



PetroChina

2005

COMPLIANCE WITH THE
CODE ON CORPORATE
GOVERNANCE
PRACTICES

Compliance with the Code on Corporate Governance Practices

The Company has complied with the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 to the Listing Rules throughout the six months ended June 30, 2005. However, the composition of the Examination and Remuneration committee of the Company does not have a majority of independent non-executive directors which deviates from B.1.1 of the Code. To comply with the Code provision, the Company proposes to make appropriate adjustments to the composition of the Examination and Remuneration committee after the election and re-election of directors in the shareholders meeting to be held in early November this year.