



Harmonize

Caring for Energy · Caring for You

Magazine



China National Petroleum Corporation



TO BE AN INTEGRATED INTERNATIONAL

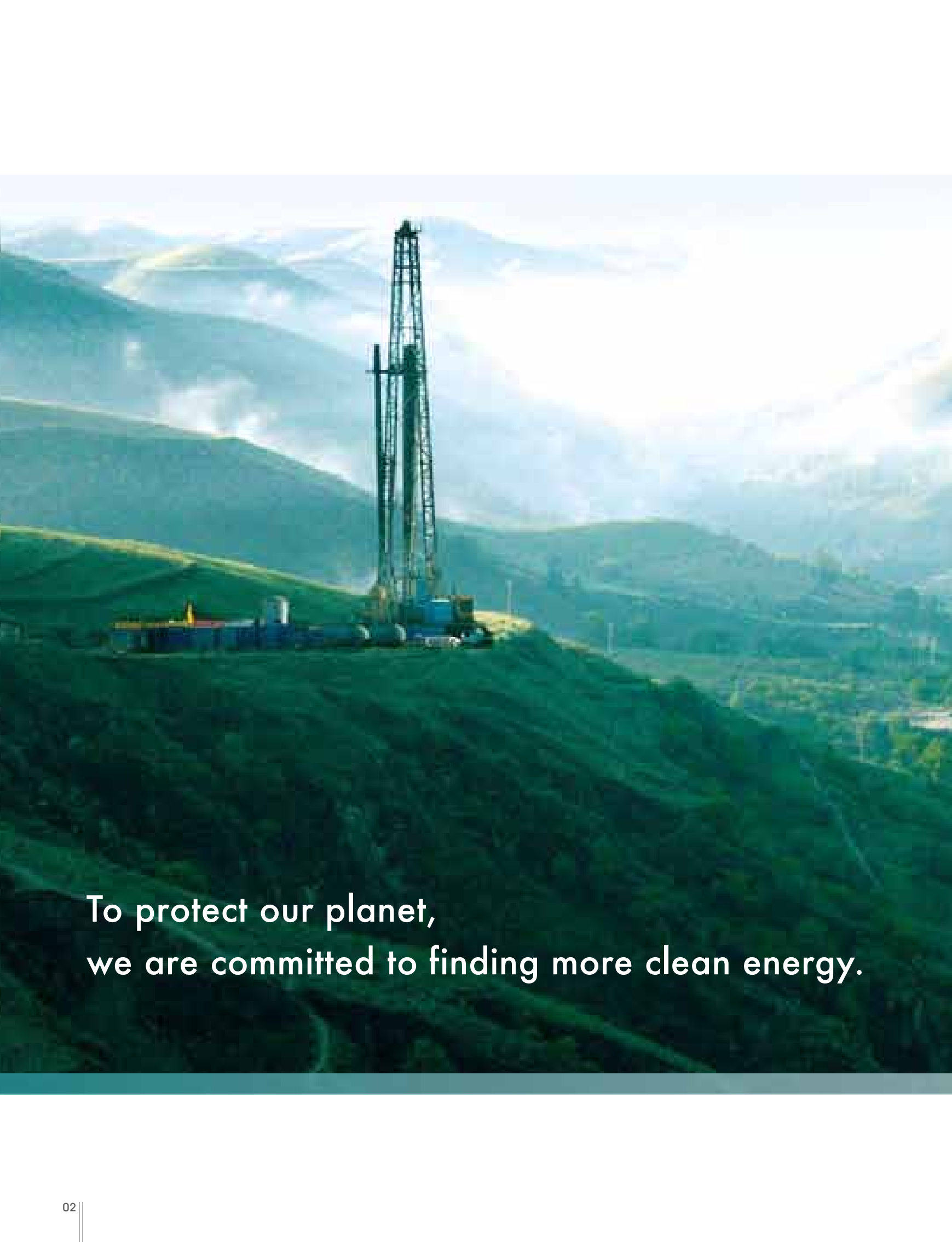
China's largest oil and gas producer and supplier

Ranked 5th among the world's top 50 oil companies



ENERGY COMPANY

China National Petroleum Corporation (CNPC) is an integrated international energy company with businesses covering oil and gas operations, oilfield engineering and technical services, petroleum engineering construction, petroleum equipment manufacturing, financial services and renewable energy development.



To protect our planet,
we are committed to finding more clean energy.



Realize Harmonize Energize

CNPC has long been guided by the four principles of "development, efficiency, renewability and cooperation" as it strives to satisfy the energy needs of China and the world. We aspire to transform ourselves from a fossil energy industry leader into a low-carbon and green technology pioneer.

Crude Oil

108.25 mmt produced in 2008

Accounting for China's total

58%

Natural Gas

61.75 bcm produced in 2008

Accounting for China's total

80%

Crude Runs

125.30 mmt processed in 2008



Refined Products

82.93 mmt sold in 2008

Share in China's refined products market

44%



Oil & Gas Pipelines

42,000 km in service



Accounting for China's total

71%





Tunisia



Niger



Nigeria



Equatorial
Guinea



Chad



Central African
Republic



AFRICA

CNPC Worldwide



AMERICAS



Canada



Cuba



Costa Rica



Venezuela



Ecuador



Peru



Russia



Kazakhstan



Uzbekistan



Turkmenistan



Azerbaijan

CENTRAL ASIA-RUSSIA



Mongolia



China



Japan



Myanmar



Thailand



Indonesia



Singapore

ASIA-PACIFIC



Syria



Iraq



Iran



Oman

MIDDLE EAST

Caring for Energy · Caring for You





As an energy company, CNPC is committed to Caring for Energy, Caring for You. We strive for harmonious relationships between operation and safety, energy and the environment, corporate and community interests, and employers and employees. We are committed to protecting the environment and saving resources, promoting the research, development and application of environmentally friendly products, fulfilling our responsibilities to society and promoting development that benefits all.

