



Environmental, Social and Governance Report

2025

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About This Report

This is the ninth Environmental, Social, and Governance (ESG) Report (the Report) published by ENN Energy Holdings Limited (hereinafter referred to as "ENN Energy", the "Company", or "we"), detailing our efforts to meet economic, social, and environmental responsibilities in pursuit of sustainable development. It addresses key concerns raised by stakeholders and reflects our ongoing commitment to these areas. The Company's board of directors (the Board) has reviewed this Report and assumes responsibility for the accuracy and integrity of its contents.

Reporting Period

This is an annual report, covering ENN Energy's sustainability performance from 1 January to 31 December 2025. Certain content may extend beyond this timeframe to enhance the comparability and continuity of the Report.

Scope of This Report

The reporting scope of this Report aligns with that of ENN Energy Holdings Limited's consolidated financial statements. The specific disclosure content is determined based on a comprehensive assessment of materiality, prioritization of material issues, stakeholder engagement, and applicable disclosure guidelines. For further details on the Company's business development and financial performance, please refer to the *Annual Report 2025*.

Data Source

All data and information presented in this Report are sourced from the Company's official documents, statistical and financial reports, and ESG data collected, aggregated, and verified internally. Unless otherwise stated, all monetary amounts in this Report are expressed in currency RMB.

Reporting Guidelines

This Report adheres to requirements of *Appendix C2—Environmental, Social and Governance Reporting Code* (the *Code*) of the *Listing Rules* of the Stock Exchange of Hong Kong Limited (HKEX). It also draws on the *GRI Standards* from the Global Sustainability Standards Board (GSSB), the *IFRS Sustainability Disclosure Standards* from the International Sustainability Standards Board (ISSB), and the frameworks

of the Task Force on Nature-related Financial Disclosures (TNFD), alongside other relevant standards. It underscores ENN Energy's dedication to the United Nations Sustainable Development Goals (UN SDGs) and our efforts to uphold the Ten Principles of the United Nations Global Compact (UNGC).

Disclosure Principles

- **Materiality:** The Board and the ESG Committee have assessed and reviewed significant ESG issues, including ENN Energy's environmental, social, and governance impacts, emerging ESG trends, requirements, and stakeholder expectations, adjusting this Report's disclosures accordingly.
- **Quantitative:** This Report provides detailed quantitative ESG performance data for 2025, enabling stakeholders to evaluate our progress. In addition, ENN Energy has established environmental, social, and governance targets based on significance assessments and monitors their implementation.
- **Balance:** This Report presents ENN Energy's 2025 sustainability performance objectively, ensuring fair disclosure free from misstatement, inappropriate content, or omissions.
- **Consistency:** Unless noted otherwise, quantitative data in this Report maintains consistency with prior years' statistical methods, measurement guidelines, and calculation methodologies.

Report Availability

This Report can be accessed and downloaded from the HKEXnews website (<http://www.hkexnews.hk>) and ENN Energy's official websites (<http://www.ennenergy.com/> and <http://ir.ennenergy.com/>). This Report has been published in both Chinese and English. In the event of any discrepancy between the two versions, the English version shall prevail. Should there be any inconsistency between this Report and the annual report, the latter prevails.



Message from the Chairman

“

In 2025, the energy sector is navigating a pivotal transformation, striving for breakthroughs while solidifying gains from its transition. Confronting a reshaped global climate governance landscape and the imperatives of China's high-quality development, ENN Energy remains steadfast in its commitment to intelligence-driven innovation and low-carbon progression, deeply aligning with national energy strategies. We continue to fortify the pillars of our "GREAT" strategy and accelerate the full-scale implementation of our "Shaping a Sustainable Future" 4S sustainability framework. Anchored in the dual tasks of energy supply security and green and low-carbon transition, we are leveraging smart technologies to redefine our energy service ecosystem. By fostering synergy across our three core pillars—Natural Gas, Integrated Energy, and Smart Home—we have demonstrated robust resilience amidst a volatile and complex market landscape.

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Safety is the foundation of ENN Energy's development.

Guided by a profound respect for safety, we integrate the core competency of "mastering safety, identifying risks, eliminating hazards, and ensuring closed-loop management" across our entire production and operational lifecycle. We have built a comprehensive digital and intelligent safety defence system spanning engineering, pipeline networks, processing plants, integrated energy facilities, and residential premises. This system shifts risk governance from passive response to proactive early warning and end-to-end closed-loop management. By making safety visible, controllable, and perceptible, we uphold the highest standards to protect every household and fortify the foundation of our sustainable development.

Green is the defining quality of ENN Energy's development.

Upholding our mission of "Building a Modern Energy System and Co-building a Better Ecology," we embed green development principles across the entire value chain—from energy supply and consumption to everyday living scenarios. We are committed to ensuring a stable supply of clean energy and intensifying methane abatement efforts. Notably, this year marked a milestone with the successful issuance of RMB 608 million in China's inaugural carbon-neutral Asset-Backed Securitization (ABS). This breakthrough in green finance injects fresh momentum into our low-carbon transition.

Partnerships form the bedrock of ENN Energy's shared success. Guided by our core philosophy of "Customer Satisfaction", we are deepening our sustainable supply chain practices and fostering synergistic growth with our ecosystem partners.

Deeply embedded in local communities, we integrate our energy services into daily life while sustaining investment across five key pillars of philanthropy, demonstrating our corporate care through tangible action. From customers and partners to communities and the broader industry, ENN Energy moves in sync with all stakeholders, driven by a profound sense of responsibility to co-create a better future.

Talent is ENN Energy's most valuable asset. We are dedicated to cultivating a fertile workplace ecosystem that champions equality, diversity, and inclusion for all employees. We continuously ignite employee vitality and ensure that compensation for key positions remains competitive within the industry. Our end-to-end development system is designed to upskill frontline staff, empowering them to thrive in an intelligent, data-driven work environment. Furthermore, our "Five Mandatory Visits" care protocol strengthens cohesion through genuine human connection. Spanning from rights protection to growth empowerment, and from material incentives to emotional support, ENN Energy stands in solidarity with our employees, co-creating a new era amidst the wave of intelligent transformation.

Anchored in today's realities, we navigate the energy transition with innovation as our engine and responsibility as our helm. For the future, we remain committed to evolving our sustainability strategy: leveraging smart technologies to upgrade our industry and championing decarbonization to lead the way to a greener future.

Board Statement

The ENN Energy Board of Directors places corporate sustainability at the core of its topics. The Company systematically evaluates material ESG risks and exercises oversight and decision-making authority on critical ESG matters.

To drive the development and execution of our ESG strategy, the Board has established an ESG Committee. This Committee orchestrates strategic planning, provides oversight on implementation, and regularly evaluates progress against targets, reporting key updates to the Board through both routine and ad hoc meetings. Operationally, a cross-functional ESG Working Group, guided by the Committee, identifies materiality topics, implements ESG management measures, embeds ESG principles into daily business operations, and monitors target achievement.

Furthermore, we actively benchmark against global frontiers in sustainability and low-carbon transition. By establishing clear targets and specialized roadmaps, underpinned by quantifiable metrics and dynamic assessments, we ensure the continuous enhancement of our sustainability performance. In parallel, we drive intelligent industrial transformation by embedding smart technologies across all business segments. This enables us to innovate products and services, boost operational efficiency, and propel industry-wide advancement. Through deep collaboration with ecosystem partners, we foster a thriving community of shared prosperity, injecting sustainable green momentum into high-quality social development.

This Report presents a comprehensive overview of the Company's ESG progress and achievements in 2025. It has been formally reviewed and approved by both the ESG Committee and the Board of Directors.

About ENN Energy

ENN Energy Holdings Limited (02688.HK) is the flagship business of ENN Group and one of the largest clean energy distributors in China. ENN Energy was established in 1993. Listed on the Hong Kong Stock Exchange in 2001, ENN Energy became one of the first privately-owned energy enterprises listed in Hong Kong. The Company officially became a constituent of the Hang Seng Index in 2021.

Guided by our strategic vision to "leverage intelligent innovation to become a multi-value service provider rooted in natural gas," we focus on three core pillars: City Gas, Integrated Energy, and Smart Home solutions. In City Gas, we consolidate premium

resources to fortify our core natural gas business, prioritizing responsive customer service and ensuring the safe and reliable operation of our infrastructure. In Integrated Energy, we capitalize on electricity market reforms and diverse customer needs to drive steady business growth. In Smart Home, we continuously upgrade our offerings to unlock greater value for residential customers.

As of December 31, 2025, ENN Energy operated 264 city gas projects across China, serving 32.76 million residential households and 316,000 commercial and industrial customers. Our network reaches a connected population of over 147 million.

City gas projects across China

264

Network reaches a connected population of over

147 million

Residential households

32.76 million

Commercial and industrial customers

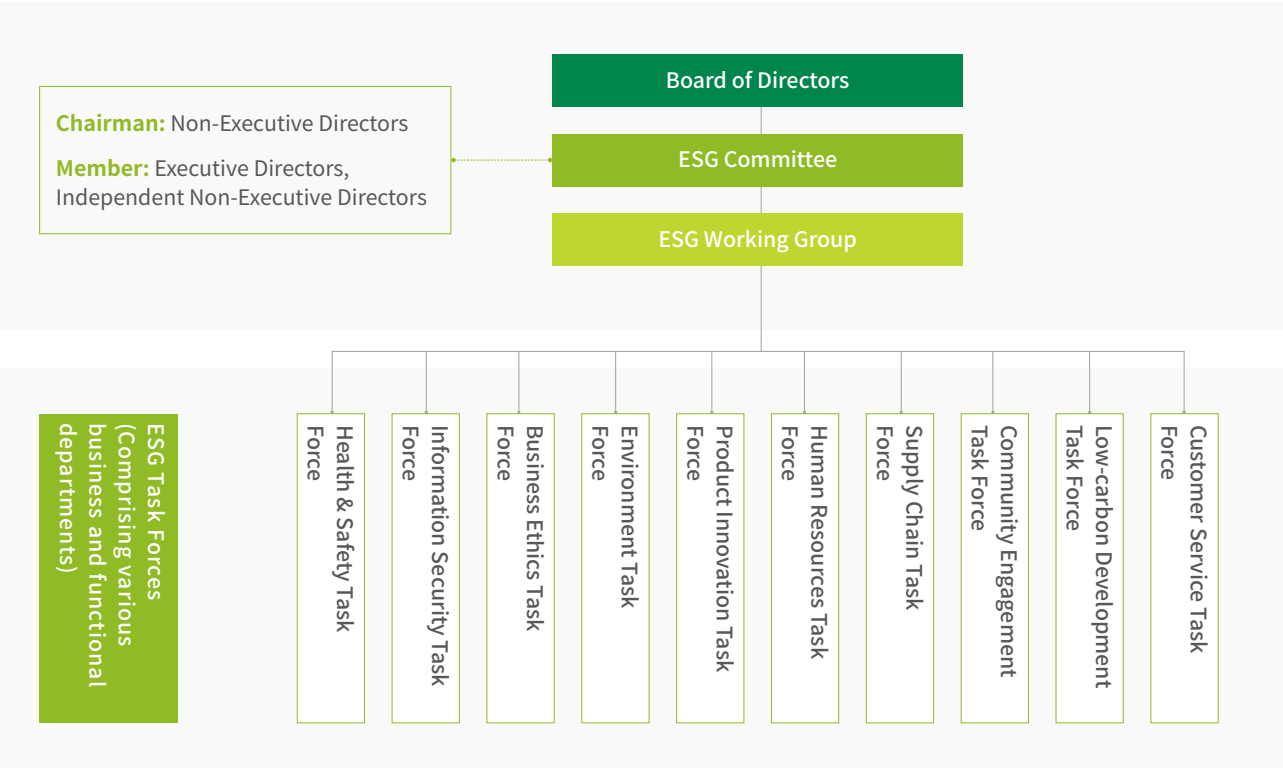
316,000

Sustainability Management

ENN Energy has built a robust sustainability management system to embed sustainability principles into our strategic planning and operations. By reinforcing the "GREAT" strategic pillars and advancing the "4S" framework—centered on Innovation, Low-carbon, Intelligence, and Safety—we are solidifying the foundation for superior ESG performance.

Sustainability Governance Structure

ENN Energy has continuously refined its ESG management system and organizational capabilities. We have established a three-tier governance structure: the ESG Committee provides strategic oversight, the ESG Working Group ensures cross-functional coordination, and dedicated ESG Task Forces drive execution. By clearly defining roles and responsibilities, strengthening strategic alignment, fostering cross-departmental collaboration, and deploying comprehensive incentives across all levels, we systematically ensure the effective realization of our sustainability goals.



ENN Energy ESG Governance Structure

The ENN Energy Board of Directors has established an ESG Committee mandated to formulate ESG strategies, set targets, monitor performance, and report progress regularly to the Board. An ESG Working Group is established under the ESG Committee, led by the President and the heads of functional business units to drive ESG initiatives. The group is responsible for coordinating and facilitating dedicated ESG efforts, and reports regularly to the ESG Committee on governance outcomes. A dedicated ESG Task Force is responsible for the specific implementation of ESG initiatives.

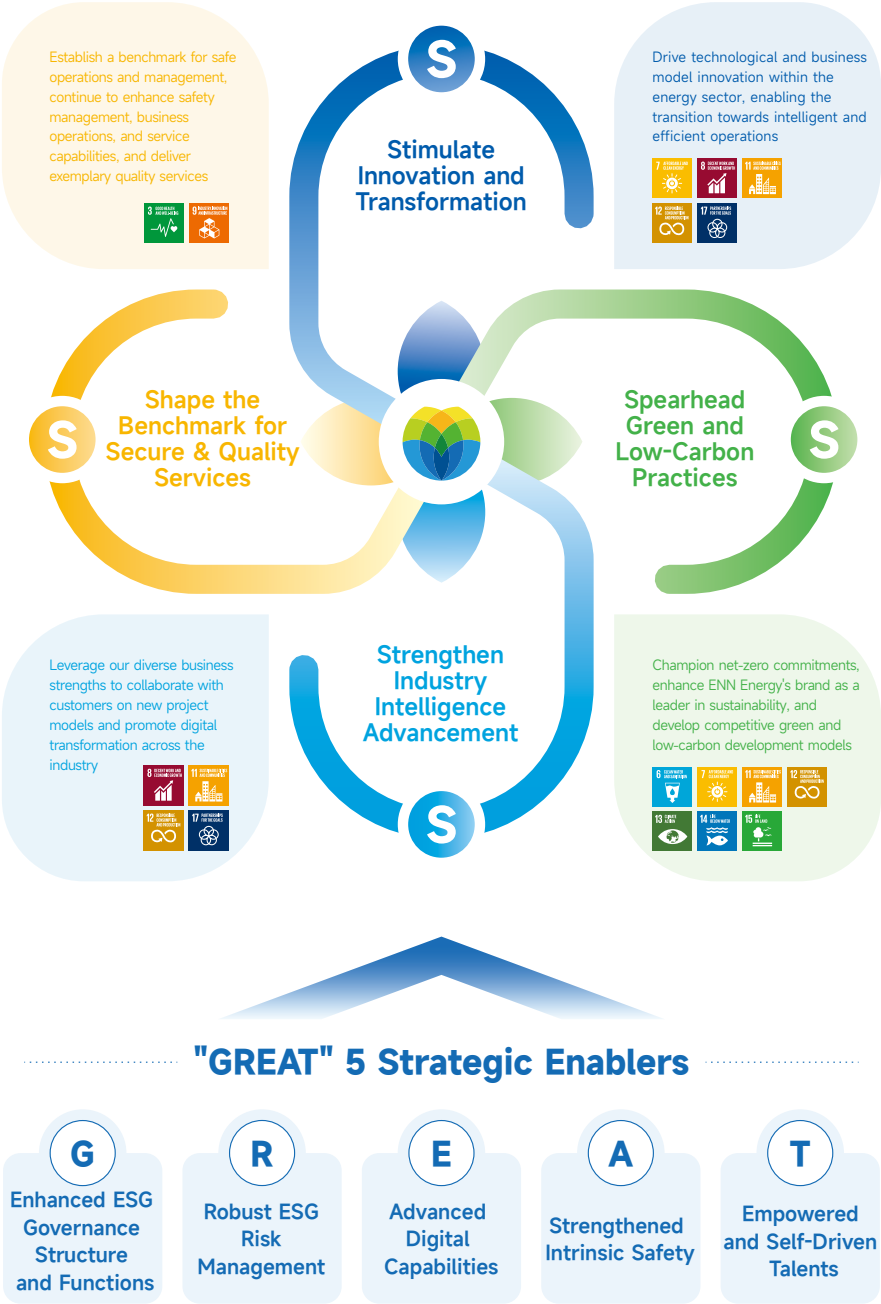
In 2025, ENN Energy's ESG Committee held two meetings, in March and November, to conduct systematic reviews of ESG and climate-related issues. The meetings focused on the 2024 ESG report and annual performance, amendments to the committee's terms of reference, and the development and update of ESG-related policies. They also reviewed the ESG achievements of 2025 and outlined the ESG work plan for 2026. In addition, the Company's Risk Committee conducted a dedicated identification and assessment of climate-related risks. Details of the 2025 ESG Committee's performance are available in the Corporate Governance Report section of the Company's *2025 Annual Report*.

To strengthen the Board's strategic decision-making in ESG and climate, ENN Energy organized two internal governance salons in 2025 focused on specific topics. These sessions covered in-depth discussions on ESG practices (such as low-carbon office initiatives) and market value management strategies, while also providing key insights into macro trends and climate risks to help the Board stay current on emerging developments. Additionally, the Company leverages channels such as independent director exchanges and regular information sharing to promptly communicate updates on new sustainability regulations, continuously enhancing the Board's governance capabilities.



Sustainability Strategy

Upholding its mission to "Building a Modern Energy System and Co-building a Better Ecology." ENN Energy has been systematically advancing its 4S strategic priorities to ensure the effective execution of its strategic roadmap and interim goals. The ongoing enhancement of its "Shaping a Sustainable Future" sustainability strategy framework reflects the Company's commitment to driving progress through innovation in both technology and business models, steering the energy industry toward a low-carbon, intelligent, and efficient future.



Sustainable Development Goals and Progress

Environmental

Goals/Commitments

Progress in 2025

By 2030, we aim to reduce city-gas business greenhouse gas emissions intensity by 50% compared to 2019	Achieved
By 2025, we aim to include methane control and emission in the greenhouse gas emission reduction development plan, and strive to work with the Methane Control and Emission Alliance of Chinese Oil and Gas Enterprises to reduce the average methane emission intensity of natural gas production to less than 0.25%	Achieved
By 2030, we aim to reduce the greenhouse gas emission intensity in the integrated energy production businesses by 48% compared to 2019	43.5%
By 2030, we aim to increase the proportion of photovoltaic, biomass, geothermal, hydrogen, and other renewable and zero-carbon energy supply by 36%	28.5%
By 2030, we aim to reduce energy consumption per unit area of office space by 20% compared to 2021	14.1%
By 2030, we aim to ensure PV power generation in self-sustaining office buildings accounts for 10% of total electricity consumption	8.68%
By 2030, we aim to replace 100% of self-sustaining office vehicles with new energy vehicles	In 2025, we added 25 new energy vehicles, accounting for 65% of all business vehicles updated throughout the year
By 2050, we aim to achieve net-zero emissions in our own operations without relying on offsetting measures such as purchasing green certificates	

Social

Goals/Commitments

Progress in 2025

By 2030, we aim to reduce the lost-time injury frequency rate (LTIFR) per million working hours for employees and contractors to 0.20	0.22
We aim to maintain the annual audit coverage for suppliers	The audit coverage for suppliers in the material procurement category is 100%

Governance

Goals/Commitments

Progress in 2025

By 2027, we aim to increase the proportion of female directors in the Board to 30%	27%
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ESG Annual Performance

Stimulate Innovation and Transformation

- The Company has focused on high-frequency service scenarios such as after-sales installation and maintenance as well as on-site operations, independently developing and launching AI-powered intelligent tools.
- The Company has promoted the application of smart energy-saving technologies, low-carbon park construction, and the utilization of waste heat and pressure difference, continuously exploring new approaches to energy conservation and carbon reduction, improving system energy efficiency, while accelerating industrial energy conservation, emission reduction, and resource management.
- The Company has deepened the application of digital and intelligent technologies in the energy service sector, building an intelligent prediction model for gas usage services based on ample gas consumption data to accurately forecast customers' energy demand. At the same time, the Company has established an operational mechanism integrating demand forecasting, resource coordination, real-time monitoring and full-scenario delivery, providing customized and differentiated supply guarantee schemes for industrial, commercial and residential users to ensure stable and reliable energy supply.

R&D investment
RMB **753** million

AI intelligent tools has
empowered
91,535
service orders for gas
appliance installation and
maintenance systems

Customer satisfaction for
AI services increased by
1.55%
year-on-year

Number of newly authorized
invention patents
18

Total number of valid
patents in force
2,418

Spearhead Green and Low-Carbon Practices

- In accordance with the recommendations and disclosure framework of the Task Force on Climate-related Financial Disclosures (TCFD), the Company has systematically identified and assessed climate-related risks and opportunities, defining key elements and developing response strategies while continuously enhancing internal capabilities in climate risk and opportunity management.
- With reference to the management recommendations and disclosure framework of the Taskforce on Nature-related Financial Disclosures (TNFD), the Company has comprehensively planned and piloted the assessment, analysis and management of nature-related risks and opportunities.
- The Company has conducted Scope 3 carbon emission accounting for five consecutive years and publicly disclosed emission volumes of major categories.
- Based on user needs, the Company has integrated clean and low-carbon energy technologies with intelligent technologies to develop customized integrated energy solutions, helping users achieve circular economy and tiered energy utilization, while unlocking both energy value and market value.
- The Company has defined green finance as a core driver in vitalizing low-carbon business development and green assets, actively exploring diversified, low-cost, and sustainable financing channels, empowering its carbon neutrality target with market momentum.

Percentage of operations certified with ISO 14001
78.76%

Cumulative grid-
connected installed
capacity of photovoltaic
projects
1,294 MW

Cumulative grid-
connected installed
capacity of energy
storage projects
239 MWh

Cumulative grid-connected installed capacity of biomass
projects
716 MW

On-site biodiversity assessments completed for more than
300
key stations of the company

Issuance size of the ENN Integrated Energy Phase 1
Carbon Neutral Green Asset-Backed Special Plan
RMB **608** million

Strengthen Industry Intelligence Advancement

- The Company has actively participated in industry exchanges and joint platform development, devoting itself to the research and formulation of industry standards. The Company has built industry consensus through collaboration, empowered industrial upgrading with intelligent technologies, and promoted the innovative development of the industry toward standardization, digital intelligence and high-quality growth.
- Committed to building a safe, stable, efficient and reliable supply chain system, the Company has advanced the development of a sustainable supply chain, fully embedding ESG principles and management requirements into all stages of the supplier lifecycle, working together with partners to pursue common progress and build a sustainable future.
- The Company has attended the World Gas Conference, sharing its intelligent-driven upgrading of full-scenario natural gas services and integrated energy-carbon solutions.

Number of existing suppliers
meeting environmental standards
8,760
accounting
for
100%

Audit coverage of significant tier-1 suppliers in the past
three years
100%

Number of significant suppliers
supported with development measures
92
accounting
for
100%

Shape the Benchmark for Secure & Quality Services

- The Company has established a year-round safety education and training system covering all employees, building a training platform for accident case warnings to improve employees' safety awareness and emergency response capabilities.
- The Company has launched special campaigns targeting common potential hazards and long-overdue safety inspections for customers, promoted safety culture communication, and strengthened the urban public livelihood safety defense line.
- Using engineering digital systems and integrating IoT terminals such as engineering dome cameras and smart monitoring devices, the Company has realized real-time construction livestreaming and key process monitoring, promoting closed-loop management of hazardous operations. The Company has also developed intelligent risk identification models covering core scenarios including welding, supervision and emergencies to accurately identify risky behaviors.
- The company has promoted the application of intelligent IoT products such as AI safety valves and e-Home Guard. At the same time, the Company has made continuous upgrades to Zhaihutong and the WIFI version and riser AI safety valves, thereby enhancing the intelligent level of household safety.

Safety investmet
RMB **1,031** million

Percentage of operations
certified with ISO 45001
78.76%
Percentage of operations
certified with ISO 9001
26.55%

Coverage rate of employee information security
training
100%

Customer satisfaction score
94.04 / 100

Certifications obtained: **ISO 27001, ISO 27701 and ISO 22301**

Stakeholder Engagement

ENN Energy regards stakeholder engagement as a vital pathway to achieving sustainable development. We are committed to optimizing our engagement mechanisms to fully understand stakeholder expectations and requirements, responding actively through diverse channels and methods.

Stakeholders	Expectations and Requirements	Communication Methods	Responses
Shareholders/ Investors/Stock brokers/Rating agencies 	- Strong performance - Sustainable growth - Clear strategy - Effective corporate governance - Timely and accurate disclosure	- General meetings - Regular communications (email, phone, meetings) - Announcements, circulars - Interim and annual reports - Company's website - Roadshows - Social media	- Regularly disclose business information - Maintain strong profitability - Enhance corporate governance practices
Government/ Regulatory agencies 	- Safe operations - Legal compliance - Contribute to industry & regional economic development - Public service provision - Air quality improvement - Efficient energy utilisation	- Daily communication - Information reporting - Routine inspections - Special reports - Government-business partnerships - Participation in policy development	- Enhance safety standards - Improve risk management - Comply with laws & regulations - Support industry and regional economic development - Promote clean, low-carbon, safe, and efficient energy supply models - Support coal-to-gas and oil-to-gas transitions
Customers 	- Safe and stable energy supply - Efficient & prompt service	- National unified customer service hotline: 95158 - Service quality supervision hotline: 400-86-95158 - Community service stations & business halls - Online business hall - Customer service mobile app	- Conduct user safety inspections - Effectively and promptly resolve customer requests - Commit to high-quality customer service - Conduct customer satisfaction surveys
Employees 	- Equal employment opportunities - Clear career development paths - Safe & healthy work environment - Comprehensive education & training system	- iCome mobile app - Staff Assembly - Employee home platform - ENN iStudy - Internal & external training programmes - Employee complaints & feedback mechanisms	- Diversified recruitment - Employee activities - Care for employee wellbeing - Foster a self-driven, sharing culture - Provide online and offline learning platforms
Suppliers and contractors 	- Transparent procurement - Local procurement	- Supplier conference - Strategic cooperation - Regular interviews - Tendering	- Open tendering - Establish a supplier management system - Enhance supplier & contractor management policies - Improve management efficiency

Stakeholders	Expectations and Requirements	Communication Methods	Responses
Partners 	- Industry regulatory policies and environment - Patent & intellectual property protection - Mutually beneficial and long-term cooperation	- Industry organisations - Industry forums and conferences	- Respect others' intellectual property - Protect the Company's intellectual property - Participate in industry exchange conferences - Join industry organisations
Environment 	- Supply of clean energy - Reduced greenhouse gas emissions - Resource recycling - Natural resource & ecosystem protection	- Participate in environmental protection initiatives & actions - Disclose operational environmental data - Regularly publish ESG reports - Co-operate with the government on air pollution governance	- Participate in international environmental initiative development - Implement operational environmental protection plans - Strengthen energy conservation & emission reduction management - Improve energy efficiency - Promote green & clean energy - Promote green office practices - Implement environmental monitoring - Participate in green environmental protection activities
Communities 	- Safe operations - Promote community development - Conduct public welfare activities	- Public education activities - Community outreach - Volunteer activities - Charitable activities	- Conduct charitable donations - Dedicate ourselves to public welfare - Build harmonious communities - Help the poor and those in need - Participate in community volunteer services
Media 	- Information transparency - Open communication - Maintain good media relations	- Press conferences - Media project visits - Exclusive interviews with Management	- Regularly hold press conferences - Issue press releases to the media - Update business dynamics on the Company website - Respond to media inquiries - Continuous communication with the media
Non-profits/NGOs 	- Build a harmonious society - Support public welfare	- Public welfare activities - Charitable activities	- Participate in public welfare & environmental protection activities - Dedicate ourselves to public welfare - Conduct charitable donations

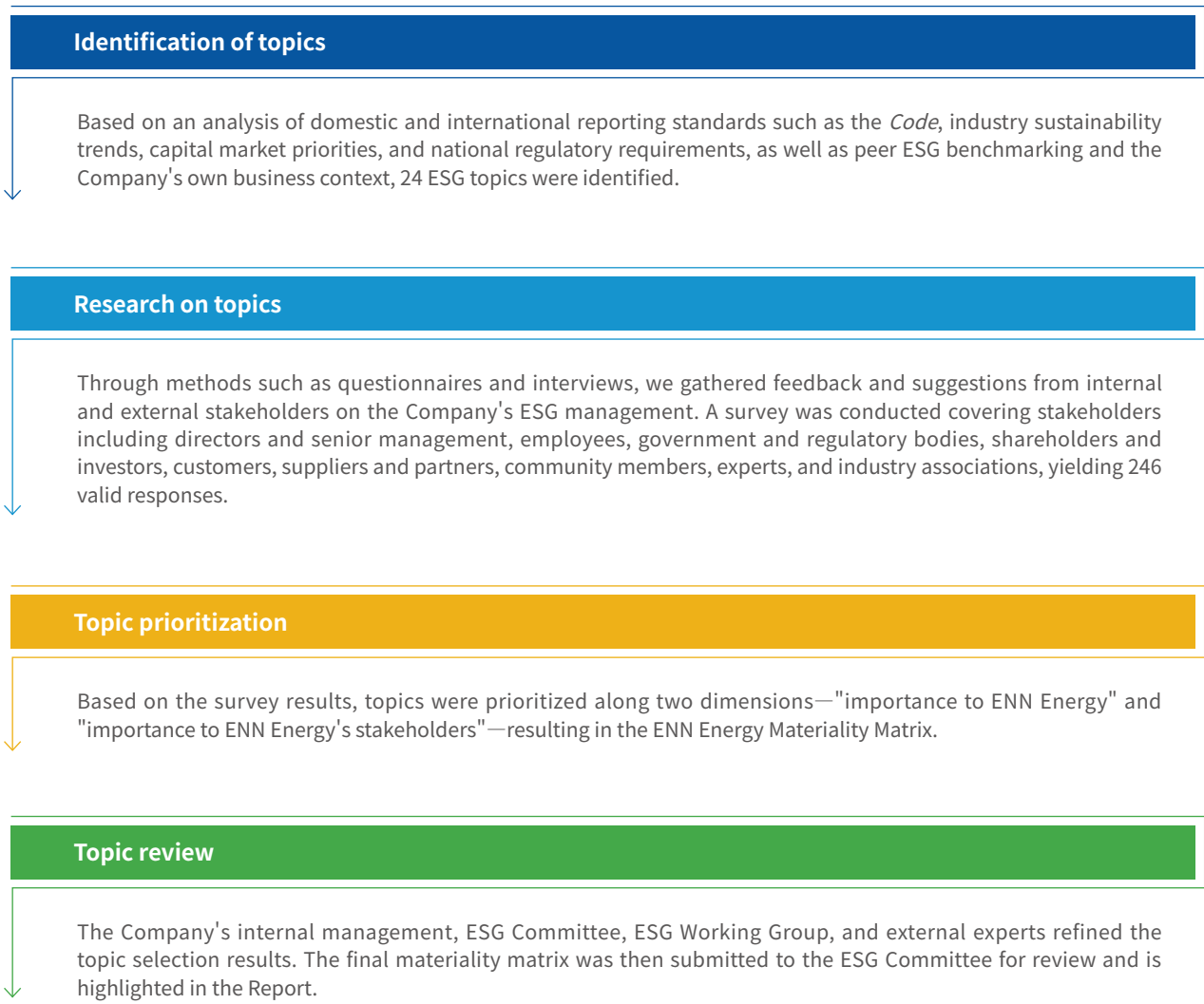
Identification and Analysis of Materiality Topics

ENN Energy regularly reviews and updates its ESG topics to reflect the Company's specific context by benchmarking against domestic and international ESG standards, regulatory policies, business developments, and industry best practices, thereby systematically building its ESG materiality topics database. In the process of identifying and prioritizing topics, the Company gathers extensive input from stakeholders through external expert assessments, interviews, peer benchmarking, and stakeholder surveys to evaluate the significance of ESG topics. As a routine practice, ENN Energy conducts an annual ESG materiality assessment and integrates

the results into its Enterprise Risk Management (ERM) process, embedding topic management into risk control.

In 2025, the Company adjusted and refined its ESG topics database in light of changes in regulatory direction, new phases of business development, and evolving industry priorities. Based on the findings from our research, the Company developed this year's ESG materiality matrix, serving as a crucial foundation and core basis for the annual ESG report and ensuring that the information disclosed accurately addresses stakeholder concerns.

Materiality Analysis Process



ENN Energy 2025 Materiality Matrix



Environmental	Social	Governance
1 Environmental policy and management	8 Safe and stable gas supply	15 Customer health and safety
2 Emissions management	9 Prevention of child and forced labour	16 Technological innovation and digitization
3 Resource and energy conservation	10 Training and development	17 Intellectual property protection
4 Clean energy utilization	11 Occupational health and safety	18 Information security and privacy protection
5 Water resource management	12 Supply chain management	19 Promote industry development
6 Climate change response	13 Product quality and customer service	20 Community engagement
7 Biodiversity protection	14 Protection of employee rights	

Sustainable Development Ratings and Recognition

ESG Ratings

MSCI



AAA

CDP



B

Sustainalytics



Low Risk
19.3

S&P Global ESG



79

Wind ESG



AA

Hang Seng Corporate Sustainability Index (HSSUS)



AA-

恒生可持續發展企業指數系列 2024 - 2025成份股

Honors & Awards

Presented at the 2025 Hong Kong Wealth Management Summit

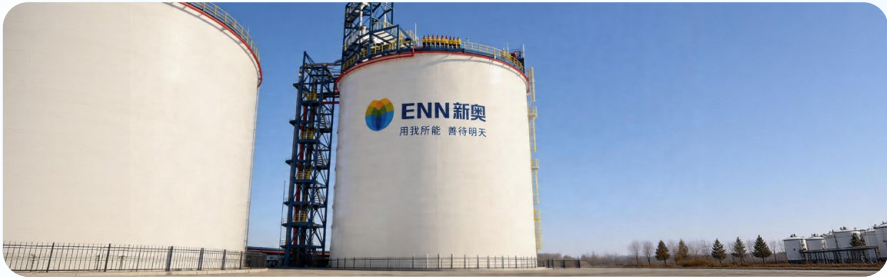
"Outstanding New Energy Listed Company of the Year 2025"

2025 Sedex Supply Chain Awards

Technical Innovation Award Nomination

Ranked on the List of

"12th HK Stock Top 100—Outstanding New Energy Listed Company of the Year"



Selected for S&P Global Sustainability Yearbook 2026

Ranked first in the Asia-Pacific Gas Utilities Sector

Honored with "Industry Mover"



01 Operational Excellence The Path to Resilience and Success

ENN Energy is committed to best-in-class corporate governance. We have established a robust governance framework designed to systematically identify and effectively mitigate diverse risks. Upholding the highest standards of business ethics and corporate responsibility, we are dedicated to safeguarding the interests of all stakeholders and driving harmonious, sustainable development across economic, environmental, and social dimensions.

Material ESG Topics

- Corporate Governance and Compliance
- Risk Control
- Business Ethics
- Sustainable Operation

HKEX ESG Indicators

- Governance Framework
- B7 Anti-corruption

UN SDGs



Corporate Governance

Strictly adhering to the HKEX's *Corporate Governance Code*, ENN Energy continuously refines its governance framework, and is dedicated to enhancing the Board's effectiveness, independence, and diversity. By establishing a robust and scientific remuneration mechanism, we steadily elevate our governance standards, laying a solid foundation for sustainable development.

