

Key Topics

1 High-quality Growth

China's economy is in a shift from high-speed growth to high-quality growth. CNPC, as China's largest oil and gas producer and supplier, has been promoting high-quality growth to support the growing demand for oil and gas and the need for a low-carbon, secure and efficient energy system. This is an inevitable choice of the company in coping with risks and challenges and gaining strategic initiative. This is the road we must go through to strengthen and expand the state-owned capital and build a world-class enterprise with global competitiveness. And this is the answer to prominent problems in our business growth.

How Do We Define High-Quality Growth?

For CNPC, high-quality growth means an energy security-oriented approach to building a world-class and globally competitive company with high-quality operating results, high-quality growth momentum, high-quality development foundation and high-quality business performance through the reform in terms of quality, efficiency and driving force.

Framework Requirements for "Four High-Quality"

High-quality operating results

Continuously improve oil and gas value chains; further optimize investment structure and asset structure; achieve steady growth in revenue and profit from core business operation; increase supply of high-quality clean energy; realize world-leading ROI and RONA; and preserve or increase state-owned assets.

High-quality growth momentum

Implement the innovation and human capital strategies and deepen enterprise reform in support of building a world-class innovative and IT-enabled company; continuously improve modern state-owned enterprise systems with Chinese characteristics; strengthen employee competencies; enhance contribution of technological progress and total-factor productivity.

High-quality development foundation

Reinforce quality control and rectification of hidden perils; promote safe and eco-friendly operations; enhance energy/resource efficiency; maintain the overall harmony and stability of the company; improve project quality and product quality; achieve industry-leading HSE performance; strive for a harmonious relationship between the company and the environment, and ensure the success of the company also shared by its employees.

High-quality business performance

Exert more efforts on analyzing macroeconomic situations and market trends; strengthen risk identification, early warning and prevention; optimize resource allocation; timely adjust business strategies; take a measured and paced approach to policy implementation; reinforce corporate governance and compliance; ensure steady production and management; and improve risk control and operating efficiency.



How Do We Achieve High-Quality Growth?

Highlight innovation and accelerate the shift in growth momentum

Seize the emerging opportunities in a new wave of technological and industrial revolution; foster innovations in technology, management and business models in the principles of "business-oriented, self-dependent, incentive-driven and knowledge sharing" facilitate deep integration of information technology with the process of industrialization; and strength the capabilities in self-dependent innovation and guiding of industrial standards, making innovation the major driver of business growth.

- Strengthen technological innovation
- Promote management innovation
- Inspire innovation vitality

Achieve coordinated development across all business segments and enhance value-creating competence of our core business

Give full play to our advantage of having integrated business. In developing our core business, differentiated approaches are employed such as "prioritized efficient, accelerated and coordinated" specific to different business segments. In line with the supply-side structural reform, efforts are focused on enhancing the quality and efficiency of oil and gas supply. Improve mechanisms for profit distribution, price transmission and interaction evaluation between upstream and downstream activities, domestic and overseas businesses, oil and gas operation and oilfield services, in a bid to shore up our weak points and bolster the company's overall value-creating competence and market competitiveness, making coordination an organic attribute of our business growth.

- Strengthen E&P activities
- Accelerate refining and chemicals business transformation and upgrading
- Increase oil and gas sales and profit
- Enhance service capability

Establish a low-carbon modern energy system

Give priority to resource conservation and eco-friendliness in our operations. Promote all-round technology progress in oil and gas production and energy use so as to build CNPC into an energy-saving and environmental-friendly enterprise, making green development a universal practice.

- Promote clean and safe production
- Enhance efficiency in resource and energy use
- Develop new energy

Forge a community of shared interests in international oil and gas cooperation

Improve the scope, depth and level of international oil and gas cooperation. Enable efficient allocation of domestic and overseas resources and the complementary interaction between the domestic and international markets, making opening up indispensable to development.

- Strive for high quality overseas oil and gas operations
- Deepen involvement in shaping the global oil and gas trading and market system
- Further opening up to the outside world

Highlight a harmonious community for common growth and benefit sharing

Share the benefits of growth with our employees, the society and our partners on the principles of "with everyone, by everyone and for everyone" to allow a sense of gain, happiness and security, making benefit sharing the fundamental goal of business growth.

- Work towards the success of both the company and our employees
- Achieve win-win with stakeholders