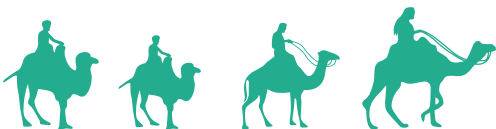




Chairman's Message

More than two thousand years ago, Chinese merchant ships sailed across the Persian Gulf along the ancient Silk Road into ancient Mesopotamia, anchoring at the port of Babylon and reaching Baghdad, an important city and a key transportation hub at the time. This ushered in an era characterized by the splendor of both Oriental civilization and Mesopotamian civilization, and continuous economic and trade exchanges between the two sides. The vast expanse of the Mesopotamia plain is endowed with rich reservoirs, which support the economic lifeline of Iraq and put the country in a pivotal position in the global energy market. In 2008, we were privileged to join the international efforts in oil and gas development in Iraq, and embarked on the journey of the New Silk Road for energy cooperation between China and Iraq.





CNPC strives to be an outstanding corporate citizen and a reliable and preferred partner to our counterparts in Iraq. In the past few years, together with our international counterparts and our Iraqi partners, we made arduous efforts and achieved milestones in enhancing crude oil production in Iraq. The Al-Ahdab project delivered an annual capacity of 6 million tons, and was the first oilfield to become operational in postwar Iraq, the Halfaya project met the contracted production target of 70,000 barrels/day 15 months ahead of schedule, and the Rumaila project registered the highest production record over the past 30 years. CNPC has lived up to the expectations of the Iraqi government and its partners with excellent project execution. Participating as a service provider in the projects to rebuild and renew Iraq's oil industry, we are devoted to cultivating local oil talents and creating more job opportunities for the benefit of local communities. We actively promote local employment, and have provided an accumulative total of more than 40,000 jobs. About 85% of our employees are locally hired.

The Belt and Road Initiative has brought new opportunities for global win-win cooperation. As a forerunner of the Belt and Road Initiative, CNPC will follow the principle of "achieving shared growth through discussion and collaboration", and work with our international counterparts and partners to promote balanced and inclusive development of the country, deeply integrate into Iraq's economic and social development, and strive to create and share values with local stakeholders in an effort to act as an outstanding corporate citizen. We will further deepen oil and gas cooperation, and contribute our professional experience and advantages for the development of the oil and gas industry of the country, so as to create more local jobs, train more local talents and develop the local industry chain.

Finally, we would like to extend our sincere gratitude to people from all sectors of society in Iraq for their support, and to our partners for their understanding and trust over the years.

We are grateful for your attention and we really value your comments.

Chairman