Corporate Governance System

ENN Energy has established a robust corporate governance framework, with the Board of Directors serving as the supreme decision-making body responsible for the strategic oversight and supervision of the Company's operations and key affairs. To strengthen governance and ensure effective monitoring, the Board has delegated specific responsibilities to four Board Committees: namely the Audit Committee, Remuneration Committee, Nomination Committee, and Risk Management Committee. Additionally, four Functional Committees have been established: namely the ESG Committee, Standing Committee, Share Award Committee, and Independent Directors Committee. Subject to their respective terms of reference, these committees report to the Board on a semi-annual basis (as applicable). This structure empowers the Board to fulfill its management and supervisory duties more effectively, thereby enhancing the professionalism and efficiency of our governance decisions.

The Board currently comprises 11 members: including six Executive Directors, one Non-Executive Director, and four Independent Non-Executive Directors (INEDs), a composition that fully complies with all legal and regulatory requirements. Notably, our number of Executive Directors exceeds the industry peer average. This structure is designed to leverage diverse management expertise across various business domains. By involving senior leadership directly in major decision-making, we ensure the robust execution of our business strategies and the successful acceleration of our digital and intelligent transformation.

In 2025, ENN Energy updated the *Terms of Reference for the ESG Committee* and that of the *Nomination Committee* to align with the latest *Listing Rules*. Updates in Nomination Committee mandate the Committee to assist the Board in formulating a Board Skills Matrix and to facilitate regular evaluations of the Board and individual Director performance.

Diversified Board of Directors

In compliance with the *Listing Rules*, the Nomination Committee conducts an annual review of the implementation and effectiveness of the *Board Diversity Policy*. In nominating and appointing Board members, the Company considers a wide range of diversity perspectives—including gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, and length of service—to ensure the Board possesses the diverse capabilities and expertise required to execute the Company's strategies and objectives.

Regarding gender diversity, we have established a target to "raise the proportion of female directors to 30% by 2027". As of the date of this Report, this figure has risen significantly from 10% in 2020 to 27%, surpassing the market average. To further reinforce governance transparency and accountability, our Directors are subject to a rotation mechanism, retiring by rotation and submitting themselves for re-election by shareholders every two years on average.

Regarding age composition, our Board is comparatively younger than industry peers and the market average. This demographic profile aligns seamlessly with our strategic commitment to innovation and transformation. In terms of tenure, the average length of service for our Board members remains consistent with market norms.

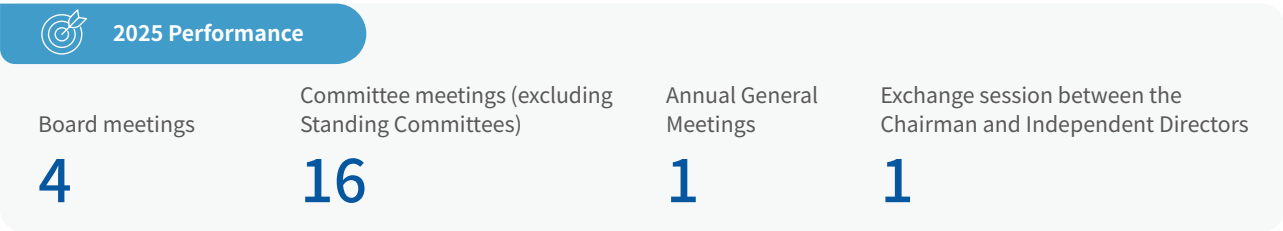
The ENN Energy Board comprises highly qualified professionals with expertise spanning law, accounting and finance, engineering management, and corporate governance. Collectively, our Directors possess extensive experience within the public utilities and energy sectors. All Executive Directors, Non-Executive Directors, and INEDs bring substantial, long-term industry experience to the Board. Furthermore, in 2025, all Non-Executive Directors and INEDs of the Company held no more than one external directorships in listed companies, ensuring their continued focus and commitment.

In alignment with the HKEX's guidelines, ENN Energy proactively disclosed the Board Skills Matrix¹ in our *2025 Annual Report*, ahead of the mandatory timeline. This initiative underscores our commitment to best-in-class corporate governance. Following a comprehensive review, the Nomination Committee affirmed that the Board possesses the necessary diversity. With members representing varied professional backgrounds and industry expertise, the Board is well-positioned to enhance effectiveness, create long-term value, and support the achievement of our strategic objectives.

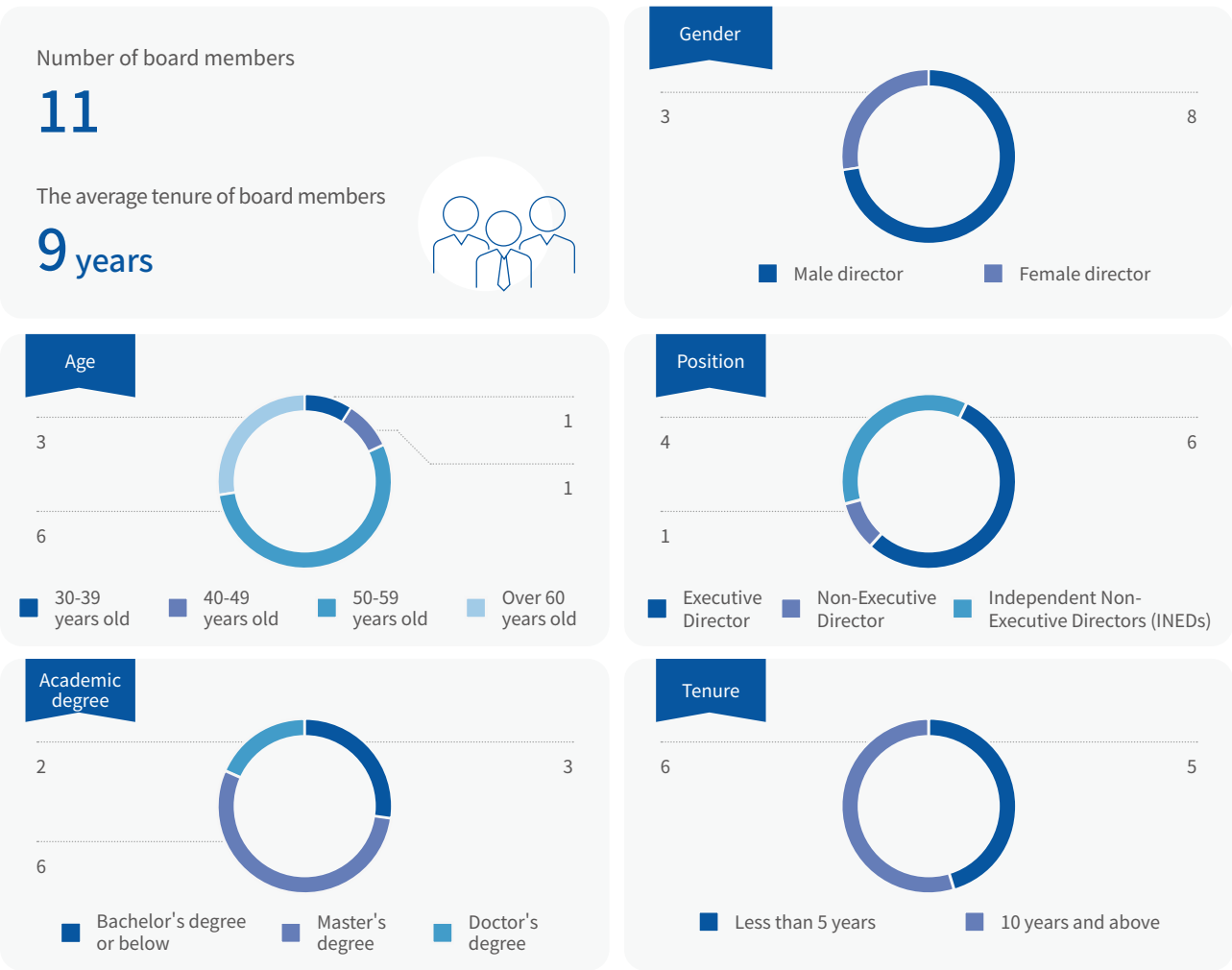
¹ Details on Board diversity and the skillsets are set out in the *Corporate Governance Report* on page 35 of the Company's *2025 Annual Report*.

Furthermore, the Company is dedicated to cultivating a robust leadership team and establishing a sound talent pipeline. Selected senior executives, while primarily focused on business management, strategy execution, and operational efficiency, are also identified as potential CEO successors to ensure strategic continuity and governance stability. The Nomination Committee annually reviews senior management performance appraisals. This rigorous process provides an objective basis for succession planning, underscoring the Company's forward-looking approach and institutional commitment to sound corporate governance.

In 2025, the Company held four Board meetings. All directors achieved 100% attendance. The overall average attendance rate of all directors in the meetings was as high as 99%, reflecting the Board's strong commitment and sense of responsibility in fulfilling their duties.



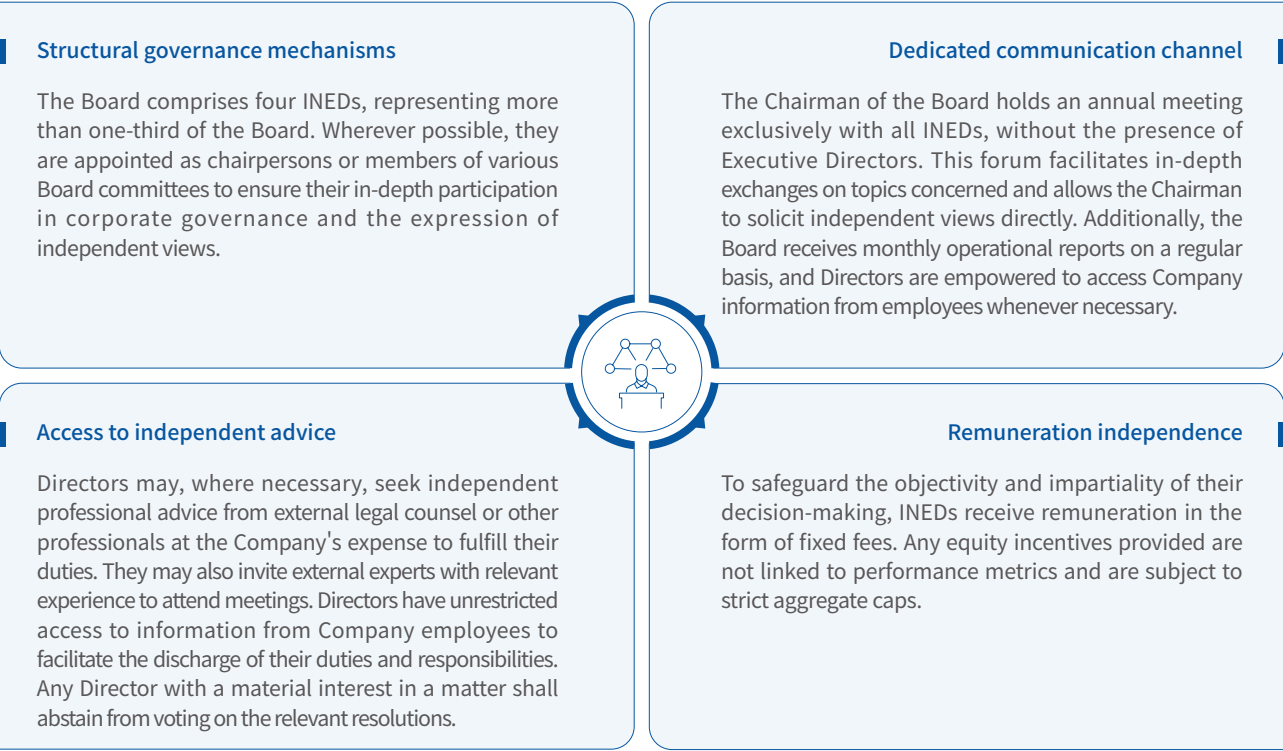
As of the date of this Report, board diversity status



Independence of the Board of Directors

ENN Energy attaches great importance to the independence and objectivity of the Board of Directors. We have established and continuously improved governance mechanisms to ensure the Board receives sufficient independent perspectives, thereby facilitating prudent and informed decision-making.

Mechanisms to safeguard board independence



The Company has strengthened the independence assessment framework for Independent Directors. Prior to appointment, the Nomination Committee conducts rigorous assessments in strict accordance with the *Listing Rules* and obtains written confirmation of independence from the candidates. Annually, the Nomination Committee performs a comprehensive review of incumbent independent directors. This assessment covers shareholdings, relationships with the Company, its major shareholders and management, tenure, and remuneration structure. Independent

Directors are required to provide written confirmation that they continue to meet the independence requirements.

In addition, the Company maintains a mechanism for the rotation of INEDs as chairpersons of Board committees on an irregular basis. Currently, INEDs chair the Remuneration Committee, the Audit Committee, and the Independent Directors Committee.

Board effectiveness

In terms of corporate governance, ENN Energy adheres to the *Listing Rules* and the *Articles of Association*. We enforce a mechanism for the regular retirement and re-election of Directors, and any amendments to the *Articles of Association* are subject to Shareholders' approval. To optimize Board performance and ensure the effective discharge of its decision-making and oversight duties, ENN Energy has established a robust governance framework. This framework comprehensively enhances Board effectiveness by ensuring information access, active meeting participation, professional support, and conflict of interest management.

Regarding information access, the Company is committed to ensuring directors obtain operational updates and market information promptly and comprehensively:

- Daily distribution of updates on Company-related news and securities closing prices to directors
- Regular monthly reports on the Group's operations, investments, and financial performance are provided to Directors
- Ad hoc distribution of updates on market trends and media coverage to assist Directors in grasping changes in the external environment
- Timely reporting to Directors upon completion of all announcements except routine administrative announcements
- In the event of a significant share price fluctuation ($\pm 5\%$ or more), the management promptly communicates known potential causes to assist Directors in accurately assessing market reactions
- Organize targeted training and educational materials on a range of subjects addressing new regulatory requirements including market value management and digital transformation of compliance

Regarding meeting participation, the Company balances flexibility with active engagement to ensure Directors can fulfill their duties efficiently:

- Each year in December, the Company Secretary prepares the schedule for Board and Committee meetings for the coming year. Once approved by the Board, the schedule is finalized to allow Directors to arrange their time in advance
- Electronic communication facilities are routinely provided to facilitate remote participation. While physical attendance is encouraged, this ensures that Directors who are unable to attend due to travel or other commitments can still fully participate in the proceedings
- If a Director is unable to attend a meeting, the Company Secretary will consult with them regarding the agenda items. Directors are encouraged to communicate their views to the Chairman or the Company Secretary prior to the meeting to ensure their input is duly considered
- The Company mandates a minimum attendance rate of 75% for Board meetings. For the current year, the average attendance rate among Board members reached 99%

Regarding professional support, the Company provides ample resources to facilitate the discharge of Directors' duties:

- Independent external professional advice may be obtained at the request of Directors, with related costs borne by the Company

In terms of conflict of interest management, the Company has established a robust framework to ensure:

- The establishment of an Independent Board Committee composed of INEDs, which is responsible for reviewing discloseable connected transactions and other matters that may involve conflicts of interest. The Committee appoints independent financial advisors to provide professional opinions, ensuring the objectivity and fairness of the Board's decisions
- Ongoing monitoring of controlling shareholders and their associates to ensure compliance with the *Non-Competition Deed*

Since 2022, ENN Energy has conducted annual evaluations of Board effectiveness through questionnaires. To further track governance effectiveness, the Company has specifically engaged independent third-party institutions to conduct comprehensive and objective assessments. These evaluations cover key areas including Board composition, time commitment, major decision-making capabilities, the quality of information disclosure, satisfaction with duty-related training, and communication between the Board and management. In 2025, the Company continued to distribute evaluation questionnaires to all directors, conducting systematic assessments around three dimensions:

"reasonableness of board composition, standardization of operational mechanisms, and effectiveness of duty performance," and included open-ended questions to collect directors' feedback on existing issues, improvement suggestions, and future work priorities. The 2025 survey reflected a notable rise in director satisfaction, achieving an average score of 90 and a peak score of 95. Leveraging the insights garnered from the survey, the Company has formulated targeted improvement measures and a 2026 work plan. These initiatives are designed to further optimize Board operations and elevate our governance standards.

Factors for Board Operation Effectiveness Evaluation

Board Structure	Board Effectiveness	Board Operation Mechanisms
• Board size and operational status • Professional knowledge and experience of Board committees • Results of Board position adjustments • Board governance structure and operational effectiveness	• Duties and rights of Board members • Independence, background diversity, professional knowledge and experience of Board members • Time and Effort Commitment of Board Members to Company Affairs • Internal control environment, management team, and industry dynamics • Training provided to Board members on business operations, financial status, and corporate culture	• Board communication and engagement • Communication between Board members and management/ shareholders • Proposals of Board meeting • Board attendance rate

Remuneration and Sustainable Development Performance

ENN Energy incorporates ESG-related indicators into the annual performance evaluations of senior management, regional companies, and member enterprises, linking remuneration to the Company's sustainable development and climate change performance indicators. This ensures that the Company's sustainable development strategic objectives are cascaded across all levels and effectively implemented.

In terms of the assessment mechanism, ESG indicators are explicitly defined as a key dimension influencing the performance evaluation of senior executives². The Company conducts annual performance evaluations for senior executives and determines remuneration based on the results. In parallel, indicators related to climate risk and opportunity management are integrated into the performance-based remuneration framework for senior management. To ensure effective implementation, the Company has established a dedicated Climate Change Response Task Force responsible for driving, overseeing, and ensuring the execution of relevant initiatives.

Regarding performance metrics, the Company links incentive measures to its assessments, incorporating ESG indicators—such as carbon neutrality, energy conservation and emission reduction, digital and intelligent transformation, technological innovation, and safety management—into the annual performance evaluations of senior management, regional companies, and member enterprises.

In terms of evaluation and incentives, ESG assessment results directly influence the performance bonuses of senior management, regional companies, and member enterprises, establishing a value creation evaluation and incentive system for regional companies and member enterprises that is tied to sustainable development performance. By closely linking ESG performance to remuneration, the Company ensures that its sustainable development objectives are effectively implemented across all levels of the organization.

In terms of constraints and safeguards, the Company has established a remuneration clawback mechanism. If management personnel adversely affect the Company's sustainable development due to major decision-making errors or disciplinary violations, penalties may be imposed through a combination of financial recovery and administrative sanctions. This clawback mechanism effectively prevents and deters actions that undermine the Company's sustainable development plans, thereby safeguarding long-term corporate value.

Senior Management Sustainable Development (ESG) Performance Assessment Indicators

Position	Sustainable Development Performance Assessment Indicators	
CEO	Increase the proportion of renewable energy business in the energy portfolio	Identification of ESG-related risks and control of opportunities
President	Increase the proportion of profits derived from clean energy projects in the integrated energy business	Enhancement and development of ESG-related professional capabilities within the core team
CFO	Maintenance of ESG ratings	Timely and compliant disclosure of ESG-related information to regulatory authorities and investors as required
Director of Human Resources	Promote the development of digital and intelligent products for talent motivation, and build ESG talent and capabilities	

At the employee level, ENN Energy has fully integrated ESG training and capacity building into its employee evaluation and assessment system, established incentive mechanisms tied to key ESG contributions, and fostered a culture of sustainable development that encourages participation across the workforce.

Incorporation of ESG training into employee value-creation assessment: Regularly provide ESG-focused learning resources via the iCome online training platform, and issue weekly "Dual Carbon Updates" to deliver timely information on dual carbon policies and market developments. ESG training and capacity building are formally integrated into employees' daily performance management as a key component of value assessment.

Establishment of a reward mechanism for key ESG initiatives: Incorporate indicators related to key ESG initiatives (including climate change response, etc.) into employee remuneration incentives. Provide clear financial incentives for the development of new energy projects such as photovoltaics and energy storage. For example, the application and promotion of new energy have been integrated as assessment indicators into the remuneration system of major business departments, effectively enhancing employee motivation and execution.

ENN Energy has established a comprehensive remuneration management mechanism, covering salary clawbacks, bonus recovery, and long-term equity incentives, to ensure a close alignment between remuneration and performance. The Company conducts annual reviews and assessments of Board members and senior management performance, or upon the occurrence of significant changes, with variable remuneration subject to a maximum vesting period of four years to encourage management to more effectively fulfill their responsibilities. Furthermore, the clawback provisions under our remuneration mechanism do not require executive misconduct or improper behavior as a prerequisite for recovering incentive remuneration. If major errors or violations that harm the sustainable development of the Company occur due to executives' supervisory failures, lack of control, or directly attributable responsibilities, the Company will conduct a special investigation in accordance with laws and

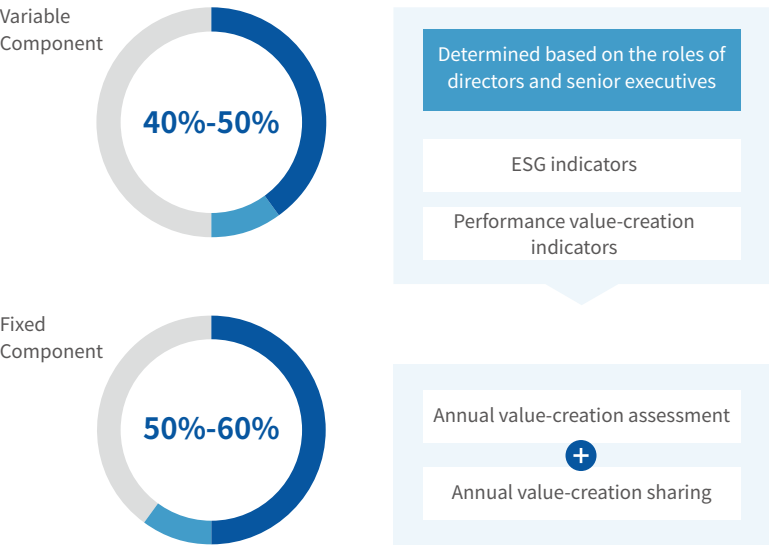
regulations, clarify the primary responsibilities, and initiate the clawback process.

In setting incentive remuneration, the Company ensures the independence of the Board of Directors. The remuneration standards for independent directors are clearly defined and independent of management, and an advisory vote mechanism is in place to ensure the fairness and reasonableness of remuneration decisions.

Shareholders of ENN Energy have significant participation rights in the formulation of remuneration policies, holding both advisory and binding voting rights on remuneration determinations. In addition, for retrospective remuneration decisions—namely, published remuneration reports—shareholders may also exercise advisory votes to uphold the fairness and reasonableness of remuneration management.

Remuneration-ESG Linkage and Clawback Mechanisms

Remuneration Structure



Clawback Mechanism

Major executive misconduct, including material errors, regulatory oversight failures, control deficiencies, dereliction of duty, or violations of laws and regulations affecting the company's sustainable development

- Deduction of value-creation sharing bonuses and medium-to-long-term incentives (options and restricted shares)
- Deduction of already disbursed bonuses
- Additional economic compensation
- Administrative punishment

With the approval by the shareholders, the Board of Directors is authorized to grant long-term equity incentives to the Chief Executive Officer and other Executive Committee members. These incentives are tied to key performance metrics, such as the Company's net profit and operating cash flow. The vesting period for the relevant equity-based variable compensation ranges from three to four years, with the aim of encouraging management to perform their duties more effectively through a medium-to-long-term incentive mechanism.

As of December 31, 2025, ENN Energy did not have any short-term bonuses deferred in the form of shares or share options. The value of shares held by Mr. Zhang Yuying, the company's CEO, was 2.4 times his base salary, while the corresponding ratio for other Executive Directors was 0.5 times. In 2025, ENN Energy paid its CEO total remuneration of RMB 4.93 million, consisting of a salary of RMB 2.4 million and short-term incentives (including performance bonuses) of RMB 2.28 million. The ratio of the CEO's total remuneration to the median annual salary of all employees other than the CEO was 97.3 times, and to the average annual salary of them was 68.2 times.

² Value creation evaluation: employee performance evaluation.

Risk Management

ENN Energy continuously enhances its risk identification and management system and deepens its risk culture to provide safeguards for the Company's steady development.

Risk Management System

The Company has established a closed-loop risk prevention and control system encompassing "pre-event warning, in-process control, and post-event review", laying a solid foundation for stable operations.

The Board has established a Risk Management Committee to oversee the Company's risk management and internal control systems. The Committee is tasked with formulating relevant policies and strategies, evaluating the effectiveness of these systems, and ensuring that the nature and impact of risks remain aligned with the Company's strategic objectives and risk appetite, thereby helping to prevent material misstatements or losses. The Company has established a three lines of defence risk management system—operations, risk control (internal control and compliance), and audit—with clearly defined processes and standards for risk identification, assessment, and response. This enables risk monitoring and early warning, forming a closed-loop mechanism for oversight and continuous improvement.

In response to external changes such as evolving customer demands, energy policy shifts, and business model transformations, the Company continuously reviews key risks in the course of its transformation, dynamically adjusts risk strategies, and places a strong focus on critical areas such as investment decisions and regulatory compliance. This enables a systematic approach to risk identification, assessment, and response. At the same time, the Company embeds risk control requirements into the entire lifecycle of new product and service development, establishes financial incentive policies for indicators covered under risk management, and ensures end-to-end risk control from origin to point of delivery—fostering a culture that encourages effective risk governance.

Additionally, the Company annually formulates customer-centric innovation plans. By aligning with national macro policies, regulatory requirements, corporate strategic objectives, and operational realities, the Company systematically identifies potential risks across key dimensions—including policy compliance, market volatility, industry-specific challenges, and emerging threats—and develops targeted mitigation strategies and contingency plans. Furthermore, the Company has institutionalized a quarterly risk review mechanism. Dedicated meetings are convened each quarter to evaluate the efficacy of implemented mitigation measures, pinpoint emerging risks, and dynamically recalibrate response strategies. This approach ensures a robust closed-loop management system, guaranteeing the sustained effectiveness of our risk prevention and control framework. Over the past two years, we have subjected our established risk management assessment protocols to rigorous internal and external audits. These audits were designed to validate the operational integrity and effectiveness of our risk management processes.

To solidify risk management accountability, the Company integrates risk control performance directly into its performance appraisal system. This follows a structured annual cycle: comprehensive risk assessments and response plans are established at the start of the year; implementation efficacy is reviewed quarterly and tied to interim performance metrics; and a holistic year-end evaluation is conducted to determine final performance incentives. This end-to-end mechanism ensures the effective execution of risk management responsibilities.

Industry-specific Risk 1 Gas Safety Risks

Risk description and potential impact

- **Pipeline network operation risks:** As our business expands, the scale of our gas pipeline network is expanding and its service life is increasing. Infrastructure degradation caused by corrosion over time, third-party damage from construction activities, or inadequate maintenance could precipitate gas leaks or safety incidents. Such events would not only compromise the stability of gas supply but also pose significant threats to public safety.
- **Customer gas usage risks:** Our vast and geographically dispersed customer base presents inherent management challenges. The risk of safety incidents is significantly elevated by a combination of factors: insufficient safety awareness among certain users, the use of substandard gas appliances, unsafe operating practices, and limited access for mandatory in-home safety inspections. Should an incident occur, it could result in catastrophic consequences for both personal safety and public security.

Mitigation actions

- The Company actively drives specialized safety initiatives, including standardized pipeline operations, rigorous in-home inspections, and strict construction quality audits, to fortify our operational safety foundation and mitigate pipeline risks.
- Furthermore, we are accelerating the renovation of aging networks and the implementation of standardized operation and maintenance protocols. By strengthening the development and application of digital-intelligent safety solutions to cultivate a smart safety capability defined by four core competencies: mastering safety, identifying risks, eliminating hazards, and ensuring closed-loop management. This approach guarantees robust safety prevention and control.

Industry-specific Risk 2 Policy Risks of Urban Gas Integration

Risk description and potential impact

- Several provinces are implementing the "One City, One Enterprise" policy to consolidate the urban gas market through the re-evaluation of franchise rights. Driven by local protectionist tendencies or shifts in assessment criteria, ENN Energy faces heightened risks, including the potential revocation of existing franchises, erosion of market share, and uncertainty regarding the recoverability of prior capital investments.

Mitigation actions

- **Proactively monitor policy dynamics:** Maintain rigorous monitoring of policy trends across all regions. Proactively engage in the formulation of franchise assessment standards to secure a strategic voice in rule-setting and shape the regulatory landscape in our favor.
- **Leverage core strengths:** Leveraging our professional operational expertise, strategic network infrastructure, and robust resource security, we aim to showcase our superior safety management and service excellence throughout the assessment process, thereby strengthening our brand reputation and market standing.
- **Deepening government-enterprise collaboration:** Strengthen synergy with local governments in ensuring safe and reliable supply and delivering essential community services. Our goal is to foster a strategic partnership characterized by mutual benefit and shared value.
- **Enhancing resource integration:** Leverage our advantages of integrated value chain and robust resource reserves to pursue strategic acquisitions of high-quality assets, thereby driving economies of scale and operational synergies.

Emerging Risk Management

Navigating an increasingly complex external landscape, ENN Energy proactively addresses emerging risks stemming from technological disruption, energy market volatility, and macroeconomic and geopolitical shifts. We place particular emphasis on AI-driven data security and compliance, energy price fluctuations, and geopolitical tensions affecting currency stability. By leveraging strategic foresight and specialized management tools, we ensure resilient operations amidst uncertainty.

Emerging Risk 1 Artificial Intelligence Risk (Risk Type: Technology)

Risk description and potential impact

- **Data security and privacy risks:** The deployment of AI entails processing vast volumes of sensitive user behavior and energy consumption data. Insufficient safeguards could precipitate privacy breaches and data misuse, exposing the Company to the convergent risks of external cyberattacks and insider threats.
- **Algorithm governance and compliance risks:** Algorithmic bias, deficiencies in training data, or the generation of inappropriate contents may lead Generative AI to produce non-compliant decisions or inappropriate responses. Such outcomes could trigger regulatory sanctions, reputational harm, and an erosion of customer confidence.
- **Regulatory uncertainty risks:** The rapid evolution of domestic and international AI regulatory frameworks is driving up compliance costs. This dynamic landscape necessitates that enterprises continuously recalibrate their AI deployment scopes to align with emerging mandates.

Mitigation actions

- **Strengthening data security protection:** Fortify encryption protocols and implement tiered data classification and control measures. Enhance information security auditing to safeguard data integrity and confidentiality throughout its entire lifecycle.
- **Building a dynamic compliance framework:** Develop robust content moderation frameworks and leverage automated tools to boost review efficiency and accuracy. Continuously adapt internal compliance protocols to ensure strict alignment between technological applications and evolving regulatory requirements.
- **Embed risk control throughout the entire lifecycle:** Integrate risk assessments early in every phase of AI product development, with a specific focus on algorithmic fairness and data compliance. This approach harmonizes technological innovation with robust risk mitigation.

Emerging Risk 2 Energy Price Volatility Risk (Risk Type: Economy)

Risk description and potential impact

- **Risk of procurement cost fluctuation:** Driven by geopolitical instability and economic unpredictability, sharp swings in energy prices pose a direct threat to our cost structure. Rising energy costs would inevitably increase procurement expenditures, leading to a contraction in profit margins.
- **Long-term contract pricing risk:** The pricing of the Company's existing international LNG long-term purchase and sale contracts is primarily linked to international crude oil or natural gas price indices. Significant volatility in underlying benchmark indices may expose the Company to temporary cost-price inversions or cost structures diverging from prevailing market rates. Such scenarios would directly erode our price competitiveness in the spot market.
- **Risk of lagged downstream pass-through:** Due to inherent lags in terminal sales price linkage mechanisms and fixed price adjustment cycles, upstream cost increases may not be fully and promptly passed through to end-users. This mismatch could compress profit margins and adversely affect the profitability of our gas distribution segment in the short term.

Mitigation actions

- **Price risk hedging strategy:** The Company has established a robust risk management framework and a comprehensive commodity hedging program. Guided by our annual LNG supply and sales plans and informed by rigorous market analysis, we determine optimal hedging ratios. By utilizing financial instruments such as futures and options to lock in procurement costs, we effectively stabilize operating performance against price volatility.
- **Strategy of optimization of resource portfolio and procurement:** We capitalize on our multi-source advantage to dynamically optimize the mix of long-term contracts and spot purchases, calibrating procurement timing to market conditions. Furthermore, by fortifying strategic partnerships with global suppliers and diversifying our resource pool, we strengthen our proactive stance on cost pass-through and risk hedging.
- **Managing fx risk via forward contracts:** To mitigate currency exposure associated with cross-border LNG settlements, the Company enters into forward foreign exchange contracts with financial institutions. This approach locks in procurement costs, providing cost certainty and effectively hedging against the compound risks arising from simultaneous fluctuations in both exchange rates and energy prices.

Risk Culture Development

ENN Energy is dedicated to cultivating a robust risk culture. Through regular targeted training sessions and comprehensive risk culture awareness campaigns, we strive to enhance employees' risk awareness and strengthen their capabilities in risk identification and mitigation.

ENN Energy's 2025 Risk Training Sessions



All directors and senior executives: Delivered specialized training for all Directors and Senior Executives focusing on Directors' duties, corporate governance, risk & compliance frameworks, and ESG integration



All employees: Leveraged the iCome platform to disseminate risk maps, offered risk scenario descriptions and analytical references for relevant business operations, and carried out risk-specific training programs for all employees



Newly graduate hires: Integrity and compliance risk-specific training



Newly appointed first-in-command: Specialized compliance risk training and thematic exchanges



Key positions such as engineering and operations: Thematic risk training

Compliance Management

ENN Energy operates under robust internal governance frameworks, including the *Detailed Rules on Shared Responsibility for Internal Reporting of Major Compliance Matters* and the *Information Disclosure Collaboration Management System*. These policies clearly define the roles and responsibilities, workflows, and code of conduct for directors, senior executive and all employees. This ensures that compliance requirements are effectively embedded across all organizational levels and business processes.

The Company has established a Compliance Steering Committee to orchestrate all compliance management initiatives. Operating under the active supervision of the Supervision and Audit Department, the Committee is dedicated to strengthening the compliance management framework and refining compliance measures. The Company conducts regular internal and external audits to oversee the implementation of policies, the fulfillment of departmental duties, and the adherence to compliance obligations.

Committed to fostering a robust culture of compliance, the Company conducts regular, targeted training programs for all employees to enhance organization-wide compliance awareness and professional competence.

Emerging risk 3 Currency and Political Risk (Risk Type: Economy)

Risk description and potential impact

- **Exchange rate volatility risk:** International natural gas trade is predominantly denominated in US dollars, while the RMB exchange rate is subject to bidirectional volatility driven by trade policies, geopolitical conflicts, and other macroeconomic factors. An appreciation of the USD increases the procurement cost of imported LNG, thereby squeezing profit margins; conversely, a depreciation of the USD may result in foreign exchange losses on long-term contracts.
- **Geopolitical and trade protection risks:** Escalating global geopolitical tensions and tariff barriers amplify energy price volatility, thereby inflating import costs. Attempts to pass these costs through to end-users may dampen demand, which could not only erode revenue but also compromise the effectiveness of our risk exposure management strategies.
- **Compounded risks in long-term contract pricing:** The Group's LNG supplies are governed by oil-indexed pricing mechanisms. The compounded volatility arising from simultaneous fluctuations in international oil benchmarks and exchange rates significantly undermines cost certainty and complicates procurement cost management.

Mitigation actions

- **Dynamic hedging strategy:** Upholding a risk-neutral hedging stance, we dynamically optimize hedge coverage ratios. In 2025, we will rebalance our medium- and long-term U.S. Treasury hedging positions to strategic equilibrium levels, while phasing in FX hedges for LNG imports through staggered entries. This approach ensures that our trade hedging ratios remain optimal and aligned with our risk appetite.
- **Utilization of professional instruments:** We have established a specialized hedging team to leverage advanced derivatives, including options and swaps, to hedge against dual risk exposures arising from both commodity price fluctuations and foreign exchange volatility.
- **Refined risk management by category:** We conduct unified exposure assessments prior to contract execution and initiate hedging activities synchronously. Priority is given to building positions for heating season contracts. With a core focus on mitigating extreme tail risks, we strategically time our market entries to lock in costs.
- **Evaluation mechanism development:** We have instituted a comprehensive corporate hedging value assessment system. By integrating hedging effectiveness into performance appraisals, we drive the synergistic optimization of exposure management and end-customer development.



