

Corporate Governance

CNPC is a solely state-owned enterprise. The State-owned Assets Supervision and Administration Commission (SASAC) performs the responsibilities of investor on behalf of the State Council in accordance with relevant laws, administrative regulations, and authorizations. The Company has been implementing the principle of “Two Consistencies” in aligning Party’s leadership over SOEs with corporate governance and aligning the leading role of the Leading Party Group with the Board of Directors’ lawful fulfillment of its duties. A corporate governance mechanism has been established, with clearly defined rights and responsibilities, transparency and accountability, coordinated operations, and effective checks and balances. A modern enterprise system with Chinese characteristics has been evolving to support the modernization of governance systems and governance capabilities, with a focus on the development of mechanisms and institutions for building a world-class enterprise and the fulfillment of its economic, political, and social responsibilities.

The Leading Party Group



As the leading body established by the Party in CNPC, the Leading Party Group has a legal status in the corporate governance structure, and it plays a leading role in guiding, supervising, and ensuring the implementation of major decisions. In line with the principle of “Two Consistencies”, the Leading Party Group implements the Party’s leadership in all aspects of corporate governance such as decision-making, execution and supervision. It fulfills the duties of decision-making or guiding/directing of major matters of the Company, and decides on major matters such as Party building. It promotes the alignment between the Party’s important guidelines and decisions and CNPC’s strategic goals, policies, rules & procedures, and reform & development achievements, as well as employee behavior by conducting preliminary reviews of major matters concerning operation and management. It oversees the implementation of the Party’s theories, guidelines, policies, and national development strategies and upholds socialism in the Company’s reform and development.

In 2024, following President Xi Jinping’s Thought on Socialism with Chinese Characteristics for a New Era and the guiding principles set forth at the 20th CPC National Congress, the Second and Third Plenary Sessions of the 20th CPC National Congress, the Leading Party Group resolutely implemented the decisions of the Party Central Committee and the State Council, upheld the underlying principle of “seeking progress while maintaining stability”, followed the new development philosophy, exercised the duties in full and strict governance over the Party, coordinated the deepening of reform, strengthened scientific and technological capabilities of strategic importance and accelerated the development of new quality productive forces. As a major central state-owned enterprise, CNPC made solid headway in enhancing the supply capacity of high-quality energy and chemical products, strengthening production safety and environmental protection, making important contributions to ensuring national energy security and bolstering the overall recovery of the Chinese economy.



Board of Directors

The Board of Directors as the decision-making body provides guidance on business strategy, decision-making and risk mitigation. In accordance with the *Company Law of the People's Republic of China* and the *Articles of Association of CNPC*, the Board of Directors is entrusted with the power to review major matters of strategic importance; formulate and implement the Company's strategic plans; make major operation and management decisions and supervise the implementation of such decisions by executive management; promote the improvement of the Company's rules and procedures for risk management, internal controls, legal compliance, accountability and internal investigation; and identify, analyze, and oversee the prevention and mitigation of major risks.

In 2024, the Board of Directors focused on a systematic, rational and efficient approach to performing its functions and duties, including revising the Company's Articles of Association in accordance with the Company Law to provide a solid foundation for its institutional framework; serving the overarching strategic goals of the Party and the nation and the national energy security; guiding reform and development from a strategic perspective based on the accurate insight into industry trends; promoting the steady implementation of the Company's strategic planning for core businesses; taking a precise, disciplined and cost-effective approach to investment based on rational and informed decisions; preventing and mitigating major risks through an enhanced mechanism for identifying, analyzing and responding to risks; and leveraging the Company's strengths in sci-tech innovation, industry dominance and energy security to build China into a great modern socialist country and advancing the rejuvenation of the Chinese nation through the Chinese path to modernization.

Top Management

As the execution body, the Top Management is responsible for business planning, implementation and management. It oversees the implementation of the Company's strategies; formulates schemes for improving production and operation; carries out board resolutions; and achieves the Company's business plans and business objectives. The Top Management strengthens internal control, streamlines business processes, and prevents and mitigates risks to ensure compliance and efficiency of the Company's operations management system. The Top Management reports regularly to the Board of Directors on the implementation of the decisions and resolutions made by the Board of Directors to deliver on the Company's strategies.

In 2024, The Top Management followed the underlying principle of "seeking progress while maintaining stability" and made headway towards high-quality development with a focus on enhancing core competitiveness and bolstering core functions. The Company's oil and gas operations and other businesses were running smoothly and efficiently and the new energies and new materials business grew rapidly. Significant progress was made in improving quality and performance, the technological innovation capabilities ramped up, and the deepening of reform advanced steadily. The legal compliance management continued to improve and the QHSE performance remained stable. The Company's targets and tasks for the year were successfully achieved as the operating results reached all-time highs.