumer privacy
- Improve consumer complaints mechanism

Means of Communication and Participation

- Legal operation, integrity and trustworthiness
- Respond to the government's call, and accept supervision
- Contribute to the formulation of energy policies, laws and regulations and industry standards
- Push forward the supply-side reform
- Enhance the quality of products, engineering and services
- Improve environmental performance

- Support trade unions at different levels
- Hold staff congresses
- Reinforce staff training
- Improve salary distribution system
- Hold contests and evaluations
- Safeguard consumers' interests
- Supervise product quality
- Solicit the opinions of customers and consumers

- Change the mode of development, increase resource potential, promote technological innovation, maintain sound operations and increase the value of stateowned assets
- Safeguard energy supply and optimize energy mix, in coordination with national energy strategy
- Promote the building of national key laboratories and major scientific and technological innovation projects
- Draft and implement 36 measures in 12 categories including optimizing structure, exploring markets, cutting costs and reversing losses to increase revenue, cut expenditure and costs, and improve efficiency

- Improve the staff development mechanism
- Enhance employee training by hosting professional skills competitions
- Protect the legitimate rights and interests of employees, including remuneration, education and training, rest and vacations, and labor protection
- Continue to organize occupational health examination and poverty alleviation activities
- Increase clean oil supply and realize supply of National V standard gasoline and diesel nationwide
- Further promote the CNPC Quality

 Month Campaign
- Provide natural gas and other clean energy products
- Establish a unified service station management system and launch overall inspections on service stations
- Implement customer satisfaction investigation and conduct mystery customer visits
- Launch CNPC e-station app to promote self-service refueling

Our Actions









Business partners

- Comply with national laws, regulations and business ethics
- Standardize HSE management
- Fair competition, mutual benefits
- Promote social responsibility in the value chain

NGOs and relevant organizations

- Participate in discussion on public policy and industry standards
- Pay attention to industry trends and policy moves
- Advance the sustainable development of enterprises and industries
- Carry out cooperation in social development and environmental protection



Communities and the public

- Promote community development
- Protect community environment
- Increase local employment
- Support education, public health and other public welfare activities
- Perform social investment
- Enhance sustainable development capacity

Goals and

Concerns

- Promote e-procurement through e-commerce platform
- Share management experience and technical standards
- Strengthen communication with suppliers and contractors
- Share corporate experience
- Attend related meetings and forums
- Facilitate international exchanges and cooperation
- Provide education, training and employment opportunities
- Promote cultural exchange
- Pay community visits

Means of Communication and **Participation**

- Advocate fair competition, standardized operations, and promote the use of e-procurement and management platform
- Strengthen control over key processes including design, procurement, construction and supervision, and strengthen HSE management for suppliers and contractors
- Exchanges with the public on their concerns
- Participate in high-level strategic cooperation forums to discuss how to build an efficient, safe and competitive supply chain
- Carry out disaster relief, poverty alleviation and donations to education, and support the reconstruction of disaster-stricken areas
- Carry out fixed-point poverty alleviation and aid programs
- Support and drive the development of local economies through major project construction, and make steady progress in joint venture cooperation in refining, pipelines, shale gas, and marketing network
- Implement oil and gas recovery projects to minimize evaporation
- Support the development of SMEs and promote local procurement

Our Actions