2025 Performance

Successfully concluded the annual audit for **ISO 37301** compliance management system certification

Compliance training sessions conducted

34 times

Average compliance training hours per employee

45 hours

Business Ethics

ENN Energy is committed to advancing its business ethics framework. The Company strengthens ethical governance across all operations by establishing a robust compliance architecture, implementing systematic anti-corruption initiatives, enhancing whistleblower protection mechanisms, and conducting ongoing ethics awareness campaigns and training.

Business Ethics Governance

ENN Energy remains steadfast in its commitment to business ethics. By strengthening its ethical governance framework, defining clear codes of conduct and ethical red lines, the Company cultivates and upholds an integrity-driven corporate image. In 2025, ENN Energy continued to enhance its business ethics management system and successfully concluded the annual audit of its ISO 37001 anti-bribery management system.

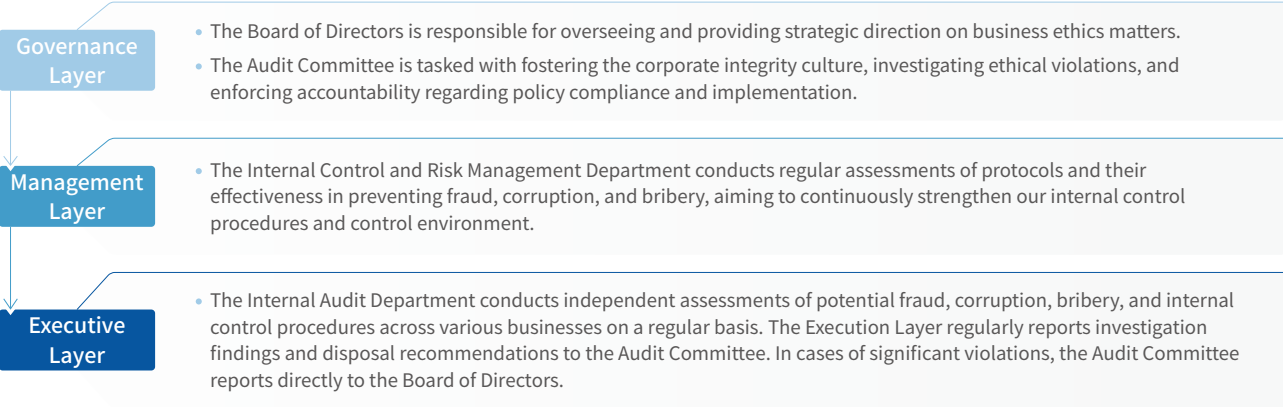
External Laws and Regulations

- Supervision Law of the People's Republic of China
- Company Law of the People's Republic of China
- Anti-Monopoly Law of the People's Republic of China
- Anti-Unfair Competition Law of the People's Republic of China
- Interim Provisions on Banning Commercial Bribery Practices

Internal Policies and Systems

- ENN Energy Holdings Limited Compliance Management System
- ENN Energy Compliance Management Manual and Procedure Guidelines
- ENN Energy Anti-Corruption Management Manual and Procedure Guidelines
- Integrity and Compliance Code of Conduct
- Whistleblowing and Whistleblower Protection Policy
- ENN Energy Holdings Limited Anti-Fraud, Corruption and Bribery Policy

ENN Energy has established a three-tier business ethics compliance framework spanning "Governance Layer, Management Layer, and Execution Layer". With clear responsibilities defined for each tier, all business units and employees are mandated to strictly adhere to the *Integrity and Compliance Code of Conduct*, ensuring the robust implementation of our ethical standards.



ENN Energy adopts a "zero-tolerance" stance toward any corrupt practices and builds a comprehensive integrity governance system around this core principle.

Regarding employee conduct, the Company mandates that all employees strictly adhere to the *Code of Integrity and Compliance* and execute a dedicated *Integrity Agreement*, thereby embedding compliance requirements into their core professional conduct. Strict prohibitions are in place against accepting or offering any form of commission, kickback, donation, or sponsorship in business operations, ensuring the uncompromising integrity of professional ethics. Furthermore, adherence to the *Code of Integrity and Compliance* is integrated into the remuneration and performance appraisal systems. Any violation of the *Integrity Agreement* or the *Code of Integrity and Compliance* will trigger disciplinary actions commensurate with the severity of the offense, ranging from formal warnings to immediate termination, thus ensuring robust accountability. In 2025, 100% of employees signed the business ethics agreement.

The Company extends its strict compliance standards to all external partners, including contractors and suppliers. We mandate that they adhere to the *ENN Energy Holdings Limited Supplier Corporate Social Responsibility Code of Conduct* and execute a *Commitment to Integrity and Self-Discipline*. This ensures that all business dealings are conducted with unwavering adherence to the fundamental principles of legality, integrity, and probity.

Additionally, ENN Energy has formally released the *ENN Energy Holdings Limited Anti-Fraud, Corruption and Bribery Policy*. This Policy explicitly prohibits any political donations and bars support or sponsorship for illegal activities, terrorist acts, organizations violating international conventions, or entities engaging in religious or gender discrimination. Over the past five years, the Company has incurred zero expenditures on political donations or lobbying activities. Furthermore, during the reporting period, there were no concluded legal cases regarding corruption brought against ENN Energy or its employees.

Business Ethics Audit

ENN Energy adopts a risk-based approach, systematically ensuring comprehensive coverage of internal audits across all business domains. The Company executes a full audit cycle for all operating units—including regional subsidiaries and direct affiliates—every three years. This cyclical process is designed to effectively identify and assess emerging business risks.

The Company conducts a comprehensive suite of audits, including exit audits, internal control audits, and targeted special investigations. These efforts prioritize high-risk areas,

with a specific focus on deep-dive audits covering business ethics domains such as anti-corruption, anti-bribery, and anti-fraud. Audit findings are promptly escalated to senior management. For identified issues, the Company enforces strict remediation protocols, clearly assigning accountability and setting definitive deadlines to ensure effective and timely closure. Furthermore, the Company places significant emphasis on antitrust and price compliance, integrating them as core pillars of its business ethics management framework.

2025 Performance			
Major litigation cases	Substantiated major complaint cases		Concluded corruption litigation cases
0 cases	0 cases		0 cases
Major administrative penalties due to operational compliance risks	Money laundering or insider trading incidents	Conflict of interest incidents	Customer privacy data leakage incidents
0 cases	0 cases	0 cases	0 cases
Harassment or discrimination incidents	Political donations and lobbying-related expenditures over the past five years		Rectification rate for identified issues
0 cases	RMB 0		100 %

Whistleblowing Handling Mechanism

The Company strictly adheres to its *ENN Energy Whistleblowing and Whistleblower Protection Policy*. We are committed to continuously refining our case intake and investigation processes to robustly safeguard whistleblower rights. This ensures that all reported violations are promptly investigated and effectively addressed.

The Company provides multiple reporting channels—including email, hotline, and the corporate intranet portal, and conducts trainings to encourage employees, suppliers, contractors, and other stakeholders to report any violations. The Risk Intelligence Unit is designated as the centralized intake function responsible for the prompt assessment and investigation of allegations regarding corruption and misconduct. For named reports, the Company deploys dedicated investigators to conduct on-site inquiries. Upon verification, comprehensive investigation reports are compiled and escalated to senior management. Disciplinary actions are then enforced strictly in accordance with the *Accountability Management Measures*. The Company actively incentivizes named reporting of fraud, corruption, and any other misconduct that compromises corporate interests. When allegations are

substantiated and lead to tangible improvements in corporate governance or risk management, the Company grants merit-based rewards to the whistleblowers, commensurate with the significance of their contribution.

With clearly defined procedures and protection mechanisms in place, the Company strictly safeguards the confidentiality of whistleblower identities—including names, contact details, and home addresses—as well as the substance of the reports. Furthermore, individuals who submit reports in good faith and in accordance with this policy are guaranteed protection against retaliation, including unfair dismissal, harassment, or disciplinary action. This protection remains in effect even if the investigation does not substantiate the allegations. Furthermore, the Company adheres to a strict "zero-tolerance" policy against any form of retaliation, including threats, intimidation, harassment, or any other acts that infringe upon the legitimate rights of whistleblowers. Any such misconduct will be promptly investigated and met with decisive disciplinary action. We are unwavering in our commitment to safeguarding the lawful rights and interests of all whistleblowers.

ENN Energy has established a robust asset management framework, anchored by policies such as the *Fixed Asset Management Regulations*. We define tiered management protocols to ensure the safe and reliable operation of critical assets, particularly gas infrastructure. This comprehensive approach safeguards asset integrity and security across the entire organization.

ENN Energy has fully embedded asset integrity management into its daily operations. The Board of Directors serves as the ultimate authority for asset integrity, holding overall responsibility for strategic decision-making and oversight. The Finance Department acts as the central hub, tasked with: designing the tiered asset management framework and formulating annual management plans; organizing comprehensive physical inventories and evaluating management effectiveness; supervising specialized functional units in executing their specific asset stewardship duties. These units manage key asset categories, including buildings, transportation fleets, production machinery, and storage facilities. This structure establishes a robust responsibility network defined by horizontal synergy across departments and vertical alignment from leadership to execution.

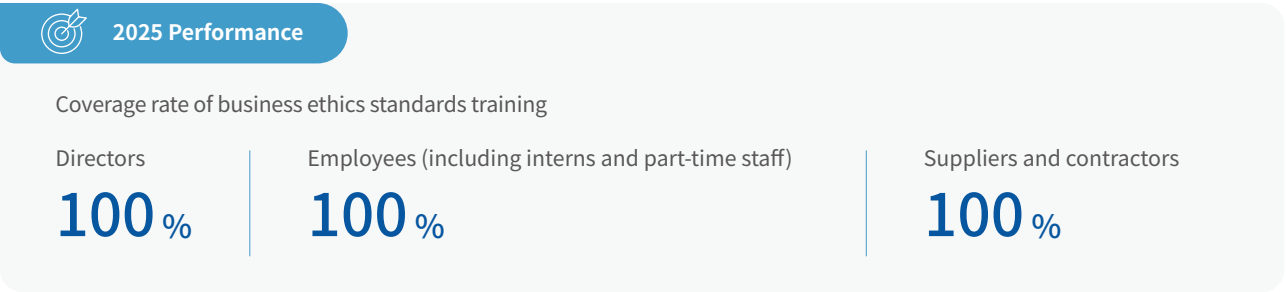
To enhance risk identification and strengthen control over critical operational links, the Company conducts systematic risk screenings across all key stages of the asset lifecycle—including acquisition, utilization, leasing, and disposal. This process clearly defines protocols for authorization, approval, and mandatory reporting. In

2025, ENN Energy conducted multiple specialized asset audits, with a strategic focus on high-risk areas such as inventory management. We implemented targeted control measures to ensure all risks remain effectively mitigated and under control. Leveraging insights from audit findings and daily monitoring, the company promptly executed preventive and corrective actions to optimize management processes. Furthermore, we have established a dual-layer audit mechanism that integrates internal self-assessments with third-party independent audits. This approach allows for a comprehensive evaluation of our asset integrity management effectiveness. Driven by audit results, we foster continuous improvement, creating a robust closed-loop management system. This ensures our asset management framework remains agile, up-to-date, and perpetually optimized.

ENN Energy places paramount importance on fostering a culture of asset protection across the entire workforce. We have embedded asset integrity management requirements directly into our *Integrity and Compliance Code of Conduct*, explicitly mandating that every employee bears the responsibility to safeguard company assets and immediately report any irregularities. In parallel, we roll out targeted training programs focused on compliance protocols for critical processes such as asset leasing and disposal. These initiatives are designed to sharpen operational competencies and reinforce accountability, thereby continuously elevating our collective capability to protect corporate assets.

Business Ethics Training

ENN Energy is committed to reinforcing its business ethics training and cultivating a robust culture of integrity. We deliver targeted training programs and awareness campaigns on business ethics and anti-corruption to a comprehensive audience, including the Board of Directors, all employees (covering interns and part-time staff), as well as suppliers and contractors. By leveraging blended online and offline learning modalities for continuous education, we fortify the foundation of our corporate integrity and compliance.



02 Safety Fortifying the Foundation of Stability

ENN Energy has always regarded safe development as the lifeline of its corporate operations, integrating the management philosophy of ensuring "mastering safety, identifying risks, eliminating hazards, and ensuring closed-loop management" throughout the entire production and operation process. We continuously improve our safety management system, deepening the application of digital intelligence technology, fostering a strong safety culture, and building a comprehensive safety net. Through high-level safety management and control, we fortify the robust foundation of our energy supply.

Material ESG Topics

Customer Health and Safety
Customer Privacy Protection
Safe and Stable Gas Supply
Occupational Health and Safety

HKEX ESG Indicators

B2: Health and Safety
B6: Product Responsibility

UN SDGs



Safety Management System

ENN Energy makes every effort to safeguard the lives and property of the public. We continuously refine our safety management system and enhance the risk prevention and emergency response capabilities of all staff. By supporting high-quality development with high-level safety, we contribute solid strength to guaranteeing people's livelihood and building better communities.

External Laws and Regulations

- Work Safety Law of the People's Republic of China
- Law of the People's Republic of China on Prevention and Control of Occupational Diseases
- Provisions on the Supervision and Administration of Occupational Health at Work Sites
- Specification of the Provision of Personal Protective Equipment
- Provisions on the Administration of Safety Technology Training and Evaluation of Special Operation Workers
- Measures for the Supervision and Administration of "Three Simultaneities" of Facilities for the Prevention and Control of Occupational Diseases of Construction Projects

Internal Policies and Systems

- ENN Energy Holdings Limited Health and Safety Policy
- Regulations on Safety Management of ENN Energy
- Regulations on Multi-Level Safety Risk Control and Potential Safety Hazard Investigation and Management
- Regulations on Work Safety Management of ENN Energy
- Regulations on the Administration of Work Safety
- Regulations for the Red and Yellow Lines of Safety Management
- Regulations on Accident Reporting, Investigation and Handling
- Management Measures for Emergency Plans of Work Safety Accidents
- Management Regulations on Safety Education and Training
- Regulations on High-Risk Operations Life Red Line
- ENN Energy Holdings Limited Supplier Health, Safety and Environment (HSE) Policy
- Work Safety Responsibility Statement
- Safety Risk Priority Action Plan

Safety Management Targets

The Company continuously refines its safety management targets and is committed to reducing the lost-time injury frequency rate (LTIFR) for all employees and contractors to 0.2 by 2030, while ensuring that the severe injury incident rate for customers consistently remains at zero.



2025 performance

Safety investment
reached

RMB 1.031 billion

Fatalities among employees
and contractors due to
production safety accidents

0 cases

ISO 45001 Occupational Health
and Safety Management System
certification covered

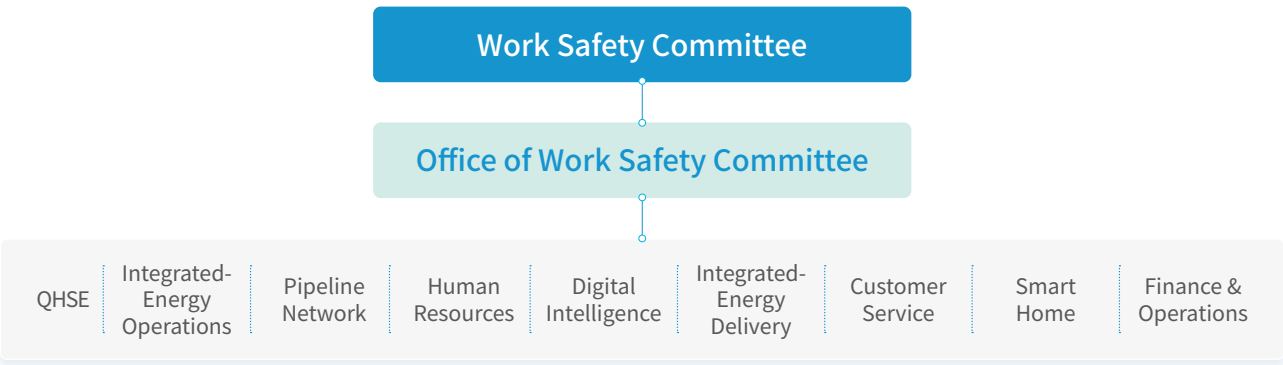
78.76 % of operations

Safety Management Organizational Structure

The Company has established and improved its safety management organizational structure. In 2025, based on internal policies and adapting to actual business needs, the Company restructured the functions and working mechanisms of the Work Safety Committee (hereinafter referred to as the "WSC").

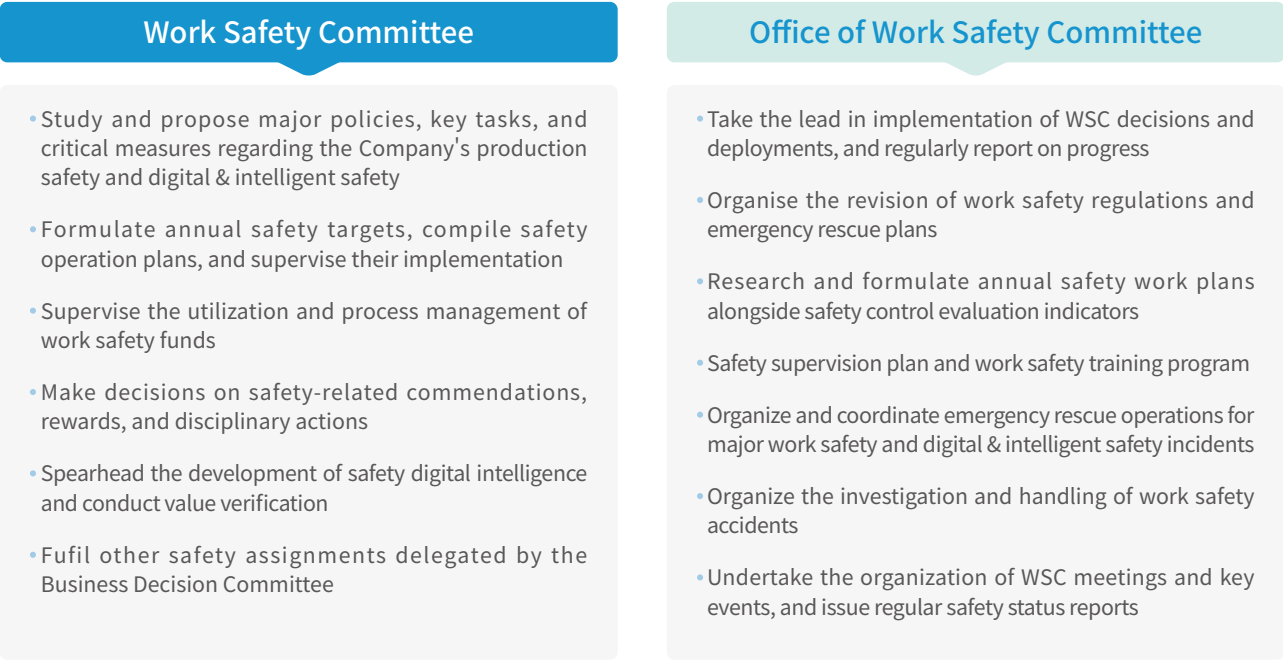
The Board of Directors serves as the highest accountability body for the WSC of ENN Energy. The Chief Executive Officer acts as the Chairman of the WSC, and the President serves as the Executive Chairman. The secretaries of the WSC are specifically responsible for the Company's production safety and digital & intelligent safety operations respectively.

The WSC holds monthly meetings to discuss and resolve matters including the monthly progress of safety initiatives, analysis of key safety risks, safety targets and indicators, progress on major hazard rectification, and accident reports. By utilizing the *Tracking Form for Decided Matters of the WSC Meetings*, the WSC clearly specifies the items discussed, responsible personnel, and completion deadlines, ensuring the effective execution of safety work and fortifying the baseline of safety.



Safety Management Organizational Structure

Functions at Each Level



Safety Management Mechanism

The Company consistently enhances its safety management mechanisms, striving to forge an intelligent safety capability framework centered on "mastering safety, identifying risks, eliminating hazards, and ensuring closed-loop management."



In 2025, the Company launched an evaluation of excellence in "self-driven safety value", selecting exceptional collectives and individuals based on two dimensions: "safety self-drive" and "safety value creation". This initiative is designed to highlight exemplary role models and foster a proactive safety culture. Furthermore, the Company has successfully completed safety audits across 101 enterprises, identifying and rectifying over 24,000 hazards of various types. By conducting risk warning analyses on common operational issues, the Company propelled root cause remediation and effectively prevented safety accidents.

Safety Risk Supervision

The Company deepens safety risk management and hazard remediation operations. Driven by an intelligent safety risk map, we optimize our risk identification model across the dimensions of "inherent risk + operational risk + external risk", and refine risk prevention and control rules along with intelligent capabilities seamlessly integrated into business scenarios.



Emergency Management Capability

Adhering to laws and regulations such as the *Evaluation Specifications for Emergency Rescue for Production Safety Accidents* and the *Regulations on the Administration of City Gas*, the Company optimizes and upgrades its intelligent emergency platform. By launching multiple products such as incident response modules and emergency mapping, we achieve closed-loop management across all phases of emergency handling. Concurrently, we facilitate comprehensive management over emergency resources and shift scheduling, thereby augmenting our overall, full-scenario emergency capability.

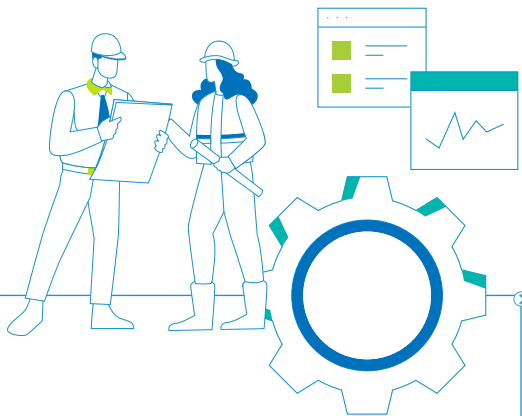
Alert reception

Build capabilities for hazard alerts and intelligent dispatch to ensure the rapid response to emergency incidents.



Hazard verification

Automatically match the execution area based on GPS coordinates, intelligently dispatch personnel for hazard verification, and simultaneously visualize risk warnings regarding task progress and personnel location to ensure timely and efficient verification operations.



On-site response

Rely on analytical algorithms to quickly evaluate the impact scope of the incident and generate response plans. Leverage accumulated operational knowledge to intelligently ascertain the optimal operators, driving the automated generation and precise execution of response strategies.

Comprehensive management

The intelligent emergency platform enables accurate matching of emergency personnel to their roles, standardized duty scheduling arrangements, and full-process management of emergency drills to elevate the normalized management standards of our emergency system.

Information flow

Rely on the intelligent emergency platform to automatically establish response communication groups upon alert reception, distribute one-click notifications, and automatically push information and operational progress updates to enhance information circulation efficiency. Based on the risk map, automatically push critical emergency notifications to primary safety officers to ensure highly efficient command coordination.

Emergency Response Process

Various internal units across the Company have instituted dedicated emergency response task forces. Aligned with digital intelligence imperatives and ecological development requirements—along with conclusions drawn from drill evaluations—they carry out timely revisions to production safety incident emergency response plans. By rigorously identifying accident risks, refining the rapid initiation mechanism for emergency response, clarifying the standard operating procedures (SOPs) for key roles across various emergency scenarios, and reinforcing practical drills alongside effectiveness evaluations, the emergency readiness of frontline personnel consistently improves. In 2025, the Company conducted 8,720 safety and emergency drills, registering 62,802 participants.



Government-Enterprise Collaboration Enhances Leakage Response and Anti-Terrorism Capabilities

In June 2025, ENN conducted a town gas emergency drill in Huludao City, encompassing two major operational scenarios: long-distance pipeline leakage response and coordinated anti-terrorism firefighting. During the leakage response phase, the intelligent alarm system promptly detected the structural hazard, the specialized detection vehicle pinpointed the exact location within three minutes, and rapid-response teams neutralized the threat swiftly. This approach successfully realized the integration of technological and personnel defence measures, boosting disposal efficiency by 40%. During the anti-terrorism exercise, the facilities coordinated with police and fire brigades to quickly extinguish the blaze, securing the surrounding area. This drill marshaled an investment of over 30 personnel and 6 pieces of high-tech equipment, successfully establishing full-chain operational coverage and providing practical foundational support for the refinement of municipal emergency response blueprints.



Emergency Drills

Information Security and Privacy Protection

Guided by the core principles of "enhancing defence mechanisms through practical drills and driving continuous improvement through regular assessments," ENN Energy continuously upgrades its information security protection system and strengthens its security frontlines. We also promote the deep integration of our security framework with business operations to consolidate a robust barrier for digital intelligence security operations.

External Laws and Regulations

- Law of the People's Republic of China on Protection of Consumer Rights and Interests
- E-commerce Law of the People's Republic of China
- Cybersecurity Law of the People's Republic of China
- Data Security Law of the People's Republic of China
- Personal Information Protection Law of the People's Republic of China
- Law on the Protection of Minors
- Regulations on Protection of the Security of Critical Information Infrastructure
- Regulations on Network Data Security Management
- Regulations on the Management of Information Services for Mobile Internet Applications
- Regulations on the Management of Algorithm Recommendations for Internet Information Services
- Interim Measures for the Administration of Generative Artificial Intelligence Services
- Regulations on the Management of Deep Synthesis of Internet Information Services
- Relevant provincial and municipal regulations on public data management, etc.

Internal Policies and Systems

- ENN Energy Management Regulations for Information Security
- ENN Energy Information Security Risk Management Measures
- ENN Energy Privacy Protection Policy
- ENN Energy Regulations on Document Preparation, Distribution, Utilisation, and Storage
- ENN Energy Regulations on External Provision of Information and Information Interface
- ENN Energy Holdings Limited Data Privacy Policy
- ENN Energy Business Continuity System Management Manual
- ENN Energy Cybersecurity and Privacy Protection Policy
- Information System Access Control Rules
- Implementation Guidelines on the "Ten Red Lines" for Access Privileges
- Implementation Guidelines on the "Fourteen Red Lines" for Access Management

Information Security Management System

The Company has established an information security management framework, featuring clear responsibilities and multi-tiered synergy. The Work Safety Committee (the "WSC") oversees major decisions for digital intelligence security, conducting supervision, issues risk warnings, and manages emergency responses. The Chief Executive Officer (CEO) serves as the Chairman of the Committee. The CEO brings extensive industry experience in information security management and digital transformation. Furthermore, the Digital Intelligence Capability Group coordinates overall data security. Under its guidance, business units drive the specific implementation of these tasks.

To ensure effective execution, the Company mandates a top-down digital security organization. Each member enterprise must establish a task force led by the heads of business units. Executives in charge are designated as the directly responsible persons. They are supported by dedicated digital security officers and industrial control security (ICS) officers. This structure guarantees rigorous policy execution and forms a closed-loop management system.

Regarding supervision and reporting, the WSC Office operates a structured regular reporting system. It also dictates a special mechanism for major incidents:

- Report information security progress to the Secretary-General of the Committee bi-weekly
- Provide comprehensive monthly reports to the Chairman to drive decision execution
- Brief the Risk Management Committee biannually on overall digital security, including cybersecurity and data privacy

Specialized initiatives, including information security audits, emergency drills, and major investments, require targeted reports to the Committee. Execution is only permitted after formal approval. This process ensures critical operations remain strictly controlled.

The Company strengthens the construction of its information security and privacy protection management system, formulating and optimizes its framework of information security management policies. In 2025, the Company continuously maintained the ISO 27001 Information Security Management System certification, the ISO 27701 Privacy Information Management System certification, and the ISO 22301 Business Continuity Management System certification. This comprehensively elevates the information security management level, maintains effective security protection, and sustains robust business operations. In 2025, the Company recorded zero major security incidents, zero government penalty notices, and zero major non-conformities during external audits.



ISO 22301 Business Continuity Management System Certification



ISO 27001 Information Security Management System Certification



ISO 27701 Privacy Information Management System Certification

Information Security Risk Management

ENN Energy continuously refines its information and data security management mechanisms, advancing systematic risk assessments and specialized audit tasks to consolidate our digital security defences.

Risk Management

ENN Energy deepens its network and data security controls through an evaluation and audit mechanism. This mechanism closely combines internal and external elements.

Risk Assessment

Conduct a comprehensive risk assessment every two years by inviting external professional agencies. These assessments cover critical dimensions such as security compliance governance, organizational personnel management, infrastructure security, R&D security, data security, and security operations.

Special Information Security Audits

Execute special information security audits on key systems internally on an annual basis. In 2025, special access control audits were completed across 52 systems. Additionally, the Company conducts an external IT audit every two years. The audit scope includes ISO system compliance, Information Technology General Controls (ITGC), IT Application Controls & Data Analytics (ITAC&DA), Journal Entry (JE) testing, access privileges control, data security lifecycle management, and personal information protection assessments. These continued efforts solidify the foundation of information security management.



ENN's Self-Developed "Digital Intelligence Security Risk Map" Smart Scanning Function Achieves Closed-Loop Asset Security Management

The Company relies on its self-developed "Digital Intelligence Security Risk Map" platform, performing multi-dimensional smart security scans across various types of assets. By integrating diverse detection capabilities, the platform establishes a full-process closed loop extending from risk discovery to intelligent re-testing. The platform has completed over 2,000 physical examination tasks cumulatively. This has boosted the closed-loop risk remediation rate by over 30%, providing robust support for continuous and controllable asset security.

Emergency Drills

The Company has established a comprehensive Emergency Response Plan (ERP) that explicitly includes provisions for information security assurance and cybersecurity. At the same time, a security incident recovery plan has been formulated, with internal emergency drills conducted on a regular annual basis to continuously enhance emergency response capabilities. In 2025, 94 affiliated enterprises completed information security and privacy protection emergency drills. These drills covered multiple typical scenarios. These included network outages, server room power failures, cyber-attacks on industrial control systems (ICS), personal information leaks, and wide-scale virus outbreaks.



Luoyang ENN Gas Fortifies Cybersecurity Defences

In October 2025, Luoyang ENN Gas orchestrated a digital security emergency drill. The theme of this drill was "Network-Wide Isolation, Multi-Level Coordinated Antivirus, and Technology-Driven Defence", simulating a full-chain response workflow under the scenario of a large-scale network virus outbreak. Actions included initiating Level-I emergency responses and enforcing complete network disconnection and isolation. This full-chain disposal process rigorously validated the practical capabilities of the emergency mechanism.

The drill successfully covered
80%
of all terminal devices

Achieving a
92%
virus eradication rate

The full restoration of
business systems within
5.2hours

Technical support
response rate
98%

Information and Data Security Assurance

ENN Energy comprehensively manages information security, cybersecurity, and privacy protection. Meanwhile, the Company continuously upgrades its technical measures to strengthen its data and information security assurance capabilities.

Information Security Assurance

ENN Energy continuously refines its endpoint security control system. To comprehensively elevate the level of our information and data security assurance, we have deepened the intensive and intelligent management of endpoint PCs. Furthermore, we have expanded the deployment of security probes across industrial control system (ICS) scenarios.



ENN Energy Builds a Multi-dimensional Governance System for Endpoint PCs, Laying a Solid Foundation for Digital Office Security

In 2025, the surge in hardware devices and remote working significantly increased the risks of data leakage and malware attacks. In response, the Company established a multi-dimensional governance system covering "defence, access, and application". This system focuses on three core areas: endpoint protection (anti-virus), network access (admission control), and application software (compliance). By forming a domain-wide, long-term governance mechanism, we successfully shifted our security approach from "post-event rectification" to "pre-event prevention and continuous management".

- Regarding endpoint protection, the Company completed the unified upgrade of the anti-virus platform across 17,008 endpoints. This achieved a 100% full coverage rate.
- Regarding software compliance governance, the Company achieved dynamic elimination of blacklisted software across 121 affiliated enterprises. The completion rate reached 100%, generating annual cost savings of approximately RMB 35 million.
- Regarding network access, the enterprise side deployed endpoint access control devices on a large scale to build a unified compliance framework. We also integrated smart technologies such as dynamic authentication and network isolation. These measures effectively block unauthorized access and strengthen our boundary defence capabilities.

Cybersecurity Assurance

ENN Energy strictly implements the *Cybersecurity and Privacy Protection Policy*. We comprehensively integrate its requirements into our operational processes. This covers all relevant suppliers and application endpoints that process personal information, ensuring thorough policy execution.

The Company has established a regular mechanism for cybersecurity threat monitoring and response, which conducts dynamic monitoring of various cybersecurity risks to promptly identify and address potential security hazards. At the same time, the Company continuously conducts cybersecurity attack and defence drills. Throughout the year, we launched 13 cybersecurity and data security inspections mandated by government authorities, alongside 12 internal attack and defence drills. During this period, the Company successfully intercepted over 2 million cyber attacks and banned more than 10,000 malicious IP addresses. As a result, the Company received zero regulatory penalties from government authorities.

The Company consistently advances the classified protection of cybersecurity. Level III systems are evaluated annually, and Level II systems are evaluated biennially. These measures ensure that critical information infrastructures remain secure, compliant, and under continuous control.

Privacy Protection

ENN Energy attaches great importance to protecting the privacy of both employees and customers. Privacy protection requirements are seamlessly integrated into the *Employee Code of Conduct*, the *Cybersecurity and Privacy Protection Policy*, and other related institutional frameworks. These rules systematically regulate the entire processing lifecycle of sensitive personal information, encompassing its collection, storage, transmission, usage, and destruction.

The Company's *Cybersecurity and Privacy Protection Policy* explicitly specifies the effective retention period for data. Upon expiration, data will be legally deleted or anonymized. We strictly comply if laws and regulations stipulate an alternative retention period. Concurrently, the Company has established dedicated customer service channels to provide timely responses to users' privacy requests, such as correcting or deleting their personal data.

The Company transparently informs customers of all privacy protection matters. This includes the nature and purpose of the collected information, the data retention period, and the protection methods utilized. We also clearly define our third-party disclosure policies and grant customers full legal rights. Customers can choose to consent or opt out, and they retain the right to request the access, correction, deletion, or transfer of their data to other service providers. Furthermore, the Company continuously monitors the proportion of user data utilized for secondary purposes to ensure the transparent fulfillment of our privacy commitments.



Information Security Culture Construction

The Company has established a systematic and routine awareness-enhancement framework designed for all employees. This framework ensures that safety principles are deeply integrated into daily operations. Furthermore, information security training has been incorporated into employees' annual value creation plans. Serving as a crucial component of performance evaluations, it guarantees that safety responsibilities are executed across all levels and thoroughly internalized by the staff.

Regarding education and training, the Company develops differentiated training programs tailored to various roles and operational requirements, achieving 100% coverage among all employees. In 2025, the Company launched specialized video courses covering major areas, including App security, AI security, software compliance, and data privacy. Employees achieved a 100% completion rate for both the learning modules and associated examinations. These courses accumulated over 6.45 million views and 2.26 million exam participations, yielding a total learning duration of 322,600 hours.

In terms of cultural promotion, the Company leveraged its internal platforms to issue cybersecurity reminder posters every year. These posters covered essential topics such as data security and privacy protection, software compliance, and AI fraud protection, thereby normalizing the presence of safety principles. Simultaneously, the Company enforces a zero-tolerance accountability mechanism, initiating immediate disciplinary actions against any violations of privacy policies. Furthermore, we have established and promoted a clear, user-friendly employee reporting process. Employees are actively encouraged to report information security incidents, system vulnerabilities, or suspicious activities promptly via dedicated internal platforms, designated email addresses, or hotlines.

