

April 30, 2021

To whom it may concern,

China Petroleum & Chemical Corporation (the “Company” or “we”) is writing this comments letter refers to File S7-03-21 which is issued by Securities and Exchange Commission (the “Commission”).

Since listing on the U.S. market, the Company has complied with accounting standards with no false records, misleading statements or major omissions in the financial reports. We have successively hired international accounting firms KPMG and PricewaterhouseCoopers to conduct audits, and all of them have issued standard unqualified opinions on the Company's financial reports over the years. Meanwhile, the contents and information required by the Holding Foreign Companies Accountable Act (“HFCA Act”) have been disclosed in the Company's Form 20-F or in previous announcements. Repeated disclosure will translate into additional unnecessary compliance costs for the Company. Moreover, the HFCA Act is clearly unfair against Chinese companies listed on the U.S. market. We believe that such targeted regulatory environment will negatively impact the stock prices of Chinese companies listed on the U.S. market, hence affecting their market value and damaging the interests of their global investors, including those of the U.S. investors. We hope that the Commission, as an important regulator of the U.S. securities market, will treat equally all companies listed in the U.S., including Chinese ones, and protect the lawful rights and interests of these companies and their investors.

Listed companies are not direct parties to PCAOB’s inspection on the audit working papers of accounting firms. It is obviously unfair and discriminatory that the HFCA Act imposes punitive measures and

consequences on Chinese companies listed in the U.S. that are not direct parties for PCAOB's failure to inspect audit working papers of accounting firms.

The HFCA Act involves cross-border supervision. As far as we know, the China Securities Regulatory Commission ("CSRC") has stated that "the Chinese side has never prohibited or prevented relevant accounting firms from providing audit working papers to overseas regulators." (Please refer to the link 1). It also expressed willingness to strengthen China-US audit supervision cooperation on multiple occasions (Please refer to the link 2 and 3). We hope that the Commission would respond to the CSRC positively and strengthen communication between the two sides so as to formulate a regulatory mechanism ensuring the sustainable development of Chinese companies listed in the United States.

Link 1: http://www.csrc.gov.cn/pub/csrc_en/newsfacts/release/202008/t20200808_381340.html

Link 2: http://www.csrc.gov.cn/pub/csrc_en/newsfacts/release/202011/t20201120_386575.html

Link3: http://www.csrc.gov.cn/pub/csrc_en/newsfacts/release/202011/t20201120_386576.html

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