Focus on Climate

Embracing a low carbon economy

We strive to adopt low-carbon economic strategies to deal with climate change, pushing for a low-carbon revolution based on high energy efficiency & low emissions, developing low-carbon technologies and becoming an environmentally friendly company.



Rapid development of natural gas business

CNPC regards the development of natural gas a real energy solution for a low carbon economy. CNPC's gas production has been kept at a double-digit growth rate for six consecutive years, increasing the share of natural gas in China's energy consumption mix from 2.2% to 3.6%. The air quality in many major cities which had suffered severe pollution from the burning of coal has been significantly improved. As for the West-East Gas Pipeline, its gas supply can substitute for 28 million tons of standard coal every year, and reduce sulfur dioxide and carbon dioxide emissions by 830,000 tons and 60 million tons respectively.

Green Carbon Fund

In July 2007, we jointly established the China Green Carbon Fund with the State Forestry Administration and China Green Foundation. We donated RMB 300 million to support forestation — creating carbon sinks for carbon sequestration and emission reduction. In March 2008, the first group of CNPC Carbon Sink Forestation Projects was piloted in Beijing, Heilongjiang, Gansu, Hebei, Hubei, Zhejiang and Guangdong.



Tianjin Climate Exchange

In September 2008, CNPC jointly established the Tianjin Climate Exchange (TCE) with Tianjin Property Right Exchange Center and Chicago Climate Exchange. TCE is committed to energy saving and pollution reduction through trading in credits of major pollutants such as sulfur dioxide and COD, as well as energy-efficient products. On December 23, 2008, TCE completed China's first Internet-based trading in sulfur dioxide emission indicators.

CDM project

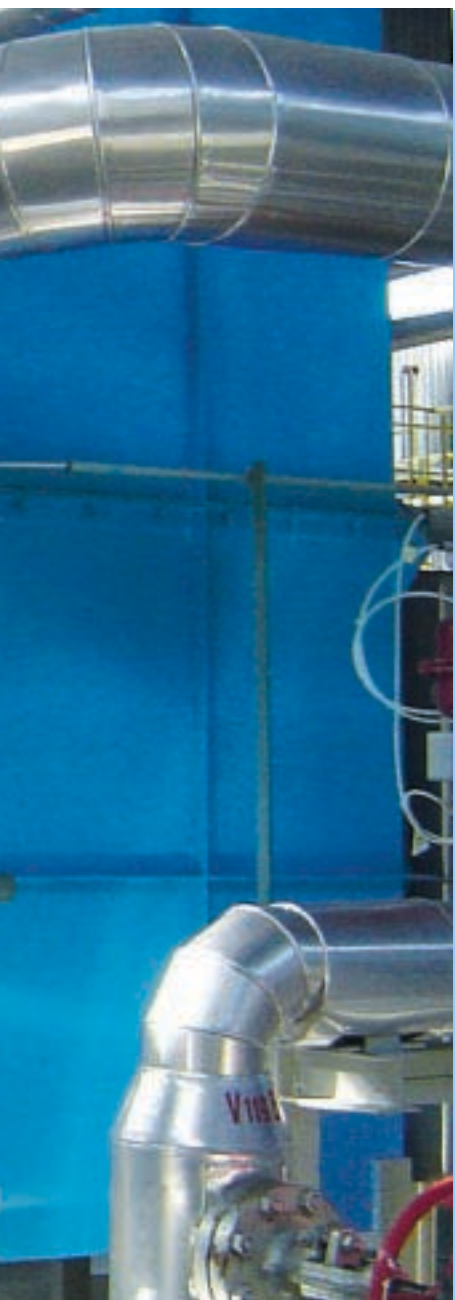
In 2008, CNPC applied catalytic decomposition technology to two 140 kt/a adipic acid units at Liaoyang Petrochemical Company to convert nitrous oxide produced into nitrogen and oxygen before emission. As a result, we can cut our carbon emissions by more than 12 million tons annually. The proceeds from trading in these carbon credits will be invested in our energy conservation and environmental protection projects.



Clean Operation

Maximizing resource utilization
Minimizing environmental impact





Clean operation means striking a balance between society and nature, as well as economic development and environmental protection. We pursue the goals of green and energy-saving production, pollution reduction, environmental protection and sustainable development.



Recycling of produced water in Liaohe Oilfield

CNPC began its study and application of heavy oil produced water recycling in Liaohe Oilfield in 1998. After 10 years of efforts, heavy oil produced water is now reused in steam boilers throughout the field. A total of 30 million cubic meters of produced water is treated every year. As a result, all produced water in Liaohe is recovered and reused.

Saving Energy and Reducing Emissions

Being a responsible global citizen





For CNPC, saving energy and cutting carbon emissions are the hallmarks of running the company in a responsible manner.



Seawater desalination at Dalian Petrochemical

Dalian Petrochemical Company uses desalination equipment that takes seawater and heat generated from the production process to produce fresh water for use in boilers, thus raising energy efficiency and reducing consumption of urban water resources by 1.7 million tons per year.



Solar power in Sulige Gas Field

Taking full advantage of the ample sunlight at Sulige Gas Field's desert location to power more than 1,000 gas wells, we have built Sulige into an energy self-sufficient gas field. The entire field is expected to save 800,000 KWH every year.

After the Central Asia-China and the Second West-East gas pipelines become operational, every year

- **76.8** million tons of standard coal can be substituted
- Sulfur dioxide emissions will fell by **1.66** million tons
- Carbon dioxide emissions will fell by **150** million tons