ENN Energy Conducts Specialized Regional Safety Training to Strengthen the Safety Capabilities of Frontline Personnel

In 2025, the Company prioritized key regions and critical demographics across various business scenarios. We rolled out numerous customized courses centered on core topics, including digital intelligence security operations and endpoint security. Additionally, the standardized development of the respective courseware was successfully completed. The training targeted regional operation and maintenance (O&M) personnel, new generation employees, and frontline staff in high-risk gas business positions, surpassing 9,000 total participations. Notably, employees in high-risk data compliance roles achieved a 100% training participation rate and a 100% exam passing rate.

2025 performance			
Number of information security training sessions	Proportion of employees covered by information security performance indicators	Number of information security compliance inspection projects	
6 times	100 %	29 cases	
Coverage rate of the Multi-Level Protection Scheme (MLPS) filing for critical information systems	Number of critical system security tests	Rectification rate of issues found in critical system security tests	
100 %	253 cases	100 %	
Complaints or incidents related to digital security and privacy protection	Major cybersecurity complaints or incidents	Total number of information security vulnerabilities	Total number of customers and employees affected by compliance violations
0 cases	0 cases	333 cases	0 cases

Safety Capacity Building and Awareness Promotion

ENN Energy strictly implements a long-term management mechanism for work safety. By hosting regular work safety conferences, the Company systematically reviews the successes and shortcomings of its safety operations. During these sessions, annual key tasks are deployed, and outstanding collectives and individuals who have demonstrated exceptional safety performance are highly commended.

The Company has developed a year-round safety education and training system that covers all employees. Building upon routine training programs, we have launched an accident case warning and training platform. This initiative effectively enhances employees' occupational safety awareness and emergency response capabilities.



2025 performance

In 2025, organized specialized safety training sessions

10,409 times

Total training time

597,425 hours



Number of safety training sessions for employees and contractors

12,085 times

Total attendances of safety training

427,156 times of participation

Safety training for general manager level

9,850 times of participation

Safety training for safety management personnel

11,425 times of participation

Safety training for employees

405,881 times of participation

Proportion of employees receiving safety training

100 %

Total attendances of contractor safety training

12,085 times of participation

Proportion of trained contractor personnel

100 %



Customer Safety Management

ENN Energy always keeps customer safety in mind. By building a full-scenario intelligent prevention and control system, the Company continuously deepens digital intelligence safety management across core scenarios, including engineering, pipeline networks, integrated energy, and indoor applications. We comprehensively enhance the gas safety level and self-protection capabilities of our customers, safeguarding millions of households through technology and a strong sense of responsibility.

Safe and Stable Gas Supply

The Company continuously deepens the application of digital intelligence technology in the field of energy services. Relying on massive gas usage data, we have built and continuously optimized an intelligent forecasting model for gas services to achieve accurate predictions of customers' energy demands. On this basis, the Company has established and refined an operational mechanism integrating demand forecasting, resource coordination, real-time monitoring, and full-scenario delivery. This mechanism allows us to tailor customized supply assurance plans based on the energy consumption characteristics of different users, such as commercial and industrial (C&I) and residential customers, thereby ensuring a stable and reliable energy supply across all types of usage scenarios.

To effectively ensure a stable energy supply during extreme weather conditions, the Company strictly implements internal systems such as the *ENN Energy Control Work Checklist for Snowfall and Cold Waves* and the *Winter Vehicle Technical Condition Inspection Checklist*. We have formulated seasonal safety control measures and natural disaster emergency plans to enhance our emergency response capabilities and guarantee a safe and stable supply of gas resources.



ENN Energy Launches Digital Intelligence Winter Supply Guarantee to Ensure Stable Energy Supply During Cold Waves

In October 2025, in the face of an approaching cold wave, ENN Energy comprehensively launched a digital intelligence supply assurance campaign. We locked in upstream gas sources in advance, secured sufficient gas storage capacity, and completed the capacity expansion and upgrading of our pipeline metres, achieving a peak daily gas supply assurance capacity of 25 million cubic meters. Through its intelligent operation platform, the Company connected nearly 20,000 monitoring points, boosting resource allocation efficiency by 30%.



The Company continues to conduct special governance campaigns targeting customers' common safety hazards and long-uninspected items. We extensively promote safety culture awareness activities, effectively building a solid frontline for urban public safety.

- For residential customers, we comprehensively address the issues of low-quality safety inspections and numerous existing hazards. In 2025, the Company identified 56,000 Category III safety hazards among household users. Through continuous process optimization to improve operational quality and efficiency, we successfully eliminated 23,100 Category III hazards. The pass rate of work orders escalated from 83% to 94%, and the volume of customer complaints dropped by 24%.
- For C&I customers, we focus on solving challenges such as difficulty in hazard identification and rectification, as well as multiple responsibility blind spots. In 2025, the Company discovered over 10,000 safety hazards, achieving an 82% rectification rate for Level I hazards, and successfully addressed 860 "blind spot" users who had missed safety inspections for extended periods. The Company clarified responsibilities through an "individual responsibility system" and the "separation of inspection from rectification". Furthermore, we developed capabilities such as the visualization of inspection tasks and mobile self-locking functions for gas appliances, significantly enhancing the efficiency of hazard identification and disposal for C&I customers.

Safe Operation Management

ENN Energy comprehensively utilizes intelligent technologies and data analysis models to optimize and refine customer safety management processes. We comprehensively enhance the safety and stability of our gas supply, firmly guaranteeing safe energy usage across various scenarios.

Safety Management in Engineering Scenarios

The Company strictly implements the *Regulations on High-Risk Operations Life Red Line*. Key personnel, including the heads of all business units, conduct regular inspection campaigns against the "Three Violations" (violating rules, operating against rules, and commanding against rules). All inspection results are digitally recorded in the system for traceability and are incorporated into the performance evaluation system for key roles. An exit mechanism (i.e., immediate removal) is strictly enforced for anyone who violates the life red lines to ensure absolute accountability.

Relying on the engineering digital empowerment system, the Company deeply integrates IoT terminal devices, such as engineering dome cameras and smart visual sensors, to achieve real-time live broadcasting of the construction process

and all-around monitoring of key procedures, driving the closed-loop management of high-risk operations throughout the entire process. Furthermore, we have developed an intelligent risk-warning model covering core scenarios such as welding quality, supervisor performance, and unexpected emergencies to accurately identify high-risk behaviors.

In 2025, the daily calls for the intelligent risk-warning model exceeded 80,000, triggering a cumulative total of 839 valid early warnings. Key positions now universally apply digital tools for daily inspections. Engineering safety management has achieved a profound transformation from being experience-driven to data- and intelligence-driven, significantly enhancing management efficiency and intrinsic safety levels.



ENN Haining Upgrades the "Smart Gas Digital Cockpit" to Enhance Data-Driven Safety Governance

In October 2025, ENN Haining, a subsidiary of ENN Energy, leveraged the "Smart Gas Digital Cockpit" and utilized IoT and digital twin technologies to achieve full-chain data monitoring. This system optimized the management of engineering and gas distribution networks and improved incident disposal efficiency. By equipping residential and C&I customers with smart devices, the pilot program boosted leakage disposal efficiency by 40%, creating a benchmark for smart safety governance.



Safety Management in Pipeline Network Scenarios

Focusing on the safety of pipeline network scenarios, ENN Energy continuously strengthens its risk identification and prevention capabilities. We comprehensively reduce operational hazards in pipelines and drive the transformation of safety management toward proactive early warning, data-driven approaches, and closed-loop governance.

The Company issued the *Guidelines for Third-Party Construction Control* and continuously refines its rules for preventing third-party damage. Based on actual conditions, all units formulate and rigorously implement gas distribution network protection measures—ranging from the reporting of construction discoveries, pipeline detection, and safety briefings to on-site supervision and joint law enforcement. Supervision quality is factored into the evaluation system to ensure all mandatory procedures are thoroughly executed. In 2025, all branches completed their pipeline network leakage and anti-corrosion coating inspection plans, deploying inspection-integrated digital intelligence products to regularly identify and rectify hazards in gas facilities.

The Company strictly enforces equipment standards, upgrades pipeline integrity management products, and strengthens dynamic risk monitoring. We have deployed laser inspection vehicles and launched multi-carrier intelligent inspection pilots using drones and patrol vehicles in Langfang, Shijiazhuang and Bozhou, among other locations. We continue to advance the Smart Inspection Project, constructing a collaborative "intelligent inspection + manual disposal" model driven by multi-source data platforms and intelligent recognition algorithms. The system features continuous learning and feedback optimization capabilities, supporting the long-term performance tracking and iteration of the recognition model. Successfully deployed across multiple locations, this project has effectively improved the frequency and quality of patrols. By reducing the reliance on frontline workforce and reinforcing gas network safety, the Company delivers dual benefits for both the environment and society.



ENN Beibu Gulf Issues "Digital ID Cards" for Gas Distribution Networks to Elevate Intrinsic Safety Levels

In October 2025, ENN Beibu Gulf, a subsidiary of ENN Energy, comprehensively advanced the digital construction of pipeline integrity management. The company established "Digital ID Cards" containing 2,726 marker posts for 147 kilometers of pipelines. Relying on a GIS platform, the Company built a risk assessment model that divides the network into 305 units to precisely identify high-risk pipeline sections, implementing hierarchical management and proactive hazard remediation. Following its launch, the system enabled anti-corrosion detection early warnings and dynamic scoring based on service life, significantly elevating the intrinsic safety level of the pipeline network.





Digital Upgrades to Pipeline Network Leakage Analysis Achieves Dual Leaps in Efficiency and Accuracy

For low-pressure pipeline network leakage analysis scenarios, ENN Energy has introduced digital and intelligent analysis tools, while also providing digital transformation training for employees in relevant positions, enabling them to better leverage intelligent tools. In 2025, this technology was successfully put into application, saving 10,400 instances of employees working night shifts, significantly improving work efficiency and the accuracy of data analysis.

Safety Management in Plant and Station Scenarios

Based on the functional positioning of our gas plants and stations, and thoroughly considering their surrounding environments, digitalization status, and operational pain points, the Company has built an intelligent safety management platform. This platform realizes the smart and safe operation of these facilities across dimensions such as key data monitoring, safety supervision, and equipment integrity management.

• Full-Process Supervision of Smart Unloading to Standardize Station Safe Operations

We have systematically mapped out Standard Operating Procedures (SOPs) for LNG unloading, encompassing key control points, operational risks and countermeasures, as well as AI recognition rules and penalty classifications for violations. This helps our city-gas enterprises standardize their unloading processes, empowers operators to ensure safety and compliance at every step, and utilizes intelligent supervision to boost operational efficiency. In 2025, smart LNG unloading was rolled out comprehensively, expanding from 30 initial stations to 161. This solved issues concerning personnel failing to follow mandatory procedures and compliance breaches during LNG unloading, thereby reducing operation errors. It also enabled the validation of LNG unloading measurement models—upon completion of the unloading, business indicators such as gas volume loss and vaporization rate deviation are automatically generated for precise measurement analysis, ensuring the safety and efficiency of the natural gas transportation and storage process.

• Smart Inspections: Transitioning Operations and Maintenance (O&M) from "Passive Response" to "Proactive Prevention"

We standardize inspection actions, requirements, and reference images. By linking on-site camera resources, the system intelligently analyzes whether inspection personnel are in position, guaranteeing a 100% attendance rate. Additionally, by comparing on-site instrument parameters and leveraging large-model technology to intelligently recognize and evaluate inspection images, we ensure the objectivity and timeliness of the collected data, providing a solid basis for fault diagnosis. In 2025, the smart inspection and evaluation system was fully deployed to elevate station inspection efficiency and guarantee system safety.



Centralised Dashboard Monitoring Fosters Safe, Smart, and Unmanned Plants and Stations

Focusing on the intrinsic safety of plant processes, predictive maintenance, and the upgrading of safety management products, the Company launched the "Smart Station 2.0" system. Driven by an equipment integrity management platform and a novel O&M model tailored for the digital age, it forms a smart safety solution for the gas industry featuring "SaaS + IoT Hardware + O&M Services". We developed robust equipment management functions to ensure that the maintenance of equipment and facilities strictly follows standards, features full process traceability, and utilizes closed-loop management, thereby guaranteeing maintenance quality. Throughout the year, over 130,000 equipment and facility maintenance tasks were executed, ensuring that all plant and station assets were maintained and calibrated on schedule.



Safety Management in Indoor Scenarios

The Company strictly complies with national standards, including GB/T 28885-2025 *Specifications for City Gas Service* and GB/T 51474-2025 *Technical Specification for Safety of Operation, Maintenance, and Rush-Repair of City Gas Facilities*. We formulated internal systems such as the *Guidelines for Investigation and Rectification of Gas Business Safety Hazards*, fortifying full-process management from production through to delivery.

01

- For critical terminal equipment impacting gas safety, such as gas stoves and water heaters, we enforce stringent incoming inspections and high-frequency random sampling to comprehensively elevate product reliability. The out-of-box defect rate has continuously declined and remains steadily controlled below 0.4%.

02

- Targeting typical safety hazards among residential users, we systematically addressed risk pain points surrounding key links—such as inspection quality, closed-loop hazard rectification, and commissioning (replacement) operations. We developed 6 intelligent risk-warning models to construct a comprehensive risk identification system covering the entire process.

03

- Relying on the abnormal gas usage inspection assistant, we established a fully closed-loop mechanism: "algorithm prediction - anomaly push notification - dispatch and on-site resolution - result feedback - machine re-learning". Through continuous model iteration based on result feedback, we effectively mitigate performance drift and degradation, ensuring the precision and stability of anomaly monitoring.

04

- Throughout the year, the Company organized over 6,600 safety awareness campaigns under the "Seven Entries" outreach initiative — taking safety education into schools, enterprises, communities, households, and other key settings — of which over 6,000 were on-site events, fostering a deep-rooted safety awareness across the communities served.

In terms of the smart upgrade for home safety, the Company advanced the deployment of smart IoT products such as the AI Safety Valve and e-Home Guard, whilst continuously iterating on novel offerings like Zhaihutong (Home Care), WIFI-enabled indoor AI safety valves, and riser AI safety valves. In 2025, the Zhaihutong model was piloted across 22 enterprises, covering 30,000 households. This drives our service transformation from solitary gas detection towards an integrated home safety solution monitoring water, electricity, gas, and auxiliary equipment, genuinely enhancing the user's sense of security and overall service value.

In 2025, the Company recorded zero product recall incidents resulting from quality defects or health risks to customers. We have established a flawless emergency response mechanism; should any issue arise, we promptly resolve customer demands, trace the root causes meticulously, and implement stringent rectifications.

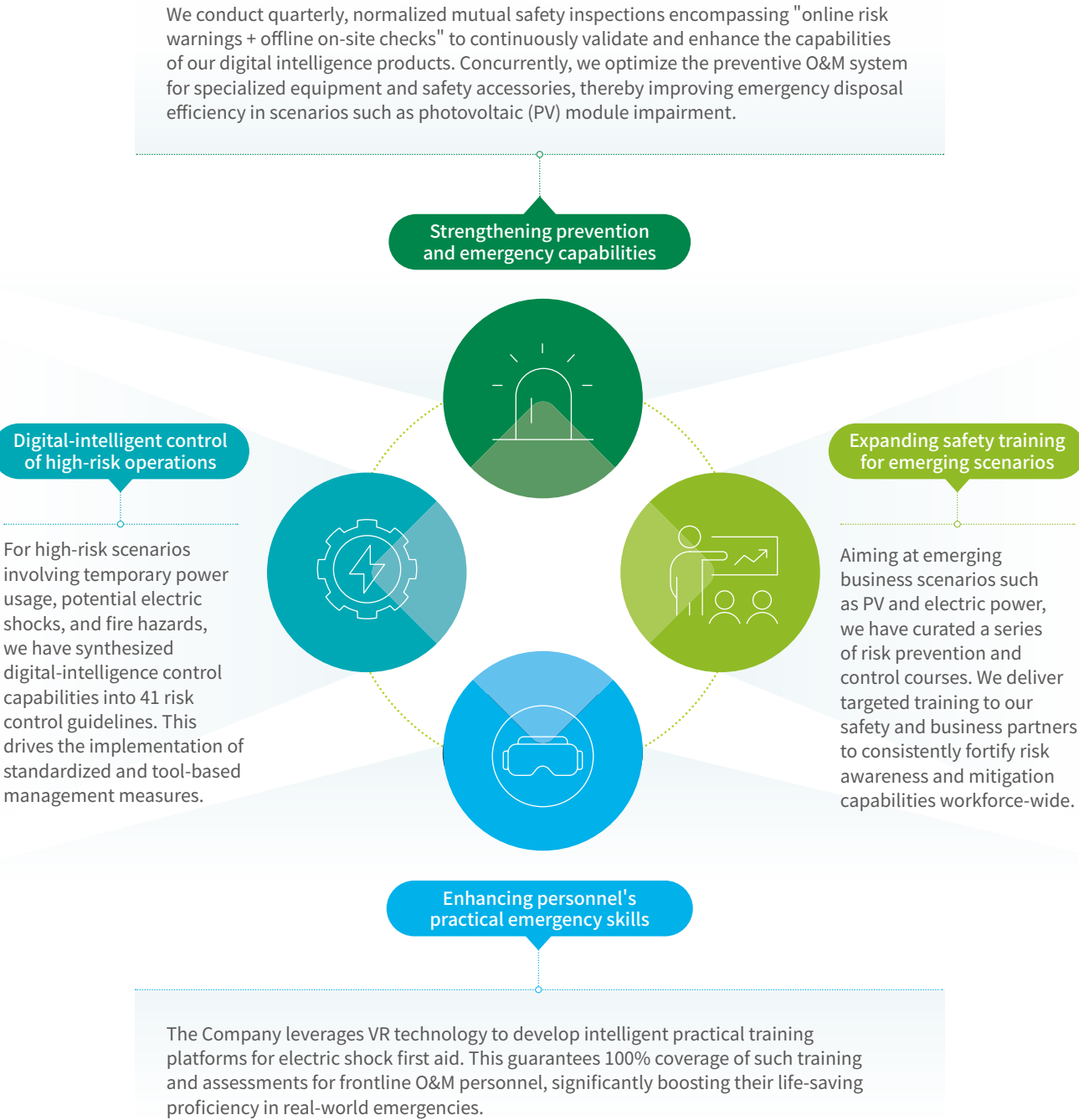


ENN Inner Mongolia Region Deploys IoT Equipment to Safeguard Residents' Gas Safety via Technology

In October, 2025, ENN Inner Mongolia safeguarded residential gas safety through the powerful synergy of technology and responsibility. The region installed IoT alarms and related devices for over 110,000 households, enabling second-level leakage response and automatic valve shut-offs, with full coverage over the central urban area expected by 2026. In Tumd Right Banner, Baotou, the standardized installation of pre-stove self-closing valves and corrugated hoses was successfully completed for 30,049 households within two years, effectively eliminating hazards in aging residential buildings.

Safety Management in Integrated-Energy Scenarios

ENN Energy systematically constructs "three lines of defence" for integrated-energy operations across the dimensions of "preventive O&M, safety hazard remediation, and emergency fault response". Addressing the distinct risk profiles of each Pan-energy subsystem, the Company comprehensively standardizes methodologies and procedures across all phases—from hazard identification and regular inspections to O&M and emergency response. Furthermore, we actively promote our intelligent map of Pan-energy safety risks to facilitate pilot verification and large-scale application.

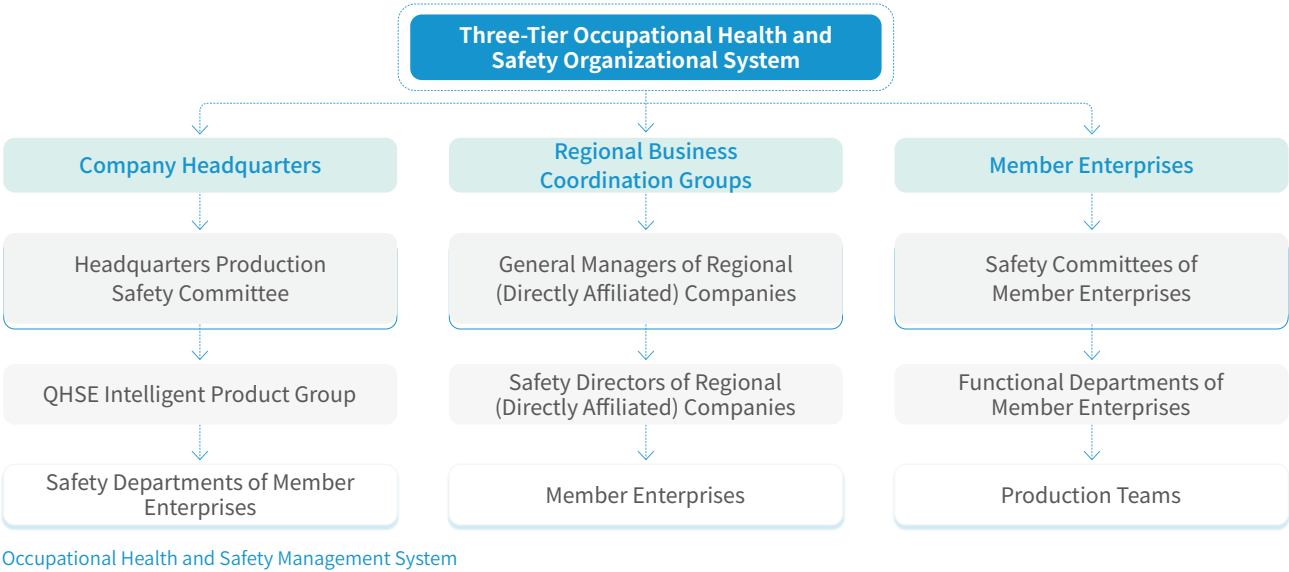


Occupational Health and Safety

Deeply adhering to the development philosophy of "people-oriented and safety first", ENN Energy is continuously perfecting an Occupational Health and Safety (OHS) management system that covers all employees, contractors, and member enterprises. Centered around our safety enhancement goals, the Company regularly carries out dynamic monitoring and periodic assessments of OHS performance to ensure all management interventions are precise and effective. We extensively organize diverse safety culture initiatives for employees and contractors, deeply embedding health and safety principles into our corporate culture and daily operations to ensure stringent implementation at every level.

Employee Occupational Health

The Company has established a robust three-tier OHS organizational structure—encompassing the company headquarters, regional business coordination groups, and member enterprises—clearly delineating the responsibilities at each level. We dynamically refine our institutional framework. During the formulation and implementation of OHS policies, the Company steadfastly upholds formalized consultations with employees and their representatives, actively encouraging their participation. In 2025, 89 of the Company's operating entities achieved ISO 45001 certification (accounting for 78.76%), including 3 newly certified entities in 2025, signifying the continuous optimization and upgrade of our management systems.



The Company sets definitive OHS management objectives and systematically tracks their progress. We have instituted a core target: "By 2030, reduce the Lost Time Injury Frequency Rate (LTIFR) per million hours worked for all employees and contractors to 0.2."

 **Safety Incident Performance for Employees and Contractors**

Number of work-related fatalities of employees and contractors 0 persons	Employee and contractor fatalities rate due to safety incidents 0 %	Number of work-related injury cases among employees and contractors 17 cases
Lost working hours due to work-related injuries (employees and contractors) 4,062 hours	Lost working days due to work-related injuries (employees and contractors) 508 days	Lost-time injury frequency rate (LTIFR) per million working hours (employees & contractors) 0.22 cases/million working hours
Recordable incident rate (per thousand employees & contractors) 0.37 cases/thousand people	From 2022 to 2025, the fatality rate due to production safety accidents remained consistently at 0	Lost-time injury frequency rate (LTIFR) per million working hours (employees) 0.25 cases/million working hours

The Company has instituted a comprehensive and normalized auditing mechanism covering occupational health and safety. Internal and external audits are systematically executed annually to effectively identify and manage work-related injuries, occupational diseases, and a variety of safety hazards. Integrating quantitative safety targets into management practices, we clarify the priorities within our action plans, accurately pinpoint and address potential risks, and propel the continual elevation of OHS management competencies. We design emergency management protocols and protective measures, comprehensively safeguarding our employees' physical and mental well-being through systematic monitoring and targeted mitigation.

Dynamic Monitoring of Occupational Hazards

We perpetually identify and update our occupational health risk inventory, regularly evaluate occupational disease hazard factors, and deploy targeted control measures to guarantee that all risks remain controllable and that adequate protection is always in place.

Full-process employee health monitoring

We stringently enforce pre-employment medical examinations and prohibit assigning personnel with pre-existing relevant conditions to roles exposed to occupational hazards. Employees in high-hazard positions are provided with specialized medical examinations at least once annually. We maintain detailed personal health records, offering a traceability span of up to ten years alongside health compensation mechanisms, thereby achieving traceable and sustainable health management.

Pre-employment protection and workplace optimization

Personnel stationed in roles with potential occupational hazards are equipped with proper protective apparatus and granted rationally scheduled rest rotations. Employees in high-noise environments are mandated to wear earplugs continuously and observe stringent break intervals; staggered shifts and heatstroke prevention medications are provided for high-temperature work operations; and noise-abatement equipment, such as cellular dampening bricks, are installed on-site to mitigate workplace environmental risks right from the source.

 **2025 performance**

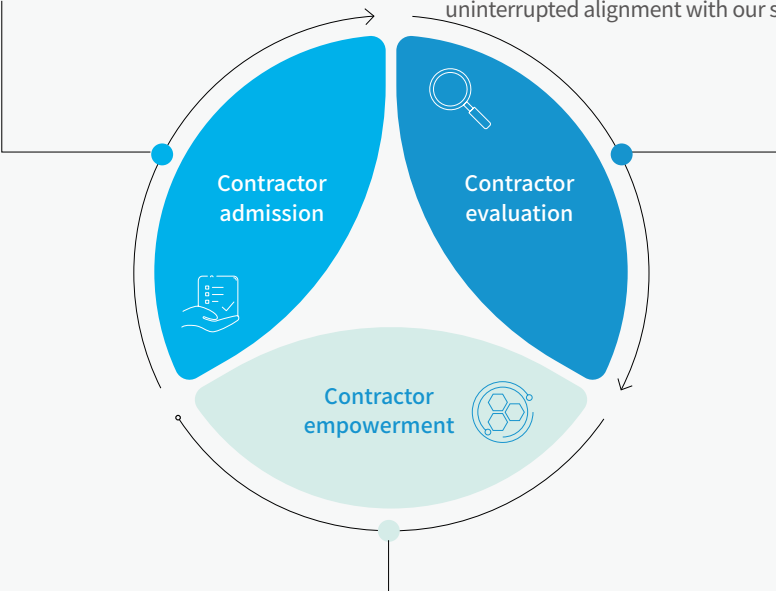
Employee regular physical examination rate 100 %	Number of occupational disease cases 0 cases	Full-time safety managers 935 persons
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● Safety Management among Contractors

We continuously optimize our safety management system to genuinely safeguard our contractors. By establishing a robust internal management framework, we strengthen OHS enablement and training for contractors, thereby elevating their safety management standards and forging a solid frontline for work safety across the supply chain.

The Company enforces safety responsibilities right from the source. We embed OHS requirements into procurement contracts, clearly define safety standards, and mandate all contractors to sign the *Health, Safety and Environment (HSE) Agreement*. We strictly implement a zero-tolerance safety veto mechanism. By scrutinizing bidding documents and evaluating winning contractors, we ensure a 100% safety admission compliance rate, continuously increasing the proportion of high-quality contractors winning bids.

the Company has established a safety assessment model and implements dynamic, hierarchical management. We assign specific safety re-evaluation cycles based on diverse risk levels to achieve precise risk control. The Company maintains a formalized evaluation mechanism to dynamically monitor and hierarchically manage contractors' safety performance and potential risks. Furthermore, a blacklist mechanism ensures that any contractor violating safety "red lines" is unequivocally dismissed and formally recorded, guaranteeing uninterrupted alignment with our safety prerequisites.



The Company routinely conducts safety training and capacity-building activities. Leveraging our digital risk-warning system, we archive personnel profiles and dynamically manage the validity of safety certificates, driving precise tracking capability for personnel in critical technical trades. Concurrently, we continuously promote the standardization and digitalization of safety management workflows, comprehensively boosting contractors' safety awareness and operational compliance.

 **2025 performance**

Contractor fatalities due to work-related incidents 0 persons	Contractor major work-related injury rate 0 %	Contractor safety training coverage 100 %
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03 Low-Carbon Development Marching Towards the Green-Oriented Journey

At ENN Energy, we are committed to "building a modern energy system and co-creating a better ecosystem" as our mission for sustainable development. We have embedded green development principles across our strategy, operations, and innovation. Guided by China's "dual carbon" goals (peaking CO2 emissions before 2030 and achieving carbon neutrality before 2060), we strive to deliver cleaner and more efficient energy solutions to our customers. Through scientifically planned carbon reduction pathways, we are accelerating the low-carbon transformation of our business, strengthening our environmental management systems, and leveraging green finance to diversify funding sources. Together with our ecosystem partners, we are advancing the synergy between energy development and ecological protection.

Material ESG Topics

Resource and Energy
Conservation
Environmental Policy and
Management
Clean Energy Utilization
Climate Change Response

Emissions Management
Water Resource
Management
Biodiversity Protection

HKEX ESG Indicators

A1: Emissions
A2: Use of Resources
A3: The Environment and
Natural Resources

Part D: Climate-Related
Disclosures
B6: Product
Responsibility

UN SDGs



Climate Change Response

Against the backdrop of global warming and frequent extreme weather events, addressing climate change has become a necessity for corporate sustainability. ENN Energy actively drives the low-carbon transition of the energy sector by setting science-based environmental targets and a clear pathway to net zero. Leveraging digital and intelligent solutions, we are expanding our business footprint while delivering cleaner products and services to customers, thereby contributing to the realization of China's "dual carbon" goals.

Climate Governance

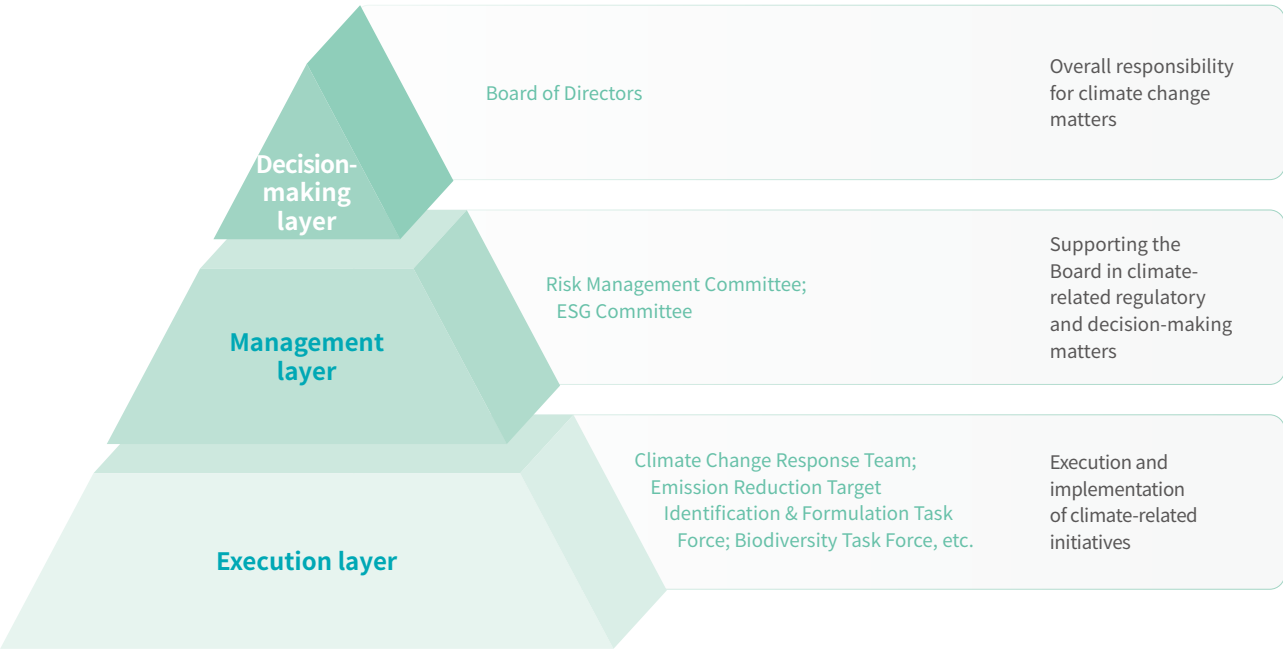
We have continuously enhanced our climate governance structure across the decision-making, management and execution layers. By clarifying roles and strengthening cross-level coordination, we have further integrated climate-related considerations into corporate strategy and daily operations. Under the guidance of the Board, we have established the *Climate Change Response Policy* that defines strategic directions and management requirements. Throughout 2025, ENN Energy remained committed to building the capacity of the Board and business divisions through targeted knowledge-sharing and interactive dialogues on climate risks and opportunities. This proactive approach has not only deepened our understanding of climate dynamics but also significantly bolstered the decision-making acumen of our leadership and management in addressing climate-related matters.

- **Decision-Making Layer** (led by the Board): Overseeing the formation of climate-related strategies and major matters. The Board has reinforced its top-level governance of climate matters by explicitly incorporating climate risks into the Company's long-term sustainability strategy.
- **Management layer**: Focusing on integrating climate-related risks and driving cross-functional collaboration to address climate issues more effectively. The ESG Committee, established under the Board, is responsible

for reviewing major climate action plans, risk management policies, annual budgets, and business plans, and for driving goal delivery by setting key performance indicators (KPIs). The Risk Management Committee integrates climate risks into the Company's internal control and financial decision-making processes, integrating climate factors into management workflows such as budget planning and capital allocation. Recognizing the strong link between climate change and financial decisions, we have designated the Chair of the ESG Committee to oversee related efforts, with progress reported to the Board on a semi-annual basis.

- **Execution Layer**: Dedicated task forces have been established to implement and continuously refine specific initiatives. These include the Climate Change Response Team, the Emission Reduction Target Identification & Formulation Task Force, and Biodiversity Task Force, with members comprising the Financial Controller, Company Secretary, Investor Relations and ESG Head, QHSE Head, and HR Head. This composition ensures coordinated action across key functions including finance, compliance, operations, and human resources. The execution level conducts ongoing climate scenario analysis to quantify risks and opportunities under different pathways, dynamically adjust emissions reduction pathways and resource allocation, and report progress to the Management on a regular basis, forming a closed-loop feedback mechanism.

ENN Energy Climate Change Governance Structure



In 2025, the Company strengthened the capacity-building of the Board of Directors and various business departments by organizing thematic sharing sessions and interactive exchanges on climate-related risks and opportunities. These efforts helped enhance their understanding of the identification, assessment, and response methods for climate-related risks and opportunities, thereby improving the professional knowledge and decision-making capabilities of both the governance and management levels on climate change issues.

Climate-Related Performance Incentives

We have fully integrated climate-related performance indicators into our remuneration and incentive system, ensuring that climate governance responsibilities are effectively implemented across all levels.

The indicators including carbon neutrality, energy conservation and emission reduction have been included in the annual performance reviews of senior management, regional companies, and subsidiaries. Evaluation results are directly linked to bonuses, and a clawback mechanism is in place to impose financial and administrative penalties on managers responsible for material sustainability risks.

To drive company-wide engagement, we conduct regular low-carbon training through the iCome platform and publish a weekly *ESG News Digest* to raise employee awareness. Additionally, ESG training participation and new energy promotion are incorporated into employee performance appraisals and remuneration assessments. Specific financial incentives are provided for the implementation of green projects such as photovoltaic and energy storage initiatives, creating a performance-driven incentive structure that supports the green transformation.



