## **Key Topics**

## Technological Innovation Drives Newly Added Reserves to Record High

Technological innovation is the primary driving force for the company's growth. At CNPC, we embrace innovation as part of our organizational strategy with a strong focus on business orientation, indigenous innovation, strong incentives, openness and sharing. Under this strategy, we strive to be more innovative and competitive by pushing ahead with breakthroughs in core technologies, nurturing and motivating technical talents and creating an open and innovative corporate ecosystem.

In recent years, with the high-quality growth of the domestic economy and the accelerated upgrading of the energy consumption mix, there has been increasing demand for oil and gas resources. In response to this demand, we have stepped up investment in upstream activities and strengthened R&D efforts in exploration technology. Meanwhile, prospective, concentrated, refined and integrated techniques have been carefully deployed, with a focus on new and key areas. In 2019, these efforts resulted in a number of major discoveries and achievements in the Ordos, Junggar, Tarim, Sichuan and other basins, leading to a significant year-over-year increase in newly added proven geological reserves and marking the highest level since the company's restructuring in 1998.

A solid resource base for oil and gas production

Newly proven oil in place (Domestic)

836.60

up 31.3% year-on-year

Newly proven gas in place (Domestic)

1,239.9

up 112.1% year-on-year



Oil and gas exploration in the Bozi-Dabei area, Tarim Basin

## Junggar Basin • Exploratory wells at the southern rim of the basin obtained high yield oil and gas flows A breakthrough was achieved on risk exploration at the Chepaizi Uplift Major oil and gas reserves were identified at the Dongdaohaizi Sag **Ordos Basin** • The Qingcheng Oilfield was discovered with 1-billion-ton reserves • Exploratory achievements were made in the Tarim Basin Huanjiang area • A new 1-trillion-cubic-meter gas province was identified in the • Gas exploration in the Qingshimao area made Bozi-Dabei area significant headway Sichuan Basin • A 1-trillion-cubic-meter shale gas province took shape in southern Sichuan • Remarkable advancement was made in gas exploration in central Sichuan