Climate Strategy

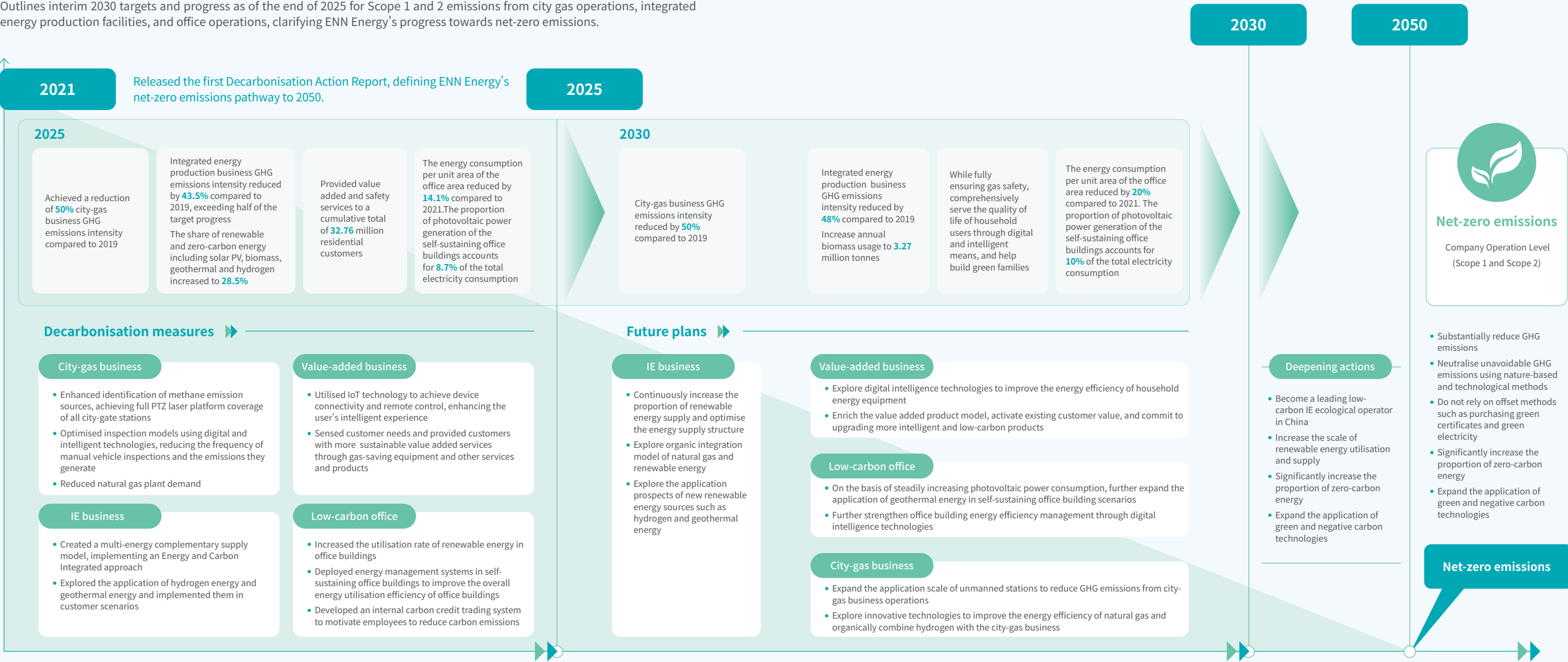
We closely monitor national "dual carbon" strategies and climate-related policy developments, while assessing the impact of extreme weather events on our operations. Based on our own development plans, we continuously refine our climate risk identification framework. Leveraging our established list of climate risks and opportunities, and drawing on typical climate scenarios published by internationally recognised institutions such as the IPCC, IEA, and NGFS (e.g., RCP8.5, RCP4.5, net-zero emission (NZE) by 2050, SDS, and SPS), we evaluate the potential impacts of climate-related factors over the short, medium, and long term. Accordingly, we dynamically adjust our risk response strategies and action plans for each phase.

Our Net-Zero Emission Pathway

We have integrated low-carbon development principles across our entire value chain. Using a science-based carbon emissions forecasting model, we have developed a clear net zero roadmap with quantifiable targets for 2030, and have updated those targets that have been achieved ahead of schedule. Through this systematic pathway planning, we provide clear guidance for energy conservation and emission reduction efforts, supporting the green transformation of the energy industry.

ENN Energy's Net Zero Emission Roadmap (2025 Edition)

Outlines interim 2030 targets and progress as of the end of 2025 for Scope 1 and 2 emissions from city gas operations, integrated energy production facilities, and office operations, clarifying ENN Energy's progress towards net-zero emissions.



Climate Scenario Analysis

We have identified climate-related risks and opportunities across our three core businesses, covering both our own operations and the upstream and downstream value chain. This includes raw material supply and transportation in the upstream, and shifting customer demand in the downstream. The assessment spans short-term (0–3 years), medium-term (3–10 years) and long-term (10–30 years) horizons, and is closely aligned with the Company's strategic planning.

To support the analysis, we employ three representative climate scenarios: Current Policy Scenario, High-emission Scenario (Brown Scenario), and Accelerated Transition Scenario (Turquoise Scenario), each used to assess impacts under different development pathways. For physical risks, the analysis focuses on the potential impact of acute and chronic climate events under the Brown Scenario. For transition risks and opportunities, it focuses on the challenges and opportunities arising from policy, regulation, market, technology, and reputation changes under the Turquoise Scenario. We have identified physical and transition risks based on factors such as value chain impact, likelihood of occurrence, speed of evolution, and financial implications, and have developed corresponding response measures.

Physical Risk Climate Scenarios

Scenario Type	Scenario Selected	Projected Temperature Rise ³	Description	Data Sources
Brown Scenario / High-Emission Scenario	RCP 8.5	4°C	This scenario assumes a significant increase in global greenhouse gas emissions, resulting in a global temperature rise of 4°C or more.	WRI Water Risk Atlas Climate Impact Explorer (CIE)
Current Policy Scenario	RCP 4.5	3°C	This intermediate scenario takes into account existing climate and energy policies, with a global temperature rise exceeding 2°C .	The KNMI Climate Explorer

³ Projected temperature rise: the estimated average increase in global surface temperature by 2100.

Transition Risk / Climate Opportunity Scenarios

Scenario Type	Scenario Selected	Projected Temperature Rise	Description	Data Sources
Turquoise Scenario / Accelerated Transition Scenario	Net-Zero Emissions by 2050 (NZE) / Sustainable Development Scenario (SDS)	1.5°C (< 2°C for SDS)	This scenario assumes that stringent climate policies and innovation enable net-zero CO ₂ emissions to be achieved by around 2050, limiting global warming to 1.5°C .	IEA-WEO
Current Policy Scenario	Stated Policies Scenario (SPS)	3°C	This scenario reflects the current policy landscape and provides a baseline for assessing potential outcomes (and limitations) arising from recent developments in energy and climate policy.	

Climate Change Risk and Opportunity Identification

We regularly review and assess climate-related risks and opportunities, continuously deepening our quantitative analysis of these factors and refining our climate risk inventory. In 2025, we further incorporated identified climate risk factors into our financial impact quantification model—Value-at-Stake Analysis (VaS)—to systematically evaluate their potential impact on enterprise value.

During the reporting period, we further optimised our analytical and assessment models for climate-related risks and opportunities, identifying 6 types of climate risks and 3 climate opportunities.

Physical Risks

Risk Type	Risk Factor	Risk Description	Value Chain Impact	Time Horizon	Financial Impact	Mitigation Measures
 Acute risks	Typhoon	Typhoon may disrupt the normal operation of natural gas facilities or integrated energy stations in coastal areas, causing energy supply interruptions, revenue losses and asset damage.	Operations	Short-term	Lower revenue Asset losses	• Issue typhoon alerts via the intelligent operation platform and deploy emergency response in advance; • Strengthen flood prevention facilities in high-risk areas to enhance disaster resilience; • Conduct typhoon and flood preparedness training and drills to improve on-site emergency response capabilities.
	Floods	Floods may damage natural gas facilities or integrated energy station equipment, disrupt energy supply, and lead to asset losses and higher maintenance costs.	Operations	Short-term	Higher cost Asset losses	• Adopt high-strength pipes and looped network design to strengthen system resilience; • Monitor third-party construction along pipelines in real time to prevent external damage; • Purchase property insurance and business interruption insurance to mitigate financial risks.
	Extreme low temperatures	Cold snaps may cause equipment freezing and a surge in gas demand, affecting supply stability in some regions, increasing dispatch pressure, and leading to service interruptions or higher costs.	Operations and services	Short-term	Revenue volatility Higher operating costs	• Dynamically adjust dispatch plans and LNG resource allocation based on meteorological data; • Establish low-temperature early warning mechanisms and standardise emergency response procedures to ensure stable facility operation.
 Chronic risks	Rising average temperatures	Long-term temperature increases will reduce winter heating demand, potentially lowering natural gas sales, affecting revenue from traditional city gas business, and requiring a transition in energy service models.	Downstream (customer demand)	Long-term	Lower revenue	• Monitor temperature and pressure parameters in real time through digital intelligence systems to accurately forecast energy use changes; • Accelerate business transformation by increasing the proportion of integrated energy and smart home businesses.

Transition Risks

Risk Type	Risk Factor	Risk Description	Value Chain Impact	Time Horizon	Financial Impact	Mitigation Measures
 Policy & regulatory risks	Energy structure transition	The "dual carbon" goals are driving an increasing share of non-fossil energy, which may reduce the long-term share of natural gas in the energy mix and affect revenue from city gas operations.	Downstream (customer demand)	Long-term	Lower revenue	• Accelerate the development of integrated energy services by promoting multi-energy complementary solutions including PV, energy storage and combined cooling, heating and power (CCHP), and enhance clean energy supply capacity; • Provide customers with integrated energy solutions through digital platforms to strengthen customer loyalty.
	Expansion of domestic carbon market	The gradual inclusion of steel, building materials and other sectors into the national carbon market may increase indirect costs related to the construction and operation of natural gas infrastructure. Customers may reduce natural gas consumption to cut emissions or adjust their energy mix, further impacting the Company's revenue.	Upstream & downstream operations (customer demand)	Medium-term	Higher costs Lower revenue	• Closely monitor carbon market policies and assess the impact on raw material and project costs; • Expand the application of integrated energy microgrid models and promote rooftop PV and energy storage projects to reduce customers' energy costs and carbon compliance pressure.
 Technical risks	Energy substitution & low-carbon technology upgrades	Rapid advances in renewable energy, energy storage, hydrogen and electrification technologies may erode the technical advantages of natural gas in the final energy mix, weakening the competitiveness of the Company's traditional gas sales and supporting services. Meanwhile, insufficient maturity of new technologies may create uncertainty in investment returns.	Investment and operations	Medium- to long-term	Lower revenue Impairment of assets Investment losses	• Establish a technical feasibility evaluation mechanism and prioritise pilot applications of mature low-carbon technologies; • Adopt modular and light-investment models to reduce trial-and-error costs; • Continuously track low-carbon technology trends and optimise the technology roadmap; Strengthen technical cooperation and joint R&D.
	Competition from carbon / zero-carbon energy products	Growing customer demand for green electricity, green certificates, or energy products with lower carbon footprints may pose risks to the Company's natural gas business, including customer attrition and challenges in new market acquisition, if competing low-carbon energy solutions with emission reduction benefits become widely available.	Downstream (sales)	Short-to medium-term	Lower revenue	• Develop a "low-carbon natural gas" product through carbon credit procurement and methane emission control to optimise the carbon footprint of existing products; • Continue to expand integrated energy business and participate in the investment and operation of zero-carbon energy projects.
 Market risks	Rising raw material costs	Price volatility in key resources such as steel, electricity and LNG affects the construction and operation costs of plants and energy stations.	Upstream (procurement)	Short-to medium term	Higher costs	• Continuously optimise the strategic procurement system, secure long-term supply agreements, and deepen strategic partnerships with core suppliers.
 Reputation risks	Increasing stakeholder expectations	Increasing expectations for climate action from governments, investors, communities and customers may lead to negative feedback that hinders project implementation and damages corporate reputation.	External communications	Ongoing	Reputational damage, project delays	• Establish a regular ESG communication mechanism, publish ESG reports periodically and provide updates on the Company's climate action progress; • Launch community engagement programs and public open days to build social trust.

Climate Opportunities

Opportunity Type	Opportunity Factor	Opportunity Description	Value Chain Impact	Time Horizon	Financial Impact
Resource efficiency opportunities	Digital transformation	The use of AI technologies can accurately forecast energy demand and dynamically optimise energy dispatch, enabling load regulation and peak shaving. This also improves system operational efficiency and reduces both operational and energy consumption costs.	Operations	Short- to medium-term	Lower costs
Products & services opportunities	Integrated energy business	The integrated energy business provides industrial and commercial customers with comprehensive clean energy solutions, supporting their low-carbon transition. It expands into emerging markets such as green factories and low-carbon parks, driving the upgrade of the Company's service model and sustainable revenue growth.	Downstream	Medium-term	Higher revenue
Carbon asset opportunities	Carbon market & CCER	Developing CCER projects from biomass energy utilization, fuel substitution and methane recovery, based on the Company's extensive natural gas network and integrated energy projects.	Downstream	Short- to medium-term	Higher revenue

Financial Impact Assessment

In terms of physical risks, we continuously evaluate the potential impact of climate conditions on the operation of our energy infrastructure and customer services. In 2025, we further strengthened our risk management capabilities by enhancing weather alert mechanisms, optimizing facility layouts, expanding looped pipeline networks to improve system resilience, and securing property and business interruption insurance for key assets. During the reporting period, related preventive expenditures and insurance premiums totaled approximately RMB 9.157 million, which were recorded as operation and maintenance costs. Thanks to the above risk mitigation measures, we experienced no major supply disruptions, effectively ensuring business continuity. Meanwhile, related asset losses and impairment provisions were recognised in current-period financial expenses. We have initiated insurance claims processes, with claim amounts totaling RMB 1.339 million in 2025. Subsequent claim payments will be recognised or applied to reduce relevant losses as subsequent events after the reporting period, minimizing the ultimate impact on net profit. Over the medium to long term, in response to the long-term challenges posed by rising temperatures, we plan to gradually increase investments in facility upgrades for high-risk areas and in intelligent operation and maintenance.

In terms of transition risks, as "dual carbon" policies are further implemented and the share of non-fossil energy increases, the role of natural gas in the energy mix is undergoing adjustment. The expansion of the national carbon market may also raise indirect

costs associated with upstream construction and operations. In 2025, we continued to strengthen R&D and green investments in our integrated energy business, covering distributed photovoltaics, energy storage systems, waste heat utilization, and digital dispatch platforms. Total capital expenditure for the integrated energy business this year was RMB 2.33 billion. At the same time, we have incorporated climate risk management into executive performance evaluations and are advancing research into low-carbon technology alternatives to ensure a smooth strategic transition. Over the medium to long term, we will continue to increase investments in low-carbon technologies, energy service innovation, and business structure optimization to enhance sustainable competitiveness.

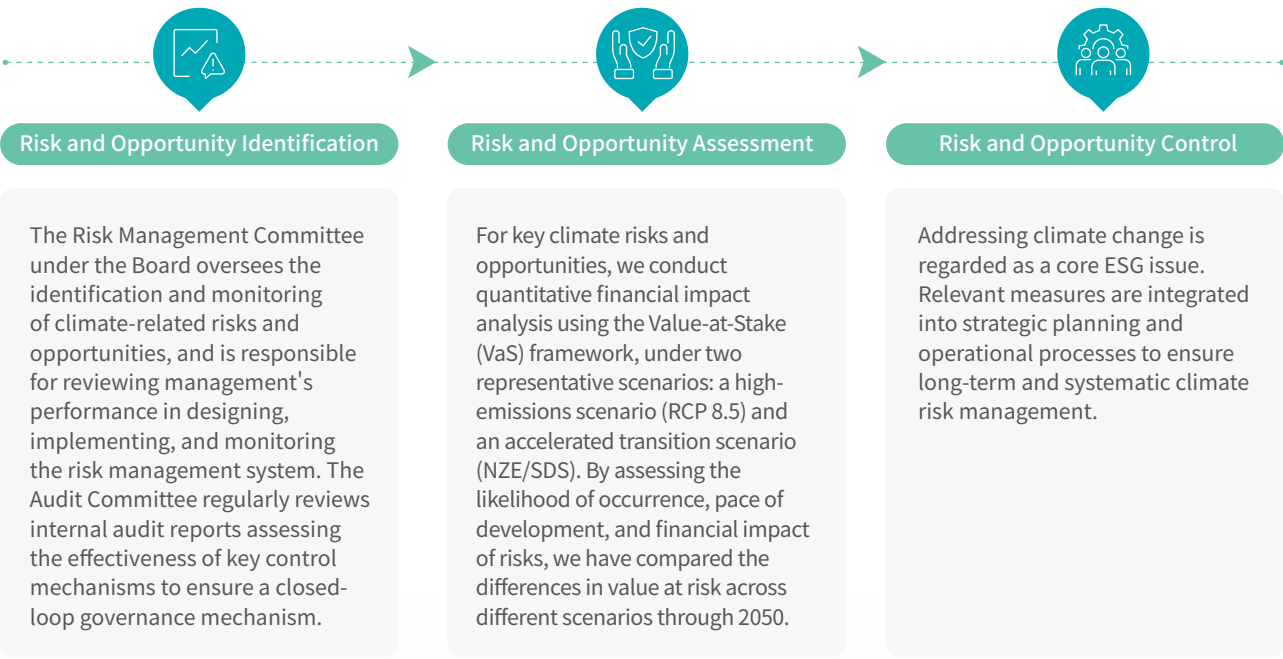
In terms of climate-related opportunities, we are actively capturing the dual benefits of digital transformation and integrated energy service upgrades. We have issued the "ENN Integrated Energy (Phase 1) Carbon-Neutrality Green Asset-Backed Special Program" on the Shenzhen Stock Exchange, with an issuance scale of RMB 608 million. This marks the first asset-backed security product within the ENN Group, supporting the scalable replication of integrated energy business models in green factories, low-carbon parks, and similar scenarios. These initiatives not only meet the emission reduction needs of industrial and commercial customers but also drive growth in sustainable service revenue, strengthen customer loyalty and brand reputation, and unlock a new growth trajectory for the Company.

Internal Carbon Pricing

The Company has introduced an internal carbon pricing mechanism, converting the external costs of carbon emissions into internal operational considerations, continuously tracking the price of carbon emission allowances, conducting carbon emission assessments for new projects, and integrating carbon pricing analysis into the investment decision-making process. In doing so, the Company effectively aligns its climate goals with business strategy, drives low-carbon innovation and investment, and achieves a synergistic enhancement of environmental benefits and sustainable development opportunities.

Management of Climate-Related Risks and Opportunities

To systematically identify and assess climate-related risks and opportunities and enhance corporate risk management capabilities, we have fully integrated climate change considerations into our overall risk management framework, establishing a closed-loop management system that covers identification, assessment, control, and monitoring. Climate factors are integrated into daily operational decisions. By conducting risk assessments in representative regions, we have identified critical risk points and developed targeted response measures to enhance climate resilience.



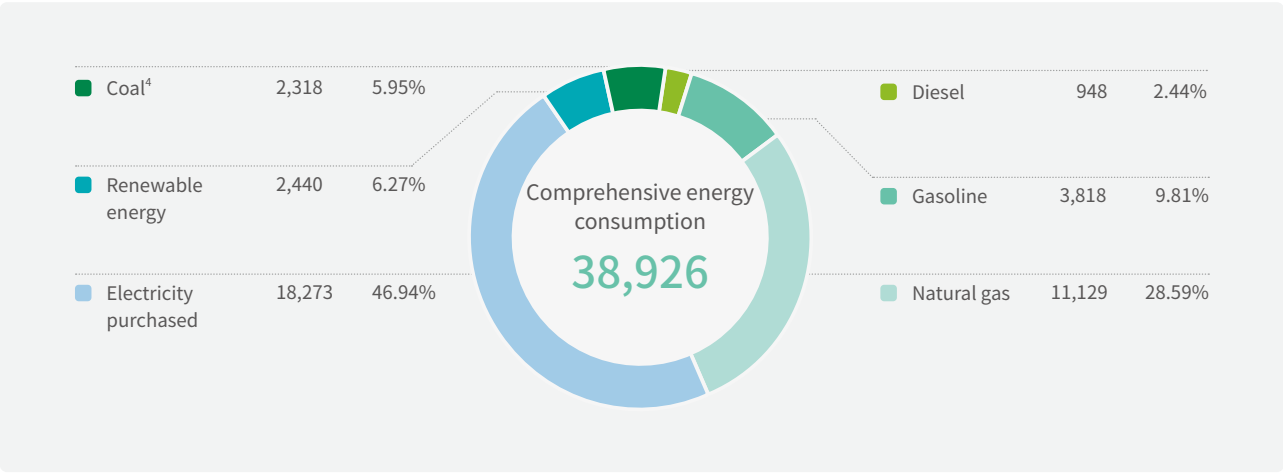
Indicators and Targets

We have established a systematic greenhouse gas management indicator system and target framework. Through regular monitoring and dynamic optimization, we continue to enhance our climate governance effectiveness.

Greenhouse Gas Emission Indicators

We conduct comprehensive carbon inventories for Scope 1 and Scope 2 greenhouse gas emissions annually, and continue to advance Scope 3 emissions calculations. These efforts support a full accounting of value chain carbon emissions and provide data-driven insights for precise management and emissions reduction decision-making.

Energy Structure (Unit: Tonnes of Standard Coal)



Quantitative Greenhouse Gas Emission Data

GHG Emissions (Scopes 1 & 2) ⁵					
GHG emissions (Scopes 1 & 2)		GHG emission intensity (Scope 1 & 2)		GHG emission intensity (Scope 1 & 2)	
Unit: Tonnes of CO ₂ e		Unit: Tonnes of CO ₂ e / RMB billion in revenue		Unit: Tonnes of CO ₂ e / billion cubic metres of natural gas sales	
2024	205,360.61	2024	1,869.41	2024	6,102.66
2025	112,799.81	2025	1,008.00	2025	3,065.80

⁴ Washed clean coal is used as the reference fuel for all coal-related energy and emission calculations to ensure consistency given the variability in coal quality.
⁵ Scope 1 and Scope 2 emissions are calculated in accordance with the *Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol)*, covering the natural gas retail and wholesale operations of ENN Energy and its subsidiaries.

Direct GHG Emissions (Scope 1) ⁶					
Direct GHG emissions (Scope 1)		Direct GHG emission intensity (Scope 1)		Direct GHG emission intensity (Scope 1)	
Unit: Tonnes of CO ₂ e		Unit: Tonnes of CO ₂ e / RMB billion in revenue		Unit: Tonnes of CO ₂ e / billion cubic metres of natural gas sales	
2024	101,468.33	2024	923.67	2024	3,015.31
2025	33,909.60	2025	303.02	2025	921.63

Indirect GHG Emissions (Scope 2) ⁷					
Indirect GHG emissions (Scope 2)		Indirect GHG emission intensity (Scope 2)		Indirect GHG emission intensity (Scope 2)	
Unit: Tonnes of CO ₂ e		Unit: Tonnes of CO ₂ e / RMB billion in revenue		Unit: Tonnes of CO ₂ e / billion cubic metres of natural gas sales	
2024	103,892.28	2024	945.74	2024	3,087.35
2025	78,890.21	2025	704.97	2025	2,144.16

Indirect GHG Emissions (Scope 3) ⁸					
Indirect GHG emissions (Scope 3)		Indirect GHG emissions (Scope 3, Category 1: Purchased goods and services)		Indirect GHG emissions (Scope 3, Category 3: Fuel- and energy-related activities (upstream))	
Unit: Tonnes of CO ₂ e		Unit: Tonnes of CO ₂ e		Unit: Tonnes of CO ₂ e	
2024	60,197,077	2024	9,480,788	2024	266,175
2025	62,500,796	2025	9,613,179	2025	273,849
Indirect GHG emissions (Scope 3, Category 4: Upstream transportation and distribution)		Indirect GHG emissions (Scope 3, Category 11: Use of sold products)		Scope 3 GHG emissions from other categories	
Unit: Tonnes of CO ₂ e		Unit: Tonnes of CO ₂ e		Unit: Tonnes of CO ₂ e	
2024	1,543,748	2024	48,698,402	2024	207,964
2025	1,869,316	2025	50,543,196	2025	201,225

⁶ Scope 1 (direct) greenhouse gas emissions arise from the combustion of fossil fuels—including coal, diesel, gasoline, and natural gas. Emission factors for these fuels are sourced from the default values of characteristic parameters for common fossil fuels listed in Appendix II of the *Guidelines for Greenhouse Gas Emission Accounting and Reporting for Enterprises in Other Industrial Sectors (Trial)* issued by the National Development and Reform Commission.
⁷ Scope 2 (indirect) greenhouse gas emissions result from the consumption of purchased grid electricity, calculated using the location-based method. For 2025, the grid emission factor of 0.5306 kgCO₂/kWh is adopted from the *2023 Power Sector CO₂ Emission Factors* released by China's Ministry of Ecology and Environment.
⁸ Scope 3 calculation mainly refers to the GHG Protocol, the Ministry of Ecology and Environment *Enterprise Greenhouse Gas Emission Reporting Verification Guide*.

Climate-Related Targets

Based on a science-based emissions forecasting model, we have developed a clear net-zero pathway. By setting phased Scope 1 and Scope 2 emission reduction targets covering the city gas business, integrated energy production facilities, and office operations, we aim to achieve key milestones by 2030 and steadily deliver on our long-term commitment to net-zero emissions by 2050.

Targets		Progress
By 2030	To reduce GHG emission intensity of the city gas business by 2030 compared to 2019 baseline 50 %	✓ Achieved
By 2025	To integrate methane emission control into GHG reduction development plans by 2025, and work with partners in the China Oil and Gas Enterprises Methane Emission Control Alliance to achieve the target of reducing the average methane emission intensity of natural gas production processes to below 0.25 %	✓ Achieved
By 2030	To reduce GHG emission intensity of integrated energy production business by 2030 compared with the 2019 baseline 48 %	43.5 %
	To increase the share of renewable and zero-carbon energy including solar PV, biomass, geothermal and hydrogen to 36 %	28.5 %
	To reduce energy consumption per unit floor area of office premises by 2030 compared with the 2021 baseline 20 %	14.1 %
	To achieve of electricity consumption from on-site solar PV in self-owned office buildings 10 %	8.7 %
	To replace of self-owned office vehicles with new energy vehicles 100 %	New energy vehicles added in 2025 25 Accounting for 65 % of total business vehicles replaced for the year

Green Services

We continue to advance our clean energy portfolio and deliver integrated energy projects, delivering tailored low-carbon energy solutions for parks, factories, and buildings. These initiatives enhance energy efficiency while generating environmental benefits, supporting the transition to a low-carbon society.

Low-Carbon Energy Supply

By leveraging the synergistic application of photovoltaics, energy storage, biomass, waste heat utilization, and innovative technologies, the Company has developed a multi-energy complementary, intelligently integrated ubiquitous energy system. The system advances the integrated operation of "source, grid, load, storage, and carbon" to enhance renewable energy absorption capacity and overall system efficiency, helping customers transition toward low-carbon and intelligent energy use. Through continuously enriching its low-carbon product and service portfolio, ENN Energy is accelerating the green transformation of the energy system. In 2025, the Company's revenue from sustainable products and services accounted for 11.9% of total revenue.

Biogas Utilization

While ensuring a safe and stable supply of natural gas, we continue to expand the application scenarios of clean energy. The Company actively promotes the upgrading of biogas into biomethane, converting organic waste into renewable gas and enabling resource recycling.



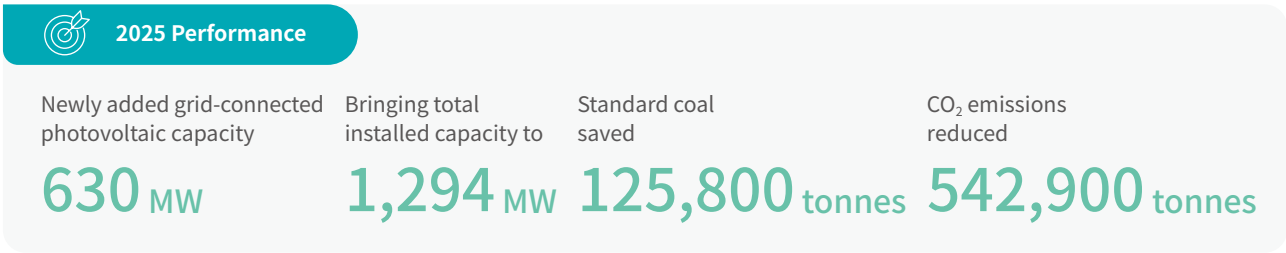
A Circular "Livestock + Energy" Model in Henan's Animal Husbandry Industry

To address challenges faced by clients in the animal husbandry industry, including low biogas utilization efficiency and high manure treatment pressure, ENN Energy developed a full-chain biogas upgrading solution using iron chelate desulfurization and pressure swing adsorption (PSA) decarbonization technologies. The project resulted in the construction of a biogas purification system. Since its commissioning, the system has processed 2.4 million cubic metres of biogas annually, steadily producing 1.6 million cubic metres of high-quality biomethane (with methane purity exceeding 96%). This has reduced methane emissions equivalent to 11,500 tonnes of CO2e, helping clients achieve both environmental and economic benefits.



Photovoltaic Technology

We are accelerating our photovoltaic business by expanding development, construction and operation of generation projects, while participating in green power trading and renewable energy certificate (REC) issuance, promoting market-based mechanisms for green energy and supporting the low-carbon transition.



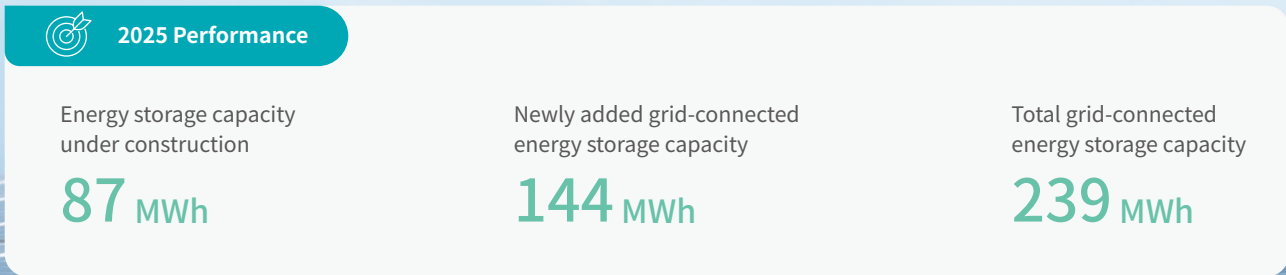
Setting a Model for Green and Low-Carbon Development in the Dairy Industry

To address the green transition and carbon reduction challenges faced by a dairy client, we delivered a customised distributed photovoltaic project. By making efficient use of the client's rooftop resources, the project helped significantly reduce energy costs and supported the client's transition to cleaner, low-carbon dairy production. The project was connected to the grid for power generation in January 2025. In its first year, the project generated 3.94 million kWh of electricity, equivalent to saving 1,207 tonnes of standard coal and reducing carbon dioxide emissions by 3,119 tonnes.



Energy Storage

We continue to enhance our cloud platform for energy storage operations, and optimise the integrated clean energy and energy storage model. This enhances the dispatch, operation and maintenance efficiency of energy storage systems, and supports the stable integration and consumption of clean energy.



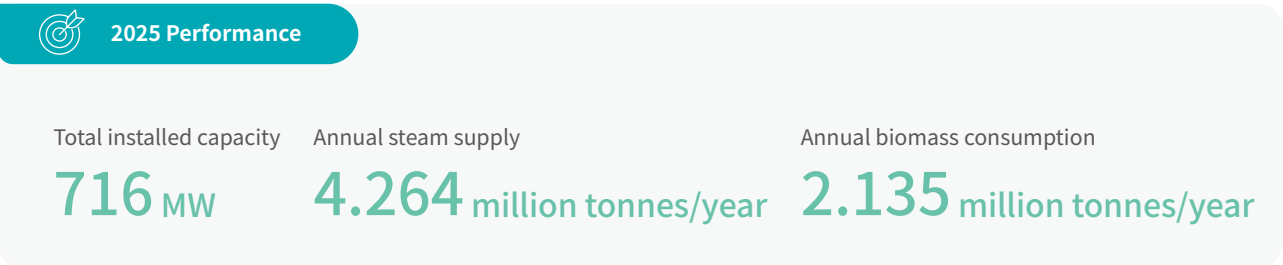
New Energy VPP Goes Multi-Site: Unlocking Diversified Storage Revenues via Demand Response & Ancillary Services

As the price differential under time-of-use (TOU) tariffs continues to narrow, the traditional energy storage business model relying on peak-valley arbitrage faces growing challenges. We actively explore the integration of energy storage with virtual power plants, aggregating distributed energy storage resources through third-party aggregators to participate in regional power markets, including demand response and ancillary services trading. This approach expands diversified revenue streams for users while supporting grid stability through flexible regulation capabilities. In 2025, we implemented pilot virtual power plant (VPP) projects in Zhejiang and Jiangsu provinces, marking solid progress in VPP operations, resource aggregation, and participation in the power market.



Biomass

We leverage locally available biomass resources to provide customers with tailored low-carbon energy solutions, enabling the efficient conversion and large-scale utilization of biomass.



Biomass + Natural Gas Dual-Energy Complementarity: Upgrading Green Energy Assurance Capabilities

Our Longyou Phase II Project is located in the Longyou South Chemical Industrial Park, one of 49 chemical industrial parks in Zhejiang Province with certified chemical industry qualifications. The park is home to chemical enterprises primarily engaged in coatings, pesticides, biotechnology, and paper manufacturing, which have begun to form a cluster effect. This biomass project includes one 35 t/h low-temperature, low-pressure biomass circulating fluidised bed boiler, one 30 t/h natural gas boiler (for standby and peak-shaving purposes), and 3.14 km of steam pipelines. It is designed to meet the steam demand of existing tenants and the Xianhe Holdings Aramid Project, with an annual planned steam supply of 194,000 tonnes. The project commenced operation in May 2025.

Innovative Technologies

We promote intelligent energy-saving technologies, low-carbon industrial park development, and the utilization of waste heat and pressure differentials. By continuously exploring new approaches to enhance system efficiency, we accelerate industry-wide progress in energy conservation, emissions reduction, and resource management.

Intelligent Energy-Saving Technologies



AI-Driven Low-Carbon Smart Factory for an LED Manufacturer

As the manufacturing sector moves further along the path of green transformation, even technologically advanced enterprises face common challenges related to lagging energy system efficiency. At ENN Energy, we integrate photovoltaic systems, high-efficiency cooling stations, and energy storage systems, and apply AI algorithms to optimise the supply-demand balance of cooling, electricity, and heat. We provide a comprehensive solution for a leading LED manufacturer to develop a low-carbon smart factory, enabling integrated and intelligent energy system management. Upon completion, the energy efficiency in the cooling system improved by over 50%. With the same hardware configuration, AI-driven dispatching further boosted efficiency by 5%–10%, reducing annual carbon emissions by 2,400 tonnes. This model combines low investment, full-process operations, and AI-driven optimization through a modular approach, enabling a shift from isolated upgrades to full-chain coordination, offering a replicable pathway for green transformation in the manufacturing sector.

Differential Pressure Power Generation



Leveraging Differential Pressure Power Generation for Low-Carbon Gas Network Operations

Our Litun Pressure Regulating Station differential pressure power generation project, has been connected to the grid and is now in operation. It integrates differential pressure power generation with cold energy recovery, converting pressure energy into electricity and utilizing the recovered cold energy from the power generation process for circulating water cooling. This has established a cascade energy utilization model—"pressure energy - electrical energy - cooling energy". Our team has independently developed an intelligent control platform that coordinates power generation units, pipeline networks, and load demand, enhancing generation efficiency while ensuring the safe and reliable supply of gas, delivering multiple benefits in cost reduction, carbon reduction, and energy efficiency improvement.

The project generates

1,864,800 kWh

of electricity annually

Saves

RMB 1.11 million

in electricity costs

Reduces carbon dioxide emissions by

149.18 tonnes

Low-Carbon Smart Living

At ENN Energy, we are committed to providing household customers with low-carbon, safe, and intelligent energy products and services. Grade 1 energy-efficient gas appliances are promoted to improve household energy efficiency.



"High Efficiency + Smart IoT": ENN Smart Home Leads a New Trend of Low Carbon and Green Living

In 2025, we launched our first Grade 1 energy-efficient boiler. Featuring secondary heat exchange technology, the boiler achieves a 15% improvement over conventional models, while significantly reducing nitrogen oxide emissions. We also introduced a Grade 1 energy-efficient water heater and, in partnership with leading manufacturers, released water-efficient purification products meeting top-tier water efficiency standards. Leveraging IoT technology, we have built a smart home management system that enables real-time energy monitoring, remote control, and intelligent alerts, achieving deep integration of energy-efficient hardware and smart management. This product series, combining high-efficiency equipment with smart IoT capabilities, enhances household energy safety and user experience while offering a replicable model for promoting green lifestyles and building low-carbon communities.



Green Operations

We continue to build a systematic, standardised, and digital environmental management system. Through multiple measures, we seek to minimise the environmental impact of our own operations and strive to achieve harmony with the natural environment.

Environmental Policy and Management

We strictly comply with national and local environmental regulations, and continuously refine our environmental management system to cover all business processes based on operational realities. Guided by the ISO 14001 environmental management system, we link annual performance with ISO 14001 certification status, integrating environmental management requirements into daily operations and shifting from passive compliance to proactive management.

External Laws and Regulations

- Environmental Protection Law of the People's Republic of China
- Water Pollution Prevention and Control Law of the People's Republic of China
- Air Pollution Prevention and Control Law of the People's Republic of China
- Law of the People's Republic of China on Prevention and Control of Pollution From Environmental Noise

Internal Policies and Systems

- Civilised Construction Management Measures
- ENN Energy Holdings Limited Environmental Policy

We have established an environmental audit mechanism covering headquarters and business units. Through a combination of internal audits and third-party external audits, we systematically assess environmental performance across areas such as energy utilization, waste management, and pollution control. In 2025, we conducted 372 environmental management audits, including 244 internal audits carried out by experts from headquarters and 128 external audits conducted by professional firms. The audit process focused on energy performance and waste reduction, identifying opportunities for energy savings and resource recycling, and translating audit findings into management improvement measures, thereby continuously enhancing the effectiveness of the environmental management system.



2025 Performance

Total number of subsidiaries with
ISO 14001 certification

89 members

Percentage of operations with
ISO 14001 certification

78.76 %

Environmental Protection Training and Awareness Building

We conduct systematic environmental protection training for all employees on topics such as energy efficiency improvement, water efficiency improvement, and waste resource management. These initiatives help employees understand the environmental impact of their roles and motivate them to actively participate in environmental protection efforts.

During the reporting period, we achieved full coverage of environmental protection training through our Digital and Intelligent Government-Enterprise Collaboration Platform. We also refined data extraction logic, carbon emission entry functions, and the data dashboard of our "E-Carbon" Platform. These enhancements enable more accurate employee carbon footprint accounting and support the issuance of carbon credits, using digital tools to encourage employees to take proactive steps in reducing emissions.

We have continuously allocated special funds for pollution treatment facility upgrades, energy-saving technological renovation, and environmental capacity building. Total environmental protection investment for the year amounted to CNY 504.3 million.

Environmental Emergency Management

To effectively prevent and respond to environmental incidents, we have established a comprehensive emergency management mechanism that covers environmental risk identification, contingency planning, emergency response, post-incident handling, and investigation & assessment. All business units conduct regular environmental risk identification and hazard inspections, dynamically update risk registers and control measures, and organise targeted emergency drills to continuously strengthen frontline response capabilities.

We maintain a zero-tolerance policy against environmental violations. During the reporting period, two incidents occurred that resulted in financial penalties for non-compliance with environmental laws and regulations, with total fines amounting to RMB 338,000. Following these incidents, we promptly initiated corrective actions, conducting root cause analysis in terms of policy implementation, process control, and personnel accountability. All corrective measures have been completed and have passed acceptance inspections by local regulatory authorities.

Emissions Management

We manage various pollutants in accordance with Chinese national standards. To effectively address potential environmental risks, we conduct comprehensive environmental assessments covering air, water, and noise, and develop corresponding environmental protection plans based on assessment results.

Air Emission Management

To lower the discharge of major pollutants, we continuously strengthen the control of waste gas emissions by implementing a range of routine measures across construction and operational activities.

For dust control, main roads are paved, and measures such as covering, hardening, landscaping, watering, and vehicle washing are applied to effectively mitigate fugitive dust emissions.

Air emissions generated during construction are managed through enclosed or isolated operations to minimise dispersion. In addition, construction machinery and transport vehicles are selected to comply with air pollutant emission standards, reducing emissions at the source.



2025 Performance

Total sulfur dioxide (SO₂) emissions

1.49 tonnes

Total nitrogen oxides (NO_x) emissions

9.72 tonnes

Total soot emissions

0.95 tonnes

Wastewater Management

At ENN Energy, we strengthen water pollution prevention and the recycling of water resources. A well-established routine monitoring mechanism ensures that all wastewater discharge consistently meets compliance standards. We have established an incident investigation and corrective mechanism for water pollution incidents. In the event of abnormal discharge or leakage, an immediate response is activated to identify the cause, implement corrective actions, and continuously improve management processes to prevent recurrence.

Wastewater generated from production activities is required to undergo pretreatment to meet standards before being discharged or reused. We actively promote the beneficial use of wastewater as a resource, with a portion of reclaimed water being treated and reused. This approach reduces pollutant discharge while improving water efficiency, delivering both environmental and resource benefits. We have established an incident investigation and corrective mechanism for water pollution incidents. In the event of abnormal discharge or leakage, an immediate response is activated to identify the cause, implement corrective actions, and continuously improve management processes to prevent recurrence.

Total reclaimed
water reused



2024:

300,000 tonnes

2025:

560,000 tonnes



Waste Management

At ENN energy, we strictly follow the principles of reduction, recycling and harmless disposal, and implement refined whole-process management of waste. We set quantitative waste reduction targets and continuously minimise waste generation at the source through process optimization, technological innovation and dedicated funding. Certain construction wastes are recycled on-site via crushing, backfilling or aggregate replacement.

For hazardous waste, we enforce segregated collection, dedicated storage and anti-leakage measures, with 100% of hazardous waste disposed of by qualified third-party providers in compliance with applicable regulations.

For non-hazardous waste, recycling is prioritised. Residual waste is collected and transported by category. Kitchen waste is handled by professional service providers, while domestic and office waste is collected and treated through the municipal sanitation system.

In 2025, we set a target requiring that 100% of hazardous waste generated during the production and operations of our subsidiaries be properly handled by qualified providers.



2025 Performance

Annual reduction in hazardous waste through measures such as increased recycling of hazardous chemical packaging in collaboration with suppliers

10 %

Of hazardous waste generated during the production and operations of our subsidiaries properly handled by qualified providers

100 %

Non-hazardous waste resource recovery rate

99.6 %

Noise Management

ENN Energy continues to strengthen noise control throughout operations. Based on site conditions and operational scenarios, we implement a range of routine noise reduction measures:

- During equipment selection, low-noise models are prioritised to control noise at the source
- For high-noise equipment that cannot be replaced, physical noise control devices such as soundproof enclosures and silencers are installed to block transmission pathways
- Noise monitoring points are established in key areas, with regular boundary and sensitive point noise testing to ensure stable compliance with emission standards
- For construction and high-noise operation activities, work hours are scheduled to minimise disruption during residential rest periods, reducing impact on surrounding communities

Energy Conservation

Guided by the principle of "energy saving, consumption reduction, and low-carbon development", ENN Energy systematically advances energy conservation and greenhouse gas emission reduction efforts across key areas such as energy management system development, energy mix optimization, and methane emission control. These efforts aim to continuously improve energy efficiency and support the achievement of carbon neutrality goals.

Improving Energy Efficiency

Through technological innovation and refined management, we pursue energy savings and carbon reduction across both production and office operations, achieving synergies between cost optimization and emissions reduction.

In our production operations, we continuously improve energy efficiency through technology upgrades and refined management.

In our office operations, we promote green practices by applying renewable energy technologies such as solar PV and ground source heat pumps to increase the share of clean energy in end-use consumption.

Low-Nitrogen Retrofit + Waste Heat Recovery: Boiler Technical Upgrades Achieve Win-Win in Energy Saving and Emission Reduction

Changshu ENN Energy upgraded its in-service boilers. The retrofits included replacing burners with high-efficiency, low-NOx models, upgrading the air intake system, and installing flue gas waste heat recovery units. These measures reduced incomplete combustion losses and improved overall boiler thermal efficiency, while also lowered NOx emissions, delivering benefits in energy conservation and emissions reduction.

Natural gas consumption per unit of output fell by approximately

3 %-3.5 %

Saving an estimated

360,000 cubic metres
of natural gas annually

Methane Emission Control

We view methane emission control as a critical lever for advancing climate action and further decarbonizing the natural gas value chain. To this end, we continue to invest in R&D for methane monitoring technologies and have established a comprehensive methane emission control system covering four key areas: stations, pipeline networks, indoor end-use, and transportation. This system integrates standards and protocols, digital monitoring, operations and maintenance optimization, and capacity building. Through these coordinated efforts, we are steadily reducing methane emission intensity and supporting the industry's green and low-carbon transition.

Stations



We are advancing the development of smart stations and deploying laser-based pan-tilt-zoom (PTZ) methane leak monitoring systems to shift methane emission management from passive detection to active monitoring. Currently, the coverage of laser-based PTZ systems at key stations has reached 100%, enabling round-the-clock real-time leak detection and risk alerts.



Pipeline networks and associated facilities

We continue to replace aging pipelines, install IoT monitoring devices at key points such as valve pits and pressure regulating cabinets, and promote the coordinated use of drones and laser inspection vehicles. These efforts support the establishment of a comprehensive pipeline integrity management system, improving leak detection rates and response efficiency. At the same time, we have strengthened controls over scheduled maintenance and unscheduled repairs to effectively reduce methane venting during operations.

Indoor



We have strengthened in-home safety inspections and public awareness campaigns. In addition, we have promoted the installation of integrated alarm and emergency shut-off valve systems, and piloted smart kitchen solutions to enable immediate shut-off in the event of a leak, preventing incidents caused by gas leaks.



Transportation

We are advancing pressure recovery projects at LNG receiving terminals and liquefaction plants to reduce direct emissions during tanker loading, unloading, and operations. We are also upgrading aging transportation vehicles and enhance tank pressure monitoring, while optimizing fleet deployment through a digital dispatch platform to improve per-vehicle transport efficiency, simultaneously reducing fuel consumption and methane fugitive emissions.

The annual recovery of boil-off gas (BOG⁹) from LNG operations reached

42.28 million cubic metres



⁹ BOG (Boil-Off Gas) refers to the unavoidable vaporised gas generated during the production, storage, transportation and utilization of LNG.

Water Resource Management

At ENN Energy, we consider water conservation a key component of our environmental management and continue to improve our water management system. The Company has established the target of "100% compliance with laws and regulations in water withdrawal for all projects" and has strengthened compliance in water resource usage. By regularly conducting water usage assessments and pipeline diagnostics in key areas, we identify opportunities for water conservation such as reducing leakage and recycling process water and accordingly develop targeted measures to shift from passive consumption to proactive stewardship.

To reduce water consumption, we implement targeted controls in key areas such as heating pipeline networks and office operations. In office areas, we apply dynamic pressure regulation to manage water flow while ensuring normal usage, and promptly repair any leaks detected. Water-saving signs and awareness reminders also help reinforce employees' water conservation practices, reducing non-essential water use.

We also actively promote multi-tiered water reuse. In our integrated energy business, we use condensate recovery technology to collect and treat steam condensate generated during production, then reintegrate it into the system as makeup water, reducing fresh water intake.



Precision Leak Detection & Smart Locking Valves: New Energy's Integrated Water Loss Management System Delivers Results

To address water loss issues caused by aging pipelines in older residential communities, construction defects in newly delivered developments, and unauthorised water use by residents, the Langfang heating team launched a systematic leak detection and remediation initiative. Using infrared thermography and acoustic pinpointing to accurately identify leaks, the team implemented measures such as installing smart lockout valves, adding metering water metres, and rerouting indoor pipelines. This integrated approach—combining precision leak detection, usage control, and regular inspection and maintenance—established a comprehensive water loss management system, lowering water consumption and heating costs while improving pipeline network stability and heating quality.

During the 2024-2025 heating season, the project reduced water loss by

10,213 tonnes



Green Office

ENN Energy integrates green office concepts into daily operations. Across key areas such as waste reduction at source, recycling, and green commuting, we implement low-carbon management initiatives that drive behavioral change while improving operational efficiency.

Waste Reduction at the Source



- **Digital archiving:** We are systematically digitizing physical archives, laying the groundwork for fully paperless operations and reducing the need for paper-based document storage at the source.
- **Electronic signature:** We are rolling out e-signature services to support fully digital archiving of internal documents and contracts, effectively reducing paper usage.
- **Energy-efficient equipment:** We are replacing conventional high-energy scanners with high-definition, low-energy digital devices to improve efficiency and extend service cycles.
- **Daily operation management:** For meetings, we prioritise virtual gatherings and have eliminated disposable cups. For office supplies, we promote standardised equipment and consumables, double-sided printing, and the re-use of used paper for reimbursement attachments. These measures collectively help minimise office waste.

Recycling



- A mechanism for internal sharing and redeployment of idle office assets has been established. During the year, 45 idle laptops were redeployed across different business units, extending their lifecycle. By repurposing existing equipment instead of procuring new ones, we reduce upstream resource consumption and carbon emissions while preventing premature generation of electronic waste.

Green Commuting



- **Policy update:** We have revised the *ENN Energy Rules for Vehicle Management* to clarify the phase-out of fuel-powered business vehicles and the expansion of new energy vehicles (NEVs).
- **Fleet optimization:** During the year, we decommissioned 88 fuel-powered vehicles and replaced 39 business vehicles (excluding those used for operational purposes), of which 25 were NEVs, accounting for 65% of replacements.
- **Digital platform for fleet data:** We upgraded the "Intelligent Vehicle Connectivity" Platform to enable real-time, accurate tracking and dynamic monitoring of all vehicle operation data, supporting data-driven fuel efficiency management and emissions reduction.
- **Carbon reduction accountability:** We introduced a per-vehicle fuel consumption tracking system and a fuel-saving incentive mechanism, assigning carbon reduction responsibility directly to drivers. These measures have significantly reduced vehicle energy consumption and carbon emissions.



Green Finance

At ENN Energy, we view green finance as a key driver for accelerating low-carbon business growth and unlocking the value of green assets. To that end, we continue to explore diverse, cost-effective, and sustainable financing channels to fund our carbon neutrality goals.

In 2025, we issued the "ENN Integrated Energy (Phase 1) Carbon-Neutrality Green Asset-Backed Special Program" on the Shenzhen Stock Exchange, marking the first asset-backed security (ABS) product within the ENN Group. The offering raised RMB 608 million and received the highest "AAA" credit rating, reflecting the market's high recognition of the product's structural design and the quality of the underlying assets. The underlying assets of this product consist of distributed photovoltaic power generation projects and supporting energy storage facilities across seven subsidiaries. By structuring the asset securitization around equity interests in these project companies, we innovatively monetised existing green infrastructure assets in a standardised manner, broadening our financing channels while optimizing our debt structure and improving capital allocation efficiency.

Looking ahead, the Company will continue to leverage the shelf offering mechanism to deepen strategic partnerships with financial institutions and steadily advance subsequent issuances. Through green financial instruments, we aim to drive deeper integration of technological innovation and low-carbon practices, contributing to the achievement of China's "dual carbon" goals.

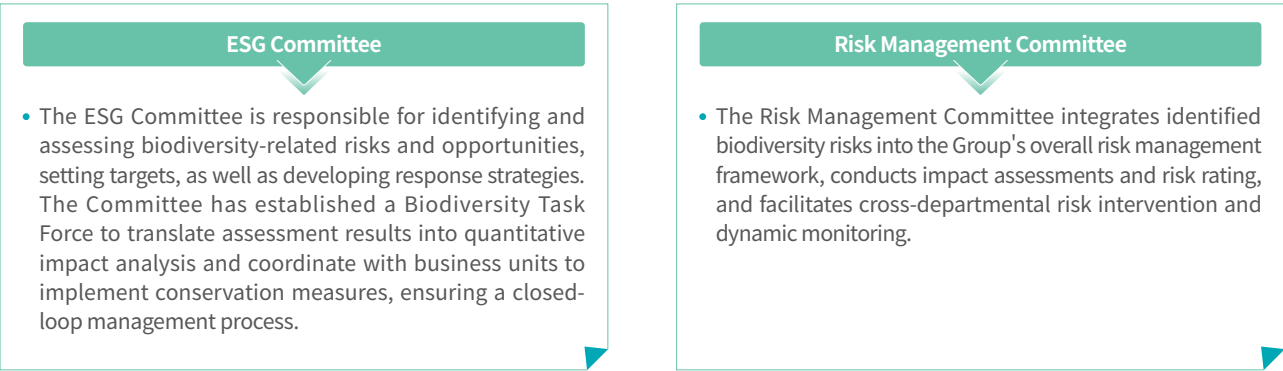


Biodiversity Protection

ENN Energy aims to achieve No-Net Loss (NNL) of biodiversity and, ultimately, a Net Positive Impact (NPI) on the environment. To this end, we have established the *ENN Energy Holdings Limited Biodiversity Policy and Zero-Deforestation Commitment*, elevating natural capital management to a strategic priority. Guided by the disclosure framework recommended by the Taskforce on Nature-related Financial Disclosures (TNFD), we systematically identify, assess, and manage our biodiversity dependencies, impacts, risks, and opportunities across our own operations and value chain. Adhering to the mitigation hierarchy of "Avoid, Minimise, Restore, and Offset", we strive to align ecological protection with business development.

Governance

ENN Energy has established a clear governance structure for biodiversity. The Board of Directors holds the highest oversight responsibility for nature-related topics, including reviewing biodiversity strategies, targets, and major risks. The ESG Committee and Risk Management Committee under the Board work in coordination to advance biodiversity management based on their respective mandates:



Strategy

ENN Energy have fully integrated biodiversity considerations into our strategic planning cycle. Following the TNFD-recommended approach of Locate, Evaluate, Assess, and Respond, we conduct nature-related risk assessments across our value chain covering project investment, site selection, construction, and supply chain management.

We use the Integrated Biodiversity Assessment Tool (IBAT) as our primary identification instrument to perform biodiversity baseline surveys at operational sites and adjacent areas for all new construction and expansion projects. For sites and value chain segments identified as having medium to high biodiversity sensitivity, we further conduct site-based field assessments and ecological impact measurements. These assessments strictly adhere to national ecological control requirements, covering

aspects such as land use, water consumption, pollutant emissions, greenhouse gas emissions, and species disturbance.

The Company has categorised biodiversity risks into two types: dependency risks and impact risks. Dependency risks focus on the potential disruption or cost escalation arising from ecosystem degradation that affects the Group's reliance on ecosystem services such as water supply, climate regulation, and raw material availability. Impact risks focus on the regulatory, reputational, and physical risks resulting from negative ecological effects of operational activities, including habitat destruction, species disturbance, and soil erosion. Based on this identification, we conduct scenario analysis and sensitivity assessments across short-, medium-, and long-term time horizons, and develop targeted mitigation measures.

Risk/Opportunity Type	Risk/Opportunity Description	Time Horizon	Scope	Potential Business Impact	Mitigation Measures
Physical risks	• Acute risks Increased noise, light, and other human activities during project construction and operations may cause behavioral disruption or habitat avoidance among local flora and fauna.	Short-term	Our own operations, downstream value chain	Increased ecological disturbance, potentially leading to regulatory complaints or operational constraints near project sites	Optimise work schedules and procedures to minimise disturbance to sensitive species and habitats
	• Chronic risks Improper disposal of solid waste during project construction and operation may cause soil contamination and degradation of surrounding habitats.	Medium- to long-term	Our own operations	Decline in habitat functionality, exposure to ecological restoration costs and compliance risks	Strengthen full-cycle waste management, and continuously improve the safe disposal and resource utilization rate of solid waste to reduce ecological footprint
Transition risks	• Policy and compliance risks Increasingly stringent regulatory requirements in domestic and international markets related to biodiversity, such as zero-deforestation and eco-friendly raw materials, require ongoing resource investment to maintain compliance.	Short-term	Our own operations, downstream value chain	Higher compliance costs, restricted market access, and potential disruptions to supply chain stability	Deploy legal and expert teams to track regulatory updates; Formulate cross-departmental compliance strategies; Conduct regular biodiversity training
	• Reputation risks Rising stakeholder expectations (from communities, investors and customers) regarding corporate biodiversity performance; Failure to meet these expectations may affect corporate reputation and capital market standing	Medium- to long-term	Our own operations	Damage to brand image, higher barriers to financing and customer partnerships	Maintain transparent disclosures via corporate websites, ESG reports and rating responses; Proactively communicate biodiversity commitments, management pathways and performance progress to stakeholders

We analyze and assess biodiversity-related risks and opportunities across different time horizons—short-, medium, and long-term—to determine their potential impact on business operations. Meanwhile, we adopt a holistic mix of protection measures including avoidance, minimization, restoration and offsetting. Environmental management has been strengthened across multiple stages, including planning and design, material procurement, construction, and project operations, with a focus on resource use, pollutant management, soil and water conservation, and ecological restoration.

In line with the "Avoid–Minimise–Restore–Offset" principle, we have integrated biodiversity conservation requirements into all stages of projects. In ecologically sensitive areas, we strictly avoid activities in protected areas such as ecological public welfare forests and nature reserves. For unavoidable impacts, on-site restoration measures are prioritised, including

engineering controls, scheduling restrictions during sensitive periods, and native vegetation restoration. We also explore complementary offset mechanisms such as biodiversity credits or carbon credit trading. At the same time, we extend biodiversity conservation requirements to our supply chain, encouraging suppliers to adhere to zero-deforestation commitments and conduct ecological due diligence.

We continuously build capacity and raise awareness among employees, suppliers, and partners on biodiversity issues, integrating principles such as zero-deforestation and ecological red lines into their daily management. Through policy guidance, contractual requirements, and collaborative demonstration projects, we encourage stakeholders across our value chain to support habitat conservation, wetland restoration, and native species protection initiatives.

Risk Management

We have fully integrated biodiversity risks into our corporate-wide risk management framework, systematically managing these risks through a four-step process of identification, assessment, response, monitoring, and reporting.

All subsidiaries are required to strictly follow national policy requirements and conduct environmental impact assessments and biodiversity due diligence at the project planning stage to systematically identify potential biodiversity dependencies, ecological impacts, risk exposures, and nature-related opportunities. At the same time, we regularly engage third-party professional institutions to conduct independent assessments of ecological risks and impacts arising from our business activities, and compile biodiversity risk analysis inventories based on the assessments. In line with the assessment results and the "Avoid, Minimize, Restore, and Offset" principle, the Company engages in communication and cooperation with residents near its operational sites to develop targeted protection

measures. At applicable stations, the Company continues to implement actions such as designating conservation areas, restoring wetlands, and planting native vegetation, ensuring that construction land does not involve deforestation and that operational activities strictly adhere to ecological conservation red lines, causing no material disruption to local biodiversity functions.

As of the end of the reporting period, the Company had completed on-site biodiversity assessments at over 300 key stations, covering business types such as gateway stations and ubiquitous energy stations. For more details, please refer to the *Biodiversity Risk and Opportunity Assessment Report*.

Indicators and Targets

ENN Energy has set a target of achieving No-Net Loss of biodiversity by 2030, and has built a tiered, measurable indicator management system to drive progress.

Coverage of biodiversity due diligence for all new projects

100%

Targets

• By 2030

Achieve No-Net Loss of biodiversity for new land use and expansion projects

• By 2040

Achieve Net Positive Impact in selected ecological restoration pilot areas

04 Ecology

Harmony in Co-Creating a New Vision

ENN Energy anchors its development in the principles of responsibility and collaborative progress, striving to generate multifaceted social value. Centered on customer needs, we have fortified our response mechanisms through intelligent, precision-driven solutions. This approach not only safeguards customer rights but also elevates service accessibility and convenience, delivering a dual enhancement of user experience and inclusive value. We integrate ESG principles into every stage of our supplier lifecycle management and maintain an open posture toward industry dialogue and collaboration. Guided by our core mission, we remain deeply rooted in community development and philanthropy. Together with all stakeholders, we are building a resilient, inclusive ecosystem for sustainable development.

Material ESG Topics

Safe and Stable Gas Supply
Product Quality and Customer Service
Supply Chain Management
Intellectual Property Protection
Community Engagement

HKEX ESG Indicators

B5 Supply Chain Management
B6 Product Responsibility
B8 Community Investment

UN SDGs



Premium Service Experience

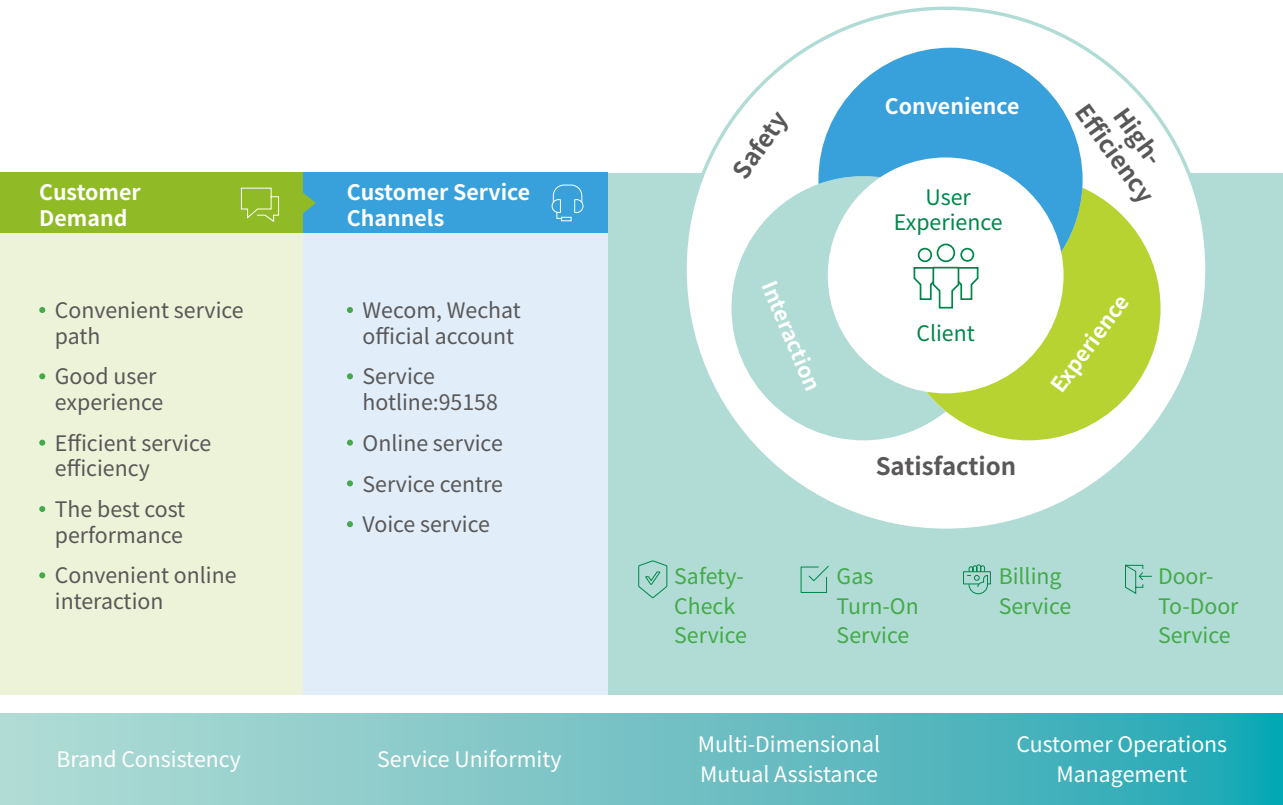
ENN Energy places high priority on elevating the customer experience. By leveraging digital and smart technologies to optimize service workflows, enhancing staff expertise through rigorous training, and conducting regular satisfaction surveys, we are committed to delivering service excellence through these comprehensive measures.

● External Laws and Regulations

- Law on Protection of Consumer Rights and Interests of the People's Republic of China
- Advertisement Law of the People's Republic of China
- Civil Code of the People's Republic of China
- Product Quality Law of the People's Republic of China

● Internal Policies and Systems

- ENN Energy Service System Manual
- ENN Energy Management Measures for Client Complaints
- ENN Energy Holdings Limited Data Privacy Policy
- ENN Energy Holdings Limited Cybersecurity and Privacy Protection Policy



Intelligent Service Innovation

The Company anchors its service philosophy in "Customer Satisfaction". By embedding digital and smart technologies into every touchpoint of the customer journey, we focus on four strategic pillars: enhancing response efficiency, empowering diverse scenarios, co-building capabilities, and strengthening oversight. Through these initiatives, we continuously drive innovation in our service models and elevate the overall customer experience.

Empowering Response Efficiency with Digital & Smart Tools

Targeting high-frequency scenarios such as after-sales safety maintenance and in-home operations, the Company has deployed proprietary AI tools to drive operational excellence. Leveraging the continuous empowerment of these tools, we successfully fulfilled 91,535 gas appliance maintenance orders throughout the year. Consequently, customer satisfaction for this service climbed to 99.85%, representing a 1.55% year-on-year increase.

Precision-Efficiency Service Hub Development

Within our call centers, we have comprehensively advanced the construction of an intelligent customer service ecosystem. We deployed full voice interaction capabilities across 34 cities, achieving an AI handling rate of 43.57% and a First Contact Resolution (FCR) rate of 60.53%. Additionally, the rollout of our "Smart Assistant" feature to 89 cities has driven the FCR rate up to 86.31%.

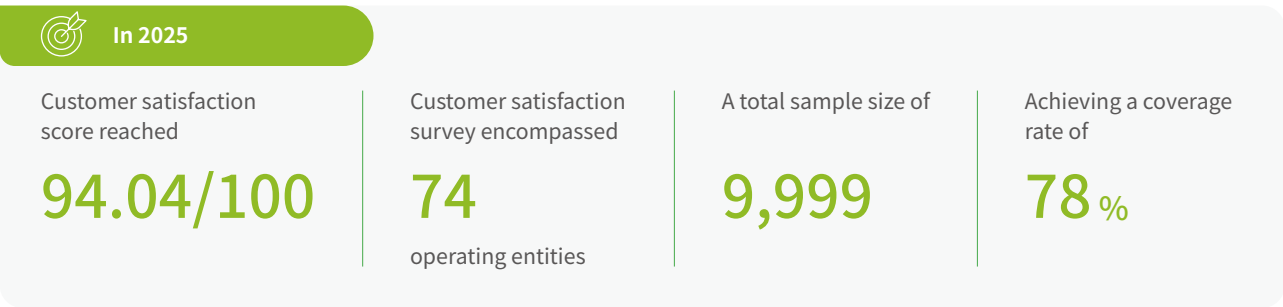
Intelligent Coaching and Skill Certification

The Company has developed an in-house AI coaching tool that empowers frontline staff through simulated interaction scenarios. Following successful pilots at four member enterprises in 2025, the tool achieved full platform rollout by year-end. Additionally, we conducted extensive training sessions and role certifications targeting key scenarios—including in-home services, business halls, and call centers. These initiatives systematically enhanced staff competencies in customer communication, operational compliance, and emergency response.

Enhancing the Business Hall Service Supervision System

The Company issued the *Business Hall Environment and Service Management Guidelines*, mandating self-inspections and rectifications across all operating units. We also introduced an intelligent callback mechanism to establish a closed-loop quality monitoring system. In 2025, we completed 582,000 user callbacks, achieving a satisfaction rate of 96.40%—a 6.4% year-on-year increase. These efforts have driven dual improvements in both service standardization and customer recognition.

In 2025, our customer satisfaction survey encompassed 74 operating entities with a total sample size of 9,999, achieving a coverage rate of 78%. The survey yielded a satisfaction score of 94.04 out of 100, surpassing the target of 90 points.



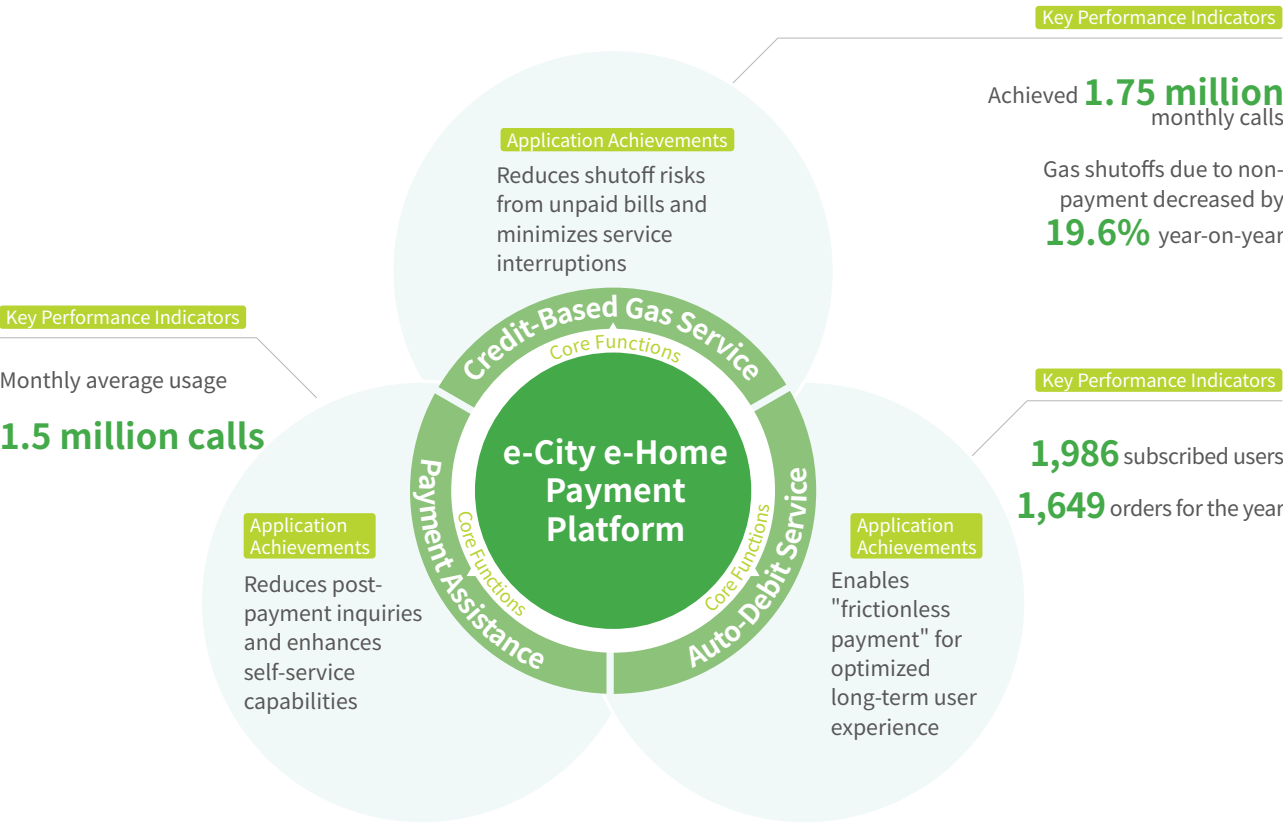
Convenient and Economical Services

Guided by the dual mission of "Greater Convenience and More Economical Energy Use", ENN Energy has continuously optimized its online service capabilities, extended the reach of energy infrastructure, and pioneered innovative community energy-saving models, enabling more customers to enjoy a high-quality life brought by clean energy with lower barriers and greater efficiency.

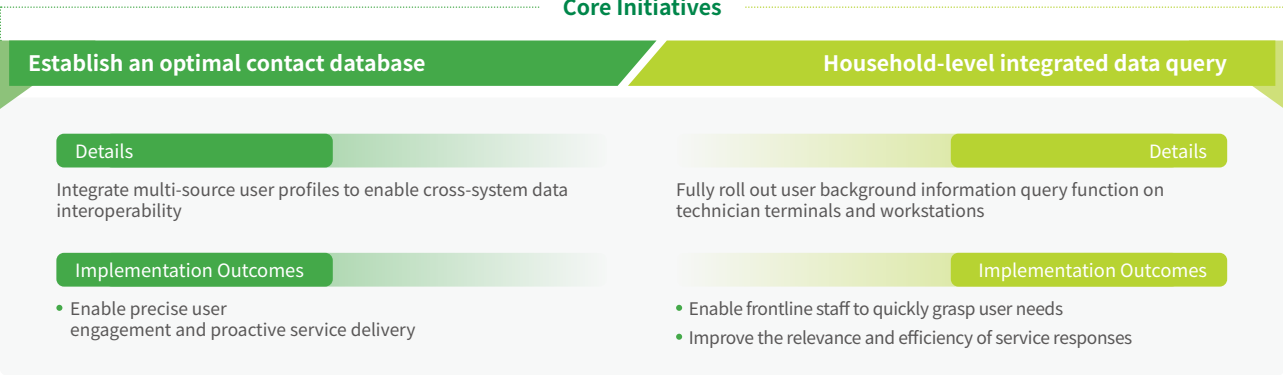
Enhancing Service Accessibility

Focusing on customers' high-frequency energy usage scenarios, ENN Energy has built a comprehensive energy service system that integrates payment, billing, and credit services, driving the large-scale deployment of digital tools across the country. The e-City e-Home payment platform offers three core features—credit-based gas usage, payment assistance, and auto-debit—which have significantly reduced the rate of valve shut-offs due to non-payment and the frequency of post-payment inquiries, making it easier for customers to manage their expenses. In addition, the Company has integrated multi-source user profiles to create an optimal contact database, enabling cross-system data interoperability and more targeted customer outreach.

Enhanced Online Payment Convenience—e-City E-Home Payment Platform



Precision User Engagement—Multi-Source Profiling and Data Integration



Improving Resource Accessibility

ENN Energy expands energy services to broader regions and underserved communities through multiple approaches, including pipeline extension, community energy conservation, and low-income assistance programs, thereby lowering energy access barriers.

The Company works closely with communities, property management firms, and local governments to deploy green power and water recycling projects. These initiatives help reduce energy and water costs for communities and customers while ensuring sustainability and economic viability. On energy affordability, ENN Energy actively supports local governments in advancing the "Integrated Urban-Rural Gas Supply" strategy. The Company continues to invest in remote villages and end-of-pipeline areas where energy infrastructure is underdeveloped, and accelerate the expansion of gas pipeline networks to bring safe, stable, and affordable piped natural gas to more residents. On sustainable water use, the Company helps enterprises install water treatment systems, including pre-treatment, ultrafiltration, and reverse osmosis equipment. These systems capture wastewater that would otherwise be discharged and convert it into demineralized water suitable for production, significantly improving industrial water efficiency.

"Zero-Barrier" Implementation of Community Public Energy Efficiency Upgrades

ENN develops and promotes smart energy-saving solutions for public lighting, elevator operations, and other community scenarios. Leveraging technologies such as Aurora Energy Saving and elevator energy feedback, these solutions significantly reduce public energy consumption for property management clients. Adopting a "zero upfront cost, shared savings" model, ENN provides and installs high-efficiency LED fixtures at no initial cost to the client. The investment is then recovered through verified energy savings, typically within one to two years. By 2025, the solution had been rolled out in 723 contracted projects nationwide, achieving an average energy savings rate of 70% for public lighting. The accompanying smart community platform enables clients to monitor real-time energy data, track lighting fixture status, and adjust brightness remotely, making energy savings both visible and under control.

For low-income households, ENN works with local governments across its operating areas to implement differentiated energy affordability programs. These include annual gas allowances, fee reductions, and exemptions from tiered pricing—concrete measures that help ease energy burdens for vulnerable groups. In a pilot program in Langfang, ENN partnered with the Kaifa Subdistrict Office to provide free heating system inspections for over 6,800 gas-using households. The initiative helped low-income families identify potential equipment issues, improve system efficiency, and reduce winter heating costs, demonstrating a more caring and inclusive approach to energy services.

Customer Complaints and Resolution

ENN Energy continues to enhance its customer complaint handling mechanism by establishing standardized procedures with clear guidelines for bottom-line and cautionary violations. Customer feedback is collected through multiple channels, including the mobile app, voice hotlines, online customer service, and the 12345 government service platform. Using intelligent data analytics models, the Company has implemented a closed-loop online management system covering complaint registration, assignment, resolution, and feedback—ensuring full traceability at every stage. Once a complaint is resolved, an intelligent callback system is automatically triggered, achieving a callback coverage rate of over 90%.

Indicator	2025	2024	Unit
Number of Customer Complaints	241	232	Cases
Customer Complaint Rate	0.0043	0.0045	‰
Complaint Resolution Rate	99.93	99.90	%
Timely Complaint Handling Rate	98.12	95.93	%
Complaint Handling Satisfaction Rate	92.47	93.56	%

Responsible Marketing

ENN Energy adheres to responsible marketing principles and strictly complies with the *Advertisement Law of the People's Republic of China* and other relevant regulations. We standardize marketing practices across product promotion, brand communications, and customer service to safeguard consumer rights and build a trustworthy brand image.

The Company continuously improves its marketing information disclosure mechanism to ensure users are fully informed and can make independent decisions. In 2025, ENN Energy issued the Notice on Resolutely Eliminating Coercive Sales Practices, establishing the "user voluntary" principle as a strict baseline for smart home product promotions and in-home services. Through system improvements, technical monitoring, and special inspections, the company effectively curbed coercive sales practices. During the reporting period, no disputes or legal actions stemmed from inaccurate product information disclosure or improper marketing.

The Company has established a three-part user rights protection system of "transparent disclosure + compliant sales + service improvement" (requiring design enhancement):

Information Disclosure Transparency	Compliance in Sales Rigidity	Service Benchmarking Precision
Marketing Information Disclosure Clearly present pricing system, functional parameters, quality certifications, and after-sales service in product promotions Advertising Review Management Establish a dynamic updating management system for advertising review and promotional material libraries Compliance Review Mechanism Regularly review marketing materials, sales scripts, and promotion channels to ensure accuracy and compliance	Policy Issuance Issued the <i>Notice on Resolutely Eliminating Forced Sales Practices</i> in 2025 Principle Establishment Establish "user voluntariness" as a non-negotiable red line for smart home product promotion and door-to-door services Prohibited Actions Explicitly prohibit forced sales, bundling, and tied selling Mechanism Enhancement Strengthen record-keeping for customer notification and accountability mechanisms; simultaneously improve systems, technical monitoring, and special inspections	Benchmarking Self-Assessment Leverage the release of the newly revised <i>Gas Service Guidelines</i>; 85 member companies completed benchmarking self-assessment reports Action List Develop a service improvement action list covering key touchpoints such as household safety inspections, gas connection for ignition, and maintenance response Source-Based Management Collaborate with engineering companies, equipment manufacturers, and other ecosystem organizations to address root causes such as construction quality and equipment failures

Sustainable Supply Chain Management

ENN Energy positions supply chain management as a key lever for ensuring operational security and advancing low-carbon transformation. The Company continuously enhances supply chain efficiency, strengthens its ESG management mechanisms, and works with upstream partners to advance sustainability—collectively building a green, safe, and efficient industrial ecosystem.

Supply Chain Management System

External Laws and Regulations

- Bidding Law of the People's Republic of China
- Regulation on the Implementation of the Bidding Law of the People's Republic of China

Internal Policies and Systems

- ENN Energy Holdings Limited Supplier Corporate Social Responsibility Code of Conduct
- ENN Energy Measures on Supplier Management
- Health, Safety and Environment (HSE) Agreement
- Measures for Suppliers' Access and Management
- Measures for Suppliers' Performance Evaluation
- Integrity Agreement

The Company continuously optimizes its procurement and supplier management mechanisms by refining business procurement rules, clarifying authority boundaries and prohibited conduct in materials management, standardizing goods receipt inspection procedures, and strengthening controls over the procurement of gas engineering materials. These measures collectively enhance procurement compliance. In parallel, the Company has established a feedback incentive mechanism for material quality issues, encouraging employees in relevant roles to proactively report quality concerns. This helps build a comprehensive supplier quality supervision system characterized by full staff participation and end-to-end coverage.



Supplier Categorization Management

ENN Energy implements a supplier categorization mechanism based on business needs, risk prevention, and ESG considerations. This approach enables optimized allocation of supply chain resources and efficient collaboration through rational categorization and clearly defined management strategies. In 2025, 8,760 suppliers were subject to the supplier hiring conventions.

Category A Suppliers (Significant)	Category B Suppliers (Important)	Category C Suppliers (General)
- These suppliers provide materials that constitute key components or critical parts of the final product, directly affecting product performance or safety. They may also be identified as those accounting for the top 60% of total annual procurement expenditure by value. - For such suppliers, the Company establishes strategic partnerships, conducts regular performance evaluations and on-site audits, signs long-term agreements, and implements dynamic adjustment mechanisms.	- These suppliers provide materials that constitute secondary or non-critical components of the final product, yet have a significant impact on product quality. They may also be identified as those accounting for the 10%–30% of total annual procurement expenditure by value. - For such suppliers, the company conducts quarterly assessments, with a focus on contract compliance and cost optimization.	- These suppliers provide auxiliary materials with minimal impact on end-product quality. They may also be identified as those accounting for the less than 10% of total annual procurement expenditure by value. - For such suppliers, we implement annual random inspections, streamline processes, and prioritize price and delivery efficiency controls to achieve precise resource allocation.

2025 Performance

Total number of unique suppliers 8,760 of which 	From Chinese mainland	Category A (Significant) suppliers 92 entities
	From Hong Kong/Macao/Taiwan regions	Category B (Important) suppliers 1,138 entities
	From overseas	Category C (General) suppliers 7,530 entities

● Digitalized and Intelligent Supplier Management

ENN Energy is committed to building an integrated, intelligent digital procurement platform. In 2025, the company enhanced its digital platforms and smart tools across key areas including procurement, materials, quality, and risk management—leveraging technology to improve the efficiency and effectiveness of supply chain management.

Digital and Intelligent Procurement Platform Upgrade Initiatives
- Establish an integrated service procurement platform to enable end-to-end online and closed-loop processes covering material management, purchase requisition submission, procurement execution, supplier management, goods receipt inspection, and non-compliance risk alerts. - Create an idle materials trading platform to facilitate inter-enterprise supply-demand information exchange, promoting efficient utilization and optimal allocation of idle resources. - Develop an MRP-based purchase requisition function that prevents duplicate purchases and inventory overstock through automated stock data comparison and procurement quantity recommendations. - Implement a quality issue feedback tool that enables online reporting, dedicated personnel follow-up, and closed-loop management throughout the process. - Launch the "Material Inspection Assistant" application, which breaks down inspection items and embeds testing standards to enable automatic judgment, thereby enhancing the precision and standardization of inspection work. - Introduce an order evaluation procedure that invites requesters to rate suppliers, with evaluation results to be taken into account in the following year's joint procurement process.



Service Procurement Platform Implementation Drives Standardized Upgrade in Procurement Management

In 2025, ENN Energy launched a service procurement platform to enable online and unified management of procurement operations. The platform systematically categorized materials, defined supplier qualification criteria, and integrated historical price analysis. It also provided intelligent alerts for non-compliant procurement practices, effectively addressing challenges such as fragmented procurement processes and compliance risks.

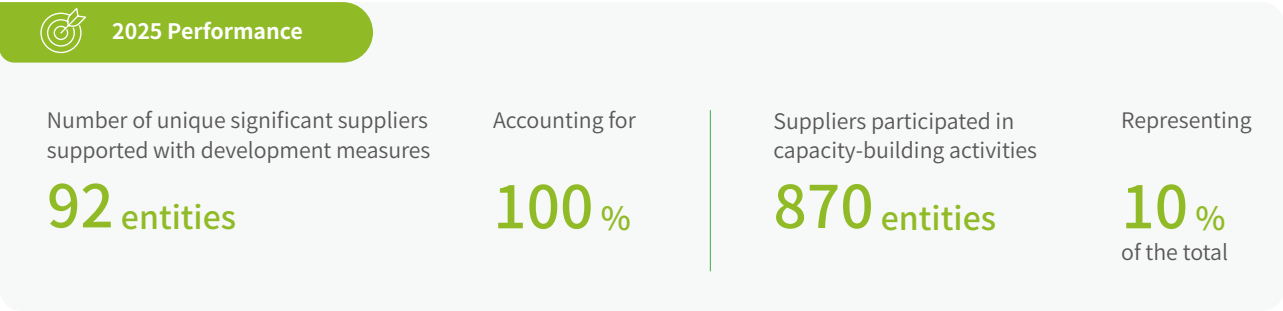
By the end of 2025, the platform had reduced procurement costs by over

RMB **3** million

Supplier Empowerment and Engagement

The Company works with its supply chain partners to foster shared growth, implementing diversified supplier empowerment and exchange programs to build a robust, efficient, and mutually supportive supply chain ecosystem.

In 2025, the Company provided professional factory audit guidance to approximately 350 suppliers, helping them standardize management processes and enhance operational compliance. Twelve specialized training sessions were organized in key areas such as platform procurement, quality management, anti-corruption, and ESG capacity building to support suppliers in continuously strengthening their comprehensive capabilities. Additionally, the Company conducted ESG management training for procurement personnel, enabling them to clearly define their roles and responsibilities within the sustainable supply chain management system and further elevate ENN Energy's sustainable supply chain management standards.



ESG Management of Supply Chain

ENN Energy's Board of Directors places great emphasis on supply chain sustainability, regularly addressing it as a standing agenda item. The Board thoroughly reviews comprehensive reports from the Risk Management Committee and senior management to ensure that all supplier management activities remain consistent with sustainable development principles.

The Company integrates core environmental, social, and governance (ESG) elements across the full supplier management process, covering three key stages: screening and qualification, audit and evaluation, and corrective action or removal for non-compliance. Clear requirements are defined at each stage to drive supplier accountability, mitigate ESG risks, and enhance the effectiveness of supply chain ESG management. Building on this foundation, ENN Energy conducts ongoing reviews of procurement practices with suppliers to ensure alignment with the *Supplier Code of Social Responsibility* and prevent potential conflicts with ESG requirements—further strengthening the institutional safeguards for a sustainable supply chain.

Supplier Screening and Qualification

During the screening and qualification phase, the Company incorporates multiple ESG criteria—each with assigned weights—along with traditional business considerations such as qualifications, procurement cost, and quality. Suppliers that fail to meet these requirements are disqualified from admission. In addition, suppliers are required to sign ESG-related commitments, helping establish a foundation for compliance and sustainable development from the outset.

Supplier screening

- Incorporate possession of certification system credentials (e.g. ISO 14001, ISO 45001, ISO 9001) into supplier assessment criteria.
- Integrate ESG factors such as corporate environmental management, product safety, and business ethics compliance into screening standards, setting a minimum ESG assessment weight. Suppliers unable to meet the minimum ESG requirements within the stipulated timeframe are excluded from the qualification process and contract award.
- Strengthen the green procurement orientation for products and services beyond basic qualification requirements, explicitly incorporating product environmental attributes as a scoring factor in technical bid evaluations.
- Prioritize suppliers with superior ESG performance when product quality differences are negligible.

Supplier qualification

- Integrates the *Supplier Health, Safety, and Environment (HSE) Agreement* into procurement contracts, mandating that all suppliers adhere to the *ENN Energy Holdings Limited Supplier Corporate Social Responsibility Code of Conduct*.
- Mandates that all suppliers sign an *Commitment to Integrity and Self-Discipline* and conducts anti-bribery awareness sessions for participants during the bidding process to cultivate an ethical supply chain.

Additionally, ENN Energy incorporates the following three key risk categories into its supplier screening and qualification process:

- Country-specific risks: We closely monitor policy, regulatory, and industry standard trends in the countries and regions where suppliers are located, covering legal frameworks related to politics, economics, trade, environmental protection, and safety.
- Product-specific risks: For materials involving socially and environmentally sensitive factors, we conduct traceability verification and specialized compliance audits during the qualification phase.
- Industry-specific risks: For suppliers in sectors with inherent high risks regarding social responsibility (e.g., production safety, product quality) and environmental protection (e.g., hazardous emissions)—such as PE pipe and PE ball valve manufacturers—we establish targeted contract clauses and control requirements during the procurement and admission process.

Supplier Audits and Evaluation

Leveraging its digital procurement platform, ENN Energy employs a hybrid management model that combines routine assessments with periodic evaluations. Anchored in the *Supplier CSR Code of Conduct* and aligned with amfori BSCI audit standards, the Company systematically integrates key ESG topics—including business ethics, environmental protection, employee relations, and health and safety—into the entire supplier review lifecycle. This approach facilitates comprehensive, ongoing monitoring of supplier ESG performance through multi-dimensional measures.

Supplier audits

- Confirm supplier product categories before audits and collect the latest national standards and policies as audit references;
- Develop and deploy an ESG Risk Survey Checklist for significant suppliers, serving as a critical basis for identifying ESG performance and assessing risks.
- Conduct annual comprehensive evaluations and performance appraisals for suppliers of critical and major commodities; perform ad-hoc desk reviews and unannounced on-site inspections with timely disclosure of results; and engage nationally accredited third-party agencies to inspect product quality and issue verification reports.

Supplier evaluation

- Rank suppliers of similar commodities based on their total evaluation scores and implement a "last-place elimination" mechanism.
- Evaluate suppliers across dimensions such as supply quality and delivery compliance, applying the results to the following year's sourcing decisions. High-performing suppliers will be publicly recognized and granted specific privileges.
- Address identified issues based on severity through a universal Corrective Action Plan. Specific deadlines are set for timely rectification, and dedicated personnel are assigned to support suppliers in executing these plans via online or offline channels.
- Supplier managers coordinate with evaluation leads to systematically verify assessment results against internal standards and relevant public information.

Supplier Violation Rectification and Delisting

The company is continuously strengthening its mechanisms for addressing supplier violations and delisting non-compliant partners. We strictly investigate and handle ESG-related violations in full accordance with laws, regulations, and internal policies. We have established and refined a "Supplier Blacklist" system, supported by published rules on violation management and appeals processes. By refining assessment criteria and clarifying procedures, we incorporate serious ESG breaches—such as substandard product quality, non-compliant environmental emissions, and corruption—into our zero-tolerance framework, thereby fortifying the frontline for supplier ESG compliance.

Rectification notice

- For suppliers identified with significant actual or potential negative impacts, the Company immediately mandates rectification within a specified timeframe and strictly reviews the outcomes.
- For suppliers subject to corrective actions, the Company provides detailed feedback and collaborates with relevant departments to formulate improvement plans, offering online or offline support for implementation as appropriate.

Suspension of privileges

- If a supplier fails to complete the required rectification within the stipulated timeframe, the Company will suspend all current privileges for a designated period, while continuing to demand corrective action.

Delisting

- Suppliers that fail to achieve compliance during the suspension period will be delisted immediately.



2025 Performance

Number of existing suppliers passing environmental standard screening

8,760 entities

Accounting for

100 %

Number of unique significant suppliers assessed via desk assessments/
on-site assessments

92 entities

Accounting for

100 %

Number of unique significant
suppliers assessed with substantial
actual/potential negative impacts

23 entities

Number of unique significant suppliers with
substantial actual/potential negative impacts
with agreed corrective action/improvement plan

22 entities

Accounting for

96 %

Number of unique significant suppliers with substantial actual/potential negative impacts that were terminated

1 entity

Audit coverage of significant tier-1 suppliers in the past three years

100 %

Number of suppliers undergoing
field visits

65 entities

Number of suppliers undergoing
factory audits

351 entities

Number of suppliers undergoing
online factory audits

688 entities

Collaborative Value Co-Creation

ENN Energy adheres to an open and collaborative philosophy of shared success. We engage in deep dialogue and practical cooperation with all partners, proactively contributing to the development of industry standards. While strictly upholding compliance and placing top priority on intellectual property protection, we are committed to building a fair, transparent, and standardized partnership ecosystem. Together, we strive to drive the high-quality and sustainable development of the energy industry.

Industry Engagement and Collaboration

The Company actively engages in industry exchange initiatives and plays an integral role in shaping industry platforms. We proactively lead and contribute to the research and formulation of industry standards. By deepening communication and fostering a shared vision for development, we drive the standardization of the industry while advancing forward-looking explorations.



Signing of Strategic Cooperation Framework Agreement with Winblue Environment: Jointly Pioneering an Intelligent Future for the Energy Industry

In January 2026, ENN Energy and Winblue Environment signed a Strategic Cooperation Framework Agreement, formally establishing a strategic partnership. Building on a stable partnership established since their initial collaboration in 2016 across natural gas, home services, and integrated energy, both parties bring distinct core strengths to this alliance. This strategic cooperation will further integrate their complementary resources, leveraging the synergy between "production" and "operations" as well as "points" and "networks" to achieve synergistic efficiency. Together, they aim to explore new opportunities in green energy collaboration and contribute to shaping a new landscape for green energy development.



Participation in the "National Symposium on Urban Governance Modernization": Advancing Collaborative Gas Safety Governance

In September 2025, the "National Symposium on Urban Governance Modernization" was held in Beijing. Jointly guided by the Urban Management Supervision Bureau and the Urban Construction Department of the Ministry of Housing and Urban-Rural Development, and hosted by China Construction News, the event invited ENN Energy to attend. During the symposium, Mr. Gong Luojian, President of ENN Energy, delivered a keynote speech centered on the theme "Uniting for Joint Governance, Ensuring Safety and Prosperity". He highlighted ENN Energy's "Four Proactive Initiatives" for collaborative gas safety governance, detailing how the Company engages diverse stakeholders—including government, enterprises, and users—to collaboratively tackle shared challenges such as aging pipeline infrastructure and weak coordination mechanisms. Through these pragmatic actions, ENN Energy not only operationalizes its core objective of "ensuring public safety and fostering industry prosperity" but also actively responds to the national strategic call of "Technology for Safety".



ENN Energy President Gong Luojian Delivering Keynote Presentation



Participation in the 29th World Gas Conference (WGC2025): Empowering a Sustainable Future

Themed "Empowering a Sustainable Future," the 29th World Gas Conference (WGC2025) brought together representatives from industry associations and over 200 energy enterprises across more than 70 countries and regions to discuss the cutting-edge trends of the natural gas industry. Under the theme "Smart Ecosystems, Green Development", ENN Energy actively participated in multiple high-level forums, including the "China City Gas Entrepreneurs Forum" and "The Forum on AI as an Accelerator for Digital and Intelligent Transformation in the Gas Industry". We shared our practical achievements and strategic insights in driving intelligent upgrades of natural gas services across diverse scenarios and innovating integrated energy-carbon solutions. Furthermore, the Company made a prominent appearance at the thematic exhibition, showcasing its cutting-edge technologies and solutions. Through in-depth exchanges with industry partners, we jointly explored new pathways for the development of the energy industry.



Donations and Other Expenditures (Unit: Ten Thousand RMB)

Year	Lobbying, interest representation or similar	Local, regional or national political campaigns / organizations / candidates	Trade associations or tax-exempt groups	Other (e.g. spending related to ballot measures or referendums)	Total contributions and other spending
2025	0	0	333.0	0	333.0
2024	0	0	454.9	0	454.9
2023	0	0	290.3	0	290.3
2022	0	0	297.0	0	297.0

Largest Contribution Expenditure

Key Issues or Support Objects and Contribution Amount Involved in 2025			
Issue or Topic	Corporate Position	Description of Position / Engagement	Total Spend in FY2025 (Ten Thousand RMB)
ESG (Environmental, Social and Governance) promotes UNGC	Support	The Company actively participates in activities organised by industry associations, contributing ENN's strengths to help the industry's high-quality and sustainable development.	12.5
Energy industry cooperation and technological innovation	Support	The Company actively supports industry exchanges and cooperation, policy participation and advocacy, and technological innovation and promotion, promoting the progress and development of the entire energy industry.	25

Key Industry Associations Participated in During 2025				
Name of Organisation	Type of Organisation	Corporate Position	Description of Position / Engagement	Total Spend in FY2025 (Ten Thousand RMB)
China Gas Association	Industry Associations	Executive Vice Chairman/Support	In 2025, ENN Energy actively participated in activities of the China Gas Association, including standard formulation, forum participation, and project seminars, and collaborated with city gas companies to provide feedback to industry regulatory authorities on issues of concern to society and enterprises.	8
Methane Control and Emission Alliance of Chinese Oil and Gas Enterprises		Member/Support	In 2025, ENN Energy regularly participated in various meetings and activities organized by the alliance, supported the alliance in releasing the Annual Progress Report of China Oil and Gas Enterprises Methane Emission Control Alliance, and actively fulfilled its methane emission control responsibilities.	10

Intellectual Property Protection

External Laws and Regulations

- Patent Law of the People's Republic of China
- Copyright Law of the People's Republic of China

Internal Policies and Systems

- ENN Energy Regulations on Intellectual Property Management
- Guidelines for ENN Eco-Brand Trademark Specifications

ENN Energy places high importance on intellectual property protection, integrating proactive prevention with systematic governance to fulfill its IP responsibilities. In 2025, the Company formulated and issued the *ENN Energy Entity Establishment, Deregistration and Labelling Rules* to strengthen entity labeling management and ensure traceability of value creation, thereby mitigating risks related to IP ownership. Special protection measures were implemented to address trademark risks associated with decommissioned refueling stations, fortifying the frontline for brand compliance. Additionally, the Company engaged professional agencies for dedicated intellectual property protection services, refined patent infringement response protocols, and systematically advanced IP rights enforcement.

2025 Performance

R&D investment

RMB 753 million

Number of R&D and
innovation personnel

92 persons

Percentage of R&D
personnel

0.27 %

Number of invention patents
applied to the core business

18 items

Patents under
application

38 items

Number of newly granted
invention patents

18 items

Effective patents

2,418 items

Effective copyrights

835 items

Effective trademarks

451 items

Community Engagement
and Development

Guided by a commitment to rooting in, serving, and empowering communities, ENN Energy actively conducts charitable and public-benefit initiatives. Building on robust community relationship management and established communication channels, we deeply integrate our operations with community development, demonstrating our care as a corporate citizen through tangible actions.

Community Relationship Management

Anchored in its core business of gas operations and project development, ENN Energy prioritizes public welfare and community harmony. We are dedicated to deepening enterprise-community co-governance throughout our business processes, striving to build a safe, friendly, and inclusive environment.

To institutionalize this commitment, the Company has formulated the *ENN Energy Holdings Limited Stakeholders Policy*, establishing comprehensive engagement mechanisms and clear communication channels across all operations.

During the initial phase of project development, the Company proactively engages with communities and stakeholders to conduct in-depth consultations. To overcome participation barriers, we implement targeted measures—such as deploying dedicated liaison officers in dialect-speaking regions and translating technical jargon into plain language. These efforts ensure that community representatives fully comprehend project details and can effectively voice their concerns.

Throughout project execution, the Company maintains continuous consultation mechanisms through regular offline seminars, community forums, and open-house events. This approach allows us to dynamically identify emerging issues and keep our communication channels relevant. In parallel, we conduct community impact assessments and annual surveys to gauge local satisfaction with our engagement strategies, using these insights to refine our approaches. Furthermore, we provide capacity-building training on safe gas usage and grievance mechanisms, equipping communities with the essential knowledge and skills needed for effective, ongoing dialogue.

Additionally, the Company has established a standardized and transparent grievance mechanism featuring end-to-end tracking. This closed-loop system ensures full traceability across the acceptance, resolution, and feedback stages. In 2025, the Company's community engagement department received zero stakeholder complaints regarding community activities.

Philanthropic Initiatives

External Laws and Regulations

- Law of the People's Republic of China on Donations for Public Welfare
- Charity Law of the People's Republic of China

Internal Policies and Systems

- ENN Energy Holdings Limited Charity Activity Management Policy

Guided by five strategic pillars of philanthropy—"Igniting Wisdom, Green Future, Warm Light, Rural Dream-Building, and Cultural Spark"—ENN Energy has established a standardized framework for social initiatives. This ensures the precise implementation of projects with a focus on long-term impact. Concurrently, we formed a Community Engagement Working Group and institutionalized a management cycle of "year-start planning, mid-year tracking, and year-end review." This systematic approach guarantees the orderly and effective execution of our projects, contributing to safe, harmonious, and livable communities.

2025 Performance

Total investment in public welfare projects reached

458,514 hours

Employee volunteer participations

46,998 times of participation

Donations amount to

RMB 21.525 million

Green Future

Guided by the Hangzhou Linping District Bureau of Ecology and Environment, Linping ENN Energy Development Co., Ltd. ("Liping ENN") hosted an open day themed "Green Energy for Carbon Reduction, Walking with Young Hearts." The company invited students from Tingzhi Experimental Primary School to its Digital Smart Energy Experience Center, where they learned about green energy technologies through interactive tours and witnessed the company's practical achievements in pollution and carbon reduction firsthand.



Rural Dream Building

The Company launched a charitable agricultural support initiative featuring an innovative "Purchase-as-Donation" model. We procured agricultural products at prices below market value, yet ensured that 100% of the proceeds went directly to the farmers. The procurement costs were equally shared between the Company and our employees. This approach not only alleviated the financial burden on farmers but also demonstrated our corporate warmth and commitment to rural revitalization.

Cultural Spark

Quanzhou Gas launched the "Fueling Quanzhou, Igniting the City's Vitality" campaign. By combining immersive experiences with targeted initiatives, the company empowered local catering businesses and preserved the city's vibrant "street life". This effort actively promotes the distinctive culinary culture of Quanzhou.



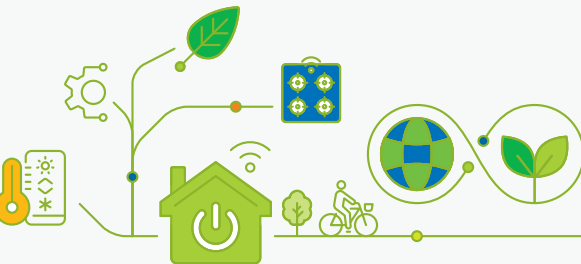
Warm Light Initiative

In December 2025, ENN Energy extended its deepest condolences following the devastating fire at Wang Fu Court in Tai Po, New Territories, Hong Kong. As a Hang Seng Index constituent company with over two decades of presence in Hong Kong's capital markets, the Company swiftly mobilized aid. We donated HKD 3 million via the Hebei ENN Public Welfare Charity Foundation to assist affected families, demonstrating our enduring commitment to Hong Kong through tangible actions.



Igniting Wisdom

Shijiazhuang ENN Zhonghong Gas conducted a visit to Luan-cheng District No. 5 Kindergarten to deliver an interactive gas safety lesson, providing children with immersive and vivid safety education.



05 Talent Jointly Forging Brilliance

ENN Energy is committed to building an organizational ecosystem based on equality, openness, respect for diversity, and mutual support. While fully safeguarding employees' legitimate rights and interests, the Company focuses on creating a competitive remuneration system to attract and retain outstanding talent. Concurrently, ENN Energy enhances talent development mechanisms, encourages value co-creation, improves career progression pathways, and optimizes internal communication channels. Through systematic empowerment, these initiatives support employees' professional growth and the Company's sustainable development.

Material ESG Topics

Equal Employment Opportunities
Protection of Employee Rights
Training and Development
Avoidance of Forced and Child Labour

HKEX ESG Indicators

B1: Employment
B3: Development and Training
B4: Labour Standards

UN SDGs



Protection of Employee Rights

ENN Energy strictly complies with relevant laws and regulations to foster an equal, diverse, and inclusive workplace environment, establishing a comprehensive remuneration and benefits system to drive mutual growth for both employees and the Company.

Compliant Employment

External Laws and Regulations

- Labour Law of the People's Republic of China
- Labour Contract Law of the People's Republic of China
- Social Insurance Law of the People's Republic of China
- Employment Promotion Law of the People's Republic of China
- Decision of the State Council on Amending "the Regulations of the State Council on the Hours of Work of Employees"

Internal Policies and Systems

- ENN Energy Employee Code of Conduct
- Recruitment Management System for ENN Energy Holdings Limited
- Talent Development and Employment Policy
- Employee Appointment Rules for ENN Energy Holdings Limited
- ENN Energy Holdings Limited Human Rights and Employee Diversity Policy

ENN Energy firmly upholds employees' fundamental rights and maintains zero tolerance for forced labour, child labour, discrimination, and harassment. The Company integrates anti-discrimination and anti-harassment commitments into internal regulations, preventing all forms of discrimination and harassment. Clear whistleblowing procedures have been established, allowing anonymous whistleblowing through designated channels to effectively protect employees from unfair treatment and retaliation. Additionally, the Company incorporates topics such as gender equality, workplace discrimination and harassment, cultural inclusivity, and equal treatment of persons with disabilities into systematic training programs. This comprehensive approach helps employees develop proper awareness of diversity, equity, and inclusion. Upon identifying violations, the Company will immediately initiate investigations, suspend relevant personnel, impose strict penalties after verification, and implement remedial measures to protect victims' rights. Concurrently, the Company enhances management systems and strengthens employee training to prevent recurrence of similar incidents. The Company has established robust human capital management mechanisms, systematically developed labour practice commitments, and implemented risk mitigation measures.

These requirements extend not only to its own operations but equally to contractors and partners.

Upholding equal employment principles, the Company continuously improves talent development and employment policies to ensure fairness and compliance in recruitment, hiring, termination, and management processes. In special circumstances involving large-scale layoffs, the Company sets minimum consultation or notice periods to provide necessary transitional safeguards for employees.

During recruitment, the Company strictly prohibits discriminatory language, behavior, or decisions based on gender, race, age, religion, health, marital or family status. Hiring decisions are solely based on job requirements and candidate capabilities. Simultaneously, the Company actively promotes diversified talent introduction initiatives. Through corporate presentations, live recruitment broadcasts, and other methods, the Company has built talent teams aligned with business development needs, reserving strength for long-term growth. In 2025, the Company recruited 3,407 new employees, including 535 campus hires and 2,872 experienced hires, with an average recruitment cost of RMB 2,099.

Human Rights Protection

ENN Energy prioritizes human rights risk management, addressing potential risks including human trafficking, forced labour, child labour, freedom of association, collective bargaining rights, discrimination, and harassment. The Company systematically identifies and prevents human rights issues across its operations, value chain, and related activities, covering employees, third-party workers, local residents, women, children, and communities. We conduct human rights due diligence before mergers, acquisitions, and joint ventures to identify potential impacts, ensuring new business relationships align with the Company's human rights commitments and responsibility standards. Additionally, the Company regularly reviews its human rights risk mapping to dynamically identify key issues and sensitive areas, ensuring continuous effectiveness of due diligence.

Based on its core business activities, the Company conducts human rights due diligence to identify potential human rights risks in its own operations, supply chain, and other business related activities, and has established a systematic mitigation framework and remediation mechanism covering all operations. The Company imposes disciplinary actions on violators in accordance with regulations, rectifies or terminates contracts with high-risk suppliers, and provides necessary care and psychological counseling to victims. This ensures controllable risks and effective mitigation mechanisms. During this reporting period, ENN Energy identified no material human rights-related risks.

2025 performance (Unit: Persons)

Total number of employees

33,742



By
gender

8,671

25,071

Male Employees

Female Employees

By
age

3,564

7,979

22,199

Below the age of 30

Aged 30-50

Above the age of 50

By
region

33,729

13

Chinese Mainland

Hong Kong

Diversity & Inclusion

ENN Energy firmly supports international labour rights initiatives and is committed to providing inclusive, equitable development and advancement opportunities for employees regardless of nationality, ethnicity, age, gender, religion, cultural background, marital status, or political affiliation. The Company offers broad career opportunities to talents with diverse educational backgrounds and professional expertise, actively fostering an equal, diverse, and inclusive work environment. We conduct regular audits on employee diversity, covering aspects such as the proportion of female executives, male-to-female employee ratio, and gender pay ratio.

The Company has established a mentorship program, creating a responsible work assistant development plan for new graduate hires. Diversity elements including gender equality, anti-discrimination, cultural inclusion, and equal treatment for persons with disabilities are incorporated into the training system to foster inclusive awareness among new employees. Additionally, the Company has implemented recognition and honors mechanisms to encourage female employees to share their success stories. This effectively unlocks the potential and enhances the sense of belonging among female talent, further optimizing the Company's diverse cultural environment. Furthermore, we respect employees' freedom of association and continuously build a diversified internal communication ecosystem. This safeguards the legitimate rights and interests of ethnic minority employees.

Company management provides comprehensive leadership for diversity and inclusion initiatives. Inclusive culture building is integrated into the ESG strategy. The Chief Talent Inspiration Officer regularly reviews the diversity composition of the workforce. The HR department conducts routine diversity awareness training for all employees.

2025 performance

Collective bargaining agreement coverage reached

100%

Remuneration and Benefits

ENN Energy adheres to the principle of equal pay for equal work, establishing a dual incentive system combining monetary and non-monetary rewards. Through regular monitoring of gender pay gaps, the Company ensures scientific, reasonable, and fair remuneration and benefits policies. The Company pays living wages to meet employees' basic needs. Salary standards are reasonably set according to local living costs, demonstrating genuine care for employees' livelihoods.

Regarding remuneration structure, the Company offers a package comprising "fixed pay + two-month salary bonus + project bonuses + end-of-year incentive". This performance and value-driven approach effectively motivates employee contributions. Moreover, the implementation of equity and share award plans enhances team stability and engagement. This promotes shared growth between employees and the Company. In 2025, the Company maintained agile responses to market changes in remuneration governance. External pay benchmarking was conducted for key positions to ensure overall competitiveness within the industry.

Wage Variance by Gender	Male : Female
Mean base salary gap	1.10 : 1
Median base salary gap	1.03 : 1
Mean annual pay gap	1.11 : 1
Median annual pay gap	1.12 : 1
Mean bonus gap	1.22 : 1
Median bonus gap	1.03 : 1

Wage Variance by Position	Male : Female
Executive level	1.04 : 1
Management level	1.05 : 1
Non-management level	1.07 : 1

ENN Energy strictly complies with national laws and regulations, making full and timely contributions to employees' five social insurances and one housing fund. The Company provides supplementary medical insurance for all employees and implements employee medical mutual aid funds in certain regions. Additional commercial insurance is purchased for employees in special positions, establishing a multi-tiered health protection system. Simultaneously, the Company rigorously implements statutory holidays, paid annual leave, paid maternity leave, and paternity leave, ensuring employees' salaries and social security benefits remain unaffected during leave periods. Working hours and overtime are strictly monitored and managed. Maximum working hours are set, with overtime pay or compensatory time-off provided in accordance with the law. This fully safeguards employees' rights to fair compensation and rest for overtime work. Additionally, the Company offers paid caregiver leave for primary and secondary caregivers, along with paid family leave for employees in need. Examples include providing accompanying leave for employees whose children are taking the National Higher Education Entrance Examination (Gaokao).

Training and Development

ENN Energy has established a multi-tiered recruitment process for precise talent matching, optimizing career development pathways, creates customized training programs, and strengthens an end-to-end empowerment mechanism to comprehensively drive mutual growth for both employees and the Company.

Talent Development

ENN Energy is committed to building open and diverse career development channels, employing a "Value Creation Identification - Assessment - Sharing" mechanism to stimulate employees' initiative. The Company encourages continuous professional skill development and personal value enhancement while strengthening the alignment between talent competencies and job requirements.

The Company has developed a mature talent business labeling system that integrates employees' professional competencies, work experience, and quantifiable value contributions. Tailored incentive programs are designed for employees with different characteristics, promoting constructive internal mobility through precise person-position matching to support sustainable organizational development. The Company's performance governance relies on a multi-dimensional assessment system, incorporating goal management protocols, 360-degree feedback mechanisms, team-based evaluations, and agile dialogue sessions. This ensures quarterly reviews and continuous attention to employee performance, enabling timely and fair evaluation of work outcomes to retain top talent.

In 2025, the Company optimized its assessment approach for key positions, progressively transitioning from traditional manual evaluations to systematic online specialized assessments. The new mechanism comprehensively and objectively evaluates key talents' capabilities, work outcomes, and development potential through online system tests, surveys, and actual business performance. Current efforts focus on enhancing the scientific rigor, fairness, and efficiency of talent assessments to further advance the standardization and digital transformation of talent management.

Based on key role competency requirements, the Company has established a closed-loop operational rule system of "Confirmation - Tenure - Rotation - Exit". Guided by the *Enterprise Core Role Operational Rules of ENN Energy*, specialized regulations for vice presidents and enterprise leaders' adjustments are introduced, along with pre-appointment 360-degree assessment mechanisms, continuously refining full-process management. In 2025, the Company meticulously implemented these rules, completing approximately 239 core role adjustments and driving the iteration of four major committees including the Business Decision Committee, achieving enhanced competency matching and upgrades for key roles.



ENN Develops Intelligent Assessment Product to Enhance Talent Review Capabilities

In 2025, the Company conducted intelligent year-end assessments for 182 key role partners, establishing a multi-dimensional evaluation framework centered on capabilities and value creation. The system upgraded the key role competency library and developed exclusive assessment models for enterprise leaders, regional chief conveners, regional business managers, and holding company key roles based on differentiated positioning. This generated 20 team reports and 182 individual reports. This assessment successfully established a closed-loop process from "role competency models-talent capability profiles-successor matching", enhancing the fairness, timeliness, and data accumulation capabilities of talent reviews through intelligent solutions.

Talent Cultivation

ENN Energy continuously optimizes its training system architecture, enriches training resources, and regularly updates course content. Leveraging the online iCome platform for general video courses and combining with offline learning groups for interactive workshops and practical training, the Company achieves integrated online-offline empowerment. The Company has established a three-pillar curriculum system covering "Leadership, Professionalism, and Operational Capabilities" for both full-time and part-time employees, providing differentiated development programs for various position groups. In 2025, building on the enterprise organizational intelligence platform with "Customer-Creation Closed Loop" as its core operational mechanism, we innovatively launched the "One-Card Three-Forms" operational tool. Based on capability valuation, this transforms traditional forced performance distribution model into an instant incentive mechanism of "piece-rate sharing, more pay for more work", further stimulating employees' intrinsic motivation for self-development. This ensures value creators receive reasonable returns, achieving mutual growth for both the enterprise and employees.

- **For new hires**, the Company designed the "New Professional Growth Camp" and "Sailing Plan", establishing mentorship mechanisms and home teams to facilitate rapid cultural integration.
- **For front-line personnel**, the Company enhances team building and implements a mentorship model to effectively improve employees' professional capabilities. Concurrently, we provide digital transformation assistance programs to familiarize employees with digital technologies, comprehensively upgrading the practical skills, safety compliance, and overall operational efficiency of front-line teams. The Company mandates a 100% pre-job certification rate for front-line operators and uses this as a foundation to continuously drive autonomous skill enhancement.
- **For professionals**, the Company offers multiple customized courses to ensure teams master cutting-edge knowledge and technologies. Additionally, the Company conducts specialized AI empowerment training featuring case simulations to accelerate proficiency in intelligent tools, fostering collaborative innovation between AI technology and daily operations/business value creation.
- **For managers**, leadership development programs and cultural heritage activities are organized to strengthen management accountability. Through initiatives like "Leadership Development", the Company consistently elevates managers' strategic vision and team leadership capabilities, while programs such as the "Future Leader of ENN (FLE)" focus on cultivating future management core talent.
- **For rehired retirees**, transition adaptation programs facilitate smooth reintegration into the work environment, maximizing their experiential value.

In addition, the Company's Human Resources Department collaborates with the Legal Department each year to conduct a human capital risk assessment. This assessment focuses on areas such as talent development and training to identify potential risks, and preventive measures are implemented based on the assessment results to ensure the sustainable growth of human capital.

Leadership

- Sailing Plan
- Voyage Plan
- Future Leader of ENN (FLE)



Professionalism

- "New Security Talent" Program
- "New Financial Talent" Program
- Anxin Boot Camp Program
- Carbon Neutrality and LNG Business Training
- *Carbon-Neutral Natural Gas* Online Training Course



Operational capabilities

- All front-line employees meet pre-work certification and personal development
- The growth system has been developed in line with the skill level certification for front-line employees





ENN Energy Launches "Soaring Cloud Initiative" to Advance Regional Sustainability

In June 2025, ENN Energy initiated the "Soaring Cloud Initiative", a management trainee program focusing on three key areas: customer value restructuring, smart technology application, and ecosystem collaboration. The program cultivates future leaders with commercial acumen, agile decision-making, and team management capabilities. This structured talent pipeline enhances organizational expertise and drives business transformation alongside regional strategy implementation.



ENN Energy Launches "Bedrock Initiative" to Accelerate Regional Intelligent Transformation

In June 2025, ENN Energy rolled out the "Bedrock Initiative", a technical trainee program that elevates core competencies through systematic learning, practical exercises, and benchmarking, strengthening professionals' technical expertise, problem-solving skills, and digital intelligence application capabilities to support secure and efficient regional operations. The program targets reserve technical experts and coordinators in engineering management, metrology management, pipeline network operations, and customer service, focusing on cultivating high-caliber talent with systems thinking and complex problem-solving capabilities. The program aims to foster "best practices" while promoting cross-enterprise exchanges and a problem-oriented learning culture.



2025 performance

Employee training participation rate

100 %

Average training hours per employee

39.9 hours

Total training hours

1,347,264 hours

Total training investment

RMB 28.54 million

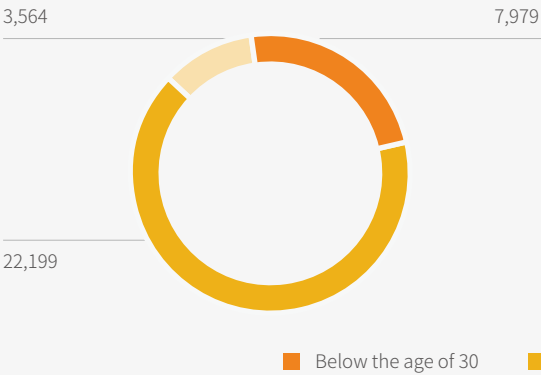


Average training investment per employee

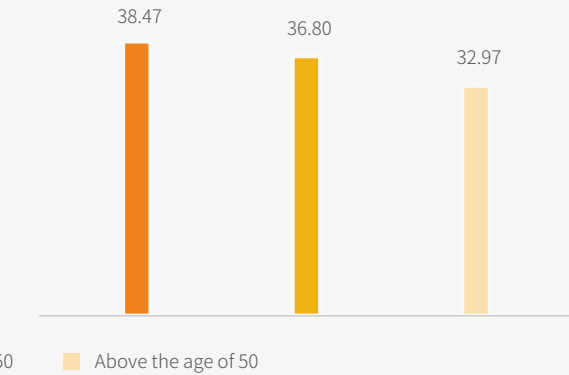
RMB 846



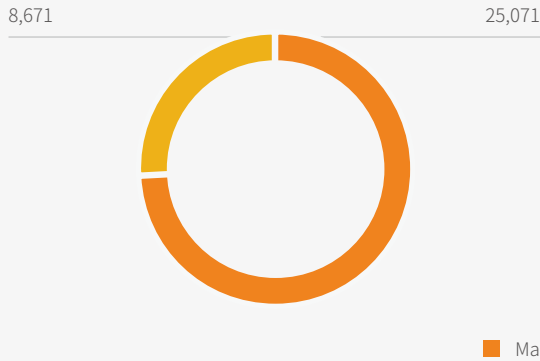
Trainees by age group (Persons)



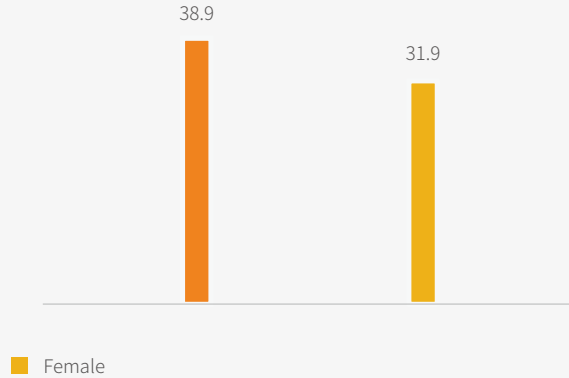
Average training hours by age (Hours/person)



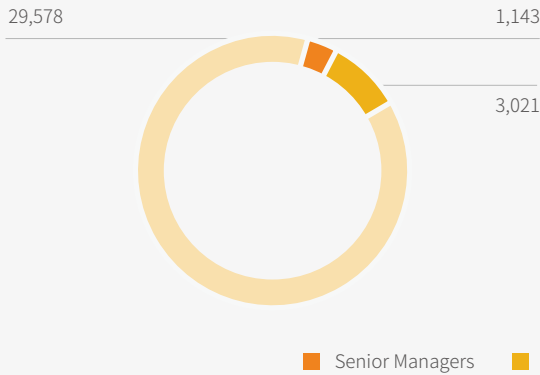
Number of trainees by gender (Persons)



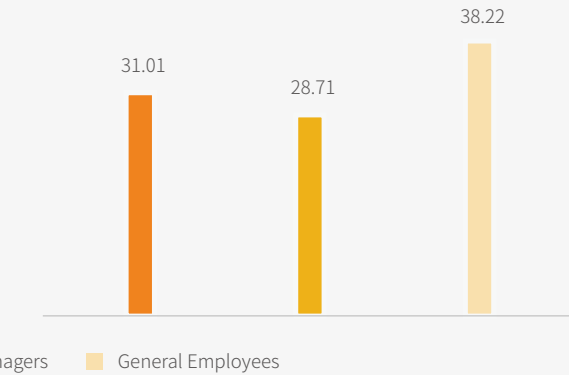
Average training hours by gender (Hours/person)



Number of trainees by employee type (Persons)



Training hours by employee category (Hours/person)





ENN Energy Hosts 10th Skills Competition to Drive Smart Transformation of Frontline Employees

In September 2025, the Company held its 10th Skills Competition & Self-Motivated Talents Championship in Dongguan, where over 340 technical experts from 13 regions competed across 13 job categories. The competition focused on intelligent transformation, introducing new categories such as GIS all-around competition and IoT equipment maintenance, while applying cutting-edge technologies like smart welding and emergency repair to integrate technical skills with intelligent solutions. As the Company's largest skills event with the most comprehensive categories and highest participation, it drives frontline employees' intelligent role transformation, accumulates smart tool application experience, and accelerates corporate intelligent upgrading.



Talent Incentives

ENN Energy prioritizes competency-based valuation, formulating specialized incentive guidelines for key business scenarios including integrated energy and Smart Home. Centered on building a "Five-Self" workplace ecosystem, the Company leverages big data analytics to guide high-performers toward high-value business areas through intelligent methods, supporting employees in setting career goals and implementing dynamic tracking evaluations. The Company has established a results-sharing mechanism, enabling self-organized teams to collaboratively create value through flexible resource allocation. Furthermore, ENN Energy ensures transparent and equitable incentive systems, guaranteeing objective recognition of employee contributions to stimulate continuous self-improvement.

Employee Care

ENN Energy places high importance on employee engagement, maintaining open and accessible communication channels. We prioritize employees' physical and mental well-being, regularly organizing diverse activities to foster emotional connections among staff and strengthen team cohesion.

Communication with Employees

ENN Energy enhances the breadth and depth of employee communication through dual online and offline channels:



The Company conducts regular surveys via the "VoiceLine" platform. Employees can also submit feedback anytime through the iCome platform, enabling 24/7 communication.



Through routine HR visits and thematic forums, we engage frontline staff to understand genuine concerns. Regular dialogues with employee representatives address workplace environment, labour conditions, remuneration, benefits, and career development, ensuring bottom-up feedback flows effectively.

In 2025, the Company continued to conduct an annual online employee satisfaction survey for all employees. The survey covered multiple core dimensions, including job satisfaction, sense of purpose, well-being, stress levels, and team atmosphere. The overall satisfaction score was 4.42(out of 5.00), representing an employee satisfaction rate exceeding 88%. Based on the survey results, the Company categorized and analyzed key issues, gained in-depth insights into employee needs, developed targeted improvement measures, and continued to drive their implementation, effectively enhancing employee satisfaction and organizational belonging. In addition, the Company is committed to building an open, transparent, and inclusive communication mechanism, encouraging employees at all levels to freely express their views on the premise of legal and regulatory compliance.

Caring for Employees

ENN Energy prioritizes employee well-being by cultivating a humane work environment:



Assistance Programs

We address practical needs in employees' work and personal lives, providing timely support to those facing difficulties. For employees with disabilities, we maintain continuous care initiatives. As the end of 2025, we've assisted 433 employees and 698 family members, with total aid funds reaching RMB 5.698 million. In 2025 specifically, 136 individuals received support with donations totaling RMB 1.057 million.



Daily Care

The Company implements a "Five Must-Visit" care mechanism, proactively offering condolences during significant life events such as employee marriages, illnesses, childbirth, or the passing of employees or their family members.



Cultural and Sports Activities

The Company supports diverse employee club activities including ball sports, fitness exercises, and book-sharing sessions, providing necessary venues and facilities. Trade unions at all levels adopt a localized service model, equipping grassroots offices with sports facilities to support mass sporting activities like ball games.



Fostering a Healthy Environment

Addressing work pressures across different business scenarios, trade unions promote mental health counseling courses and install stress-relief tools like punching bags, decompression walls, and various gadgets in workplaces.

The Company prioritizes safeguarding female employees' rights, attentively addressing their physical/mental health and practical needs, continuously organizing diversified care programs such as women-focused health lectures, psychological support salons, and parent-child activities to enhance health awareness, alleviate stress, and balance work-family life. For call centers requiring 24/7 shift work, dedicated "Mother's Hut" are established at relevant offices, providing private, safe, and comfortable rest spaces for pregnant and nursing employees. Through targeted support measures and humanized facilities, the Company actively cultivates a respectful, inclusive, and caring workplace, empowering female employees to work with peace of mind and achieve well-rounded development.



ENN Xinxiang Gas conducts special care activities for International Day of Persons with Disabilities

Issuing Health Initiative Proposals in Response to the "Weight Management Year" Campaign



Organizing ENN Energy's National Basketball League

Outlook

The year 2026 marks the beginning of the 15th Five-Year Plan period, with energy transition advancing to deeper levels. At this new juncture, ENN Energy will follow national strategic directions with firmer steps, intensively focus on the genuine needs of 316,000 industrial and commercial customers and 32.76 million household users, continuously innovate business models, and chart an increasingly clear path toward sustainable development.

Moving forward, we will remain customer-centric, transforming every instance of trust into momentum for progress. We empower our employees to realize their full potential and grow together as we drive the energy transition. We collaborate with governments, industry partners, and all sectors of society to build a green, low-carbon ecosystem. Leveraging our full-industry chain advantages, we integrate digital intelligence across our operations to deepen the synergy between green transformation and digitalization. From optimizing resource allocation to creating end-user value, we are building a smarter, more resilient, and greener modern energy system—where every kilowatt-hour of electricity and every cubic meter of gas generates greater socio-economic value.

The journey ahead is long, and steady progress will lead us far. Looking ahead, ENN Energy will embrace a more open approach, joining hands with all stakeholders to co-create green, low-carbon industrial chains and strengthen energy security. With innovation as our pen and responsibility as our ink, we will contribute with conviction to the blueprint of a modern energy system. Our relentless efforts will advance China's "dual carbon" goals and contribute ENN's wisdom and solutions to the global energy transition and ecological conservation.

Appendix

Independent Limited Assurance Report

Independent Assurance Report

English Translation for Reference Only

Independent Practitioner's Limited Assurance Report

毕马威华振通字第 2600305 号报告

To the Board of Directors of ENN Energy Holdings Limited:

Report on selected information in ENN Energy Holdings Limited's Environmental, Social and Governance Report as of and for the year ended 31 December 2025

Conclusion

We have performed a limited assurance engagement on the following information in ENN Energy Holdings Limited's (hereafter referred to as "ENN Energy") Environmental, Social and Governance ("ESG") Report as of and for the year ended 31 December 2025 (hereafter referred to as "the assured sustainability information"):

The assured sustainability information	Point in time or period subject to assurance
Total GHGs emission (Scope1+Scope2) (tonnes CO ₂ -equivalent)	For the year ended 31 December 2025
Scope1: Direct GHG emissions (tonnes CO ₂ -equivalent)	For the year ended 31 December 2025
Scope2: Indirect GHG emissions (tonnes CO ₂ -equivalent)	For the year ended 31 December 2025
Coal consumption (tonnes)	For the year ended 31 December 2025
Gasoline consumption (Litres)	For the year ended 31 December 2025
Diesel consumption (Litres)	For the year ended 31 December 2025
Natural gas consumption (cubic metres)	For the year ended 31 December 2025
Electricity purchased (MWh)	For the year ended 31 December 2025
Percentage of female in senior management (%)	As of 31 December 2025
Number of male employees (person)	As of 31 December 2025
Number of female employees (person)	As of 31 December 2025
The review coverage rate of critical tier-1 suppliers (%)	For the year ended 31 December 2025
Employee lost-time injury frequency rate (LTIFR) (per million working hours)	For the year ended 31 December 2025
Number of Companies Certified in Occupational Health and Safety Management (ISO 45001)	As of 31 December 2025
Number of Companies Certified in Environmental Management System (ISO14001)	As of 31 December 2025
Total number of persons receiving safety training (person-times)	For the year ended 31 December 2025
Employee satisfaction (score)	For the year ended 31 December 2025

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the assured sustainability information of ENN Energy as of and for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with Criteria set out in the appendix to this report.

Our conclusion on the assured sustainability information does not extend to any other information that accompanies or contains the assured sustainability information and our report (hereafter referred to as "other information"). We have not performed any procedures as part of this engagement with respect to the other information.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Restriction on use

This report is made solely to you, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Our conclusion is not modified in respect of this matter.

Responsibilities of the Board of Directors for the assured sustainability information

The Board of the ENN Energy are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the assured sustainability information such that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the assured sustainability information and appropriately referring to or describing the criteria used; and
- preparing the assured sustainability information in accordance with the Criteria set out in the appendix to this report.

Inherent limitations in preparing the assured sustainability information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the *assured sustainability information* is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to you.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the *assured sustainability information* that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the *assured sustainability information* and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- Conducting interviews with relevant staff at ENN-NG who are responsible for providing assured sustainability information;
- Performing analytical review procedures on assured sustainability information;
- Inspecting the assured sustainability information on a sample base;
- Recalculating of the assured sustainability information;
- Performing other procedures deemed necessary.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



KPMG Huazhen LLP

Beijing, China

April 28, 2026

Appendix: Compilation and Reporting Basis of the assured sustainability information

Total GHGs emission (Scope1+Scope2) (tonnes CO₂-equivalent)

Total Scope 1 and Scope 2 GHG emissions generated by ENN Energy Holdings Limited and its subsidiaries' retail and wholesale gas business during the production and operation from January 1 to December 31, 2025.

Scope1: Direct GHG emissions (tonnes CO₂-equivalent)

Direct Greenhouse gas emissions from direct combustion of fossil energy (coal, diesel, gasoline, natural gas) by ENN Energy Holdings Limited and its subsidiaries' retail and wholesale gas business during the production and operation from January 1 to December 31, 2025. The Direct GHG emissions is calculated under financial control approach. The emission factors used in greenhouse gas emission calculation are the default values of common fossil fuel parameters stated in *Appendix II of the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions of Enterprises in other Industries (Trial)* issued by the National Development and Reform Commission.

Scope2: Indirect GHG emissions (tonnes CO₂-equivalent)

Indirect Greenhouse gas emissions from purchased electricity consumed by ENN Energy Holdings Limited and its subsidiaries' retail and wholesale gas business during the production and operation from January 1 to December 31, 2025. The Indirect GHG emissions is calculated under financial control approach, and use location-based method for calculation. The emission factors used in greenhouse gas emission calculation is the national grid average emission factor of 0.5306t CO₂/MWh, as mentioned in the *Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors* issued by the Ministry of Ecology and Environment.

Coal Consumption (tonnes)

The quantity of coal that ENN Energy Holdings Limited and its subsidiaries' retail and wholesale gas business consumed during their production and operation, in tonnes, from January 1 to December 31, 2025.

Gasoline Consumption (Litres)

The quantity of gasoline that ENN Energy Holdings Limited and its subsidiaries' retail and wholesale gas business consumed during their production and operation, in litres, from January 1 to December 31, 2025.

Diesel Consumption (Litres)

The quantity of diesel that ENN Energy Holdings Limited and its subsidiaries' retail and wholesale gas business consumed during their production and operation, in litres, from January 1 to December 31, 2025.

Appendix: Compilation and Reporting Basis of the assured sustainability information (Continued)

Natural Gas Consumption (cubic metres)

The quantity of natural gas that ENN Energy Holdings Limited and its subsidiaries' retail and wholesale gas business consumed during their production and operation, in cubic metres, from January 1 to December 31, 2025.

Electricity purchased (MWh)

The quantity of electricity that ENN Energy Holdings Limited and its subsidiaries' retail and wholesale gas business consumed during their production and operation, in megawatt-hour, from January 1 to December 31, 2025.

Percentage of female in senior management (%)

Accounted proportion of female in senior management among ENN Energy Holdings Limited and its subsidiaries' senior management as of December 31, 2025. Senior management includes the leaders of subsidiaries, as well as heads of functional departments at headquarters and above.

Number of Male Employees (person)

The number of male employees who signed employment contracts with ENN Energy Holdings Limited and its subsidiaries as of December 31, 2025.

Number of Female Employees (person)

The number of female employees who signed employment contracts with ENN Energy Holdings Limited and its subsidiaries as of December 31, 2025.

The review coverage rate of critical tier-1 suppliers (%)

For critical suppliers (who directly provide products or services to ENN Energy Holdings Limited and its subsidiaries) as of the end of 2025, among such the proportion of critical suppliers reviewed from January 1 to December 31, 2025.

Employee lost-time injury frequency rate (LTIFR) (per million working hours)

Rate of injuries occurred in different work scenarios over million hours of employees of ENN Energy and its subsidiaries from January 1 to December 31, 2025. Namely, LTIFR = Number of incidents of employees injured at work in 2025 × 1,000,000/ Total working hours in 2025.

Number of Companies Certified in Occupational Health and Safety Management (ISO 45001)

As of December 31, 2025, the number of ISO 45001 certified member companies within ENN Energy Holdings Limited.

Appendix: Compilation and Reporting Basis of the assured sustainability information (Continued)

Number of Companies Certified in Environmental Management System (ISO14001)

As of December 31, 2025, the number of ISO 14001 certified member companies within ENN Energy Holdings Limited.

Total number of persons receiving safety training (person-times)

The total person-times of employees who participated in the training on safety production organized by ENN Energy Holdings Limited and its subsidiaries, from January 1 to December 31, 2025.

Employee satisfaction (score)

The average employee satisfaction score is calculated through the employee satisfaction questionnaire engagement held by ENN Energy and its subsidiaries, from January 1 to December 31, 2025.

ESG Performance Indicators

Environmental

Indicator	Unit	2025	2024	2023
Total SO ₂ emissions	Tonnes	1.49	45.84	21.06
Total NO _x emissions	Tonnes	9.72	15.05	78.53
Intensity of NO _x emissions	Tonnes/RMB billion in revenue	0.09	0.14	0.69
Total soot emissions	Tonnes	0.95	3.24	3.08
Total amount of hazardous waste generation ¹⁰	Tonnes	68.06	22.68	46.19
Intensity of hazardous waste generation	Tonnes/RMB billion in revenue	0.61	0.21	0.41
Total amount of non-hazardous waste generation ¹¹	Tonnes	837.49	2,701.34	2,510.50
Intensity of non-hazardous waste generation	Tonnes/RMB billion in revenue	7.48	24.59	22.05
Coal consumption ¹²	Tonnes	2,575.10	29,301.54	43,050.71
Diesel consumption	Litres	774,623.19	884,764.90	860,080.20
Gasoline consumption	Litres	3,554,590.52	3,542,335.11	3,187,842.86
Natural gas consumption	Cubic metres	8,367,636.82	11,172,755.91	15,495,046.29
Electricity purchased consumption	MWh	148,681.13	193,612.14	162,931.22
Renewable energy consumption	Tonnes of standard coal	2,440.43	1,422.36	1,251.75
Non-renewable energy consumption	Tonnes of standard coal	36,485.63	69,913.90	83,854.67
Comprehensive energy consumption	Tonnes of standard coal	38,926.06	71,336.26	85,106.43
Intensity of comprehensive energy consumption	Tonnes of standard coal /RMB billion in revenue	347.85	649.38	747.48
Total wastewater discharge	Tonnes	403,550.20	2,412,749.27	1,578,248.77
Total water consumption	Tonnes	681,646.83	2,838,528.56	1,856,783.22
Intensity of water consumption	Tonnes/RMB billion in revenue	6,091.30	25,839.34	16,307.71
Scope 1: Direct GHG emissions ¹³	Tonnes of CO ₂ e	33,909.60	101,468.33	141,381.27
Intensity of direct GHG emissions (by revenue)	Tonnes of CO ₂ e / RMB billion in revenue	303.02	923.67	1,247.73
Intensity of direct GHG emissions (by gas sales)	Tonnes of CO ₂ e / billion cubic metres of natural gas sales	921.63	3,015.31	4,205.15

¹⁰ The total amount of hazardous waste generation in 2025 includes waste mechanical oil, odorant waste drums, waste chemical packaging, end of-life circuit boards and other hazardous waste generated by the headquarters of ENN Energy and affiliated gas companies in the process of engaging in natural gas retailing and wholesaling business.

¹¹ The total amount of non-hazardous waste generation in 2025 includes the domestic waste generated in the course of engaging in the retail and wholesale business of natural gas and the non-hazardous waste generated in the course of manufacturing and repairing gas metres at the headquarters of ENN Energy and affiliated gas companies.

¹² In 2025, the Company actively reduced its direct energy consumption through measures such as waste heat recovery, resulting in a significant decrease in coal consumption.

¹³ Direct Greenhouse Gas Emissions (Scope 1), with its calculation scope referencing the *Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol)*, covers the emissions generated directly from the energy (coal, diesel, gasoline, natural gas) consumed by the retail gas business and the wholesale gas business operations of the headquarters and subsidiary gas companies of ENN Energy.

Indicator	Unit	2025	2024	2023
Scope 2: Indirect GHG emissions ¹⁴	Tonnes of CO ₂ e	78,890.21	103,892.28	92,919.87
Intensity of indirect GHG emissions (by revenue)	Tonnes of CO ₂ e / RMB billion in revenue	704.97	945.74	816.10
Intensity of indirect GHG emissions (by gas sales)	Tonnes of CO ₂ e / billion cubic metres of natural gas sales	2,144.16	3,087.35	2,763.74
Total GHG emissions (Scope 1+ Scope 2)	Tonnes of CO ₂ e	112,799.81	205,360.61	234,300.94
GHG emissions intensity (by revenue)	Tonnes of CO ₂ e / RMB billion in revenue	1,008.00	1,869.41	2,057.83
GHG emissions intensity (by gas sales)	Tonnes of CO ₂ e / billion cubic metres of natural gas sales	3,065.80	6,102.66	6,968.89
Scope 3: Indirect GHG emissions	Tonnes of CO ₂ e	62,500,796.51	60,197,077.17	60,272,210.13
Scope 3: Category 1. Purchased goods and services	Tonnes of CO ₂ e	9,613,179.17	9,480,788.19	9,305,512.03
Scope 3: Category 3. Fuel-and energy-related activities (upstream)	Tonnes of CO ₂ e	273,849.28	266,174.82	200,994.58
Scope 3: Category4. Upstream transportation and distribution	Tonnes of CO ₂ e	1,869,316.44	1,543,748.46	1,434,127.10
Scope 3: Category 11. Use of sold products	Tonnes of CO ₂ e	50,543,196.24	48,698,401.54	49,112,373.40
Scope 3: Scope 3 GHG emissions from other categories	Tonnes of CO ₂ e	201,225.38	207,964.17	219,203.02
Scope 3: Category 11. Intensity of GHG from the use of sold products	Tonnes of CO ₂ e / billion cubic metres of natural gas sales	1,373,717.72	1,788,864.44	1,792,695.34
Transmission loss	%	0.73	0.81	0.47
Distribution loss	%	0.97	1.01	0.83
Transmission System Average Interruption Duration Index (SAIDI ¹⁵)	Hours	0.14	1.01	0.00
Distribution System Average Interruption Duration Index (SAIDI)	Hours	0.78	1.44	2.37

Social

Indicator	Unit	2025	2024	2023
Number of employees	Persons	33,742	35,197	34,178
Number of male employees	Persons	25,071	26,195	25,129
Number of female employees	Persons	8,671	9,002	9,049
Number of full-time employees	Persons	31,158	31,944	31,641
Number of part-time employees	Persons	41	87	72

¹⁴ Indirect Greenhouse Gas Emissions (Scope 2), with its calculation scope referencing the *Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol)*, covers emissions indirectly generated from purchased electricity consumed for the operation of the retail natural gas business and wholesale gas business of the headquarters and subsidiary gas companies of ENN Energy.

¹⁵ SAIDI = (Total Duration of All Customer Interruptions) / (Total Number of Customers Served). The System Average Interruption Duration Index (SAIDI) is the average interruption duration for each customer served, measured in time units (usually hours or minutes) during the year.

Indicator	Unit	2025	2024	2023
Number of other types of employees	Persons	2,543	3,166	2,465
Number of employees under 30 years old	Persons	7,979	7,937	7,566
Number of employees aged 30-50	Persons	22,199	24,150	23,410
Number of employees over 50 years old	Persons	3,564	3,110	3,202
Senior managers	Persons	1,143	1,063	1,086
Middle managers	Persons	3,021	3,202	3,193
General employees	Persons	29,578	30,932	29,899
Overseas employees	Persons	0	0	0
Hong Kong (SAR) employees	Persons	13	12	12
Chinese Mainland employees	Persons	33,729	35,185	34,166
Employees with Bachelor's degree	Persons	12,252	11,828	11,063
Employees with college degree	Persons	11,825	12,433	11,821
Employees with high school degree or lower	Persons	8,736	10,103	10,539
Employees with Master's degree or above	Persons	929	833	755
Percentage of male senior managers	%	81.98	82.50	84.35
Number of male senior managers	Persons	937	833	916
Percentage of female senior managers	%	18.02	17.50	15.65
Number of female senior managers	Persons	206	186	170
Percentage of male middle managers	%	71.04	71.30	71.81
Number of male middle managers	Persons	2,146	2,283	2,293
Percentage of female middle managers	%	28.96	28.70	28.19
Number of female middle managers	Persons	875	919	900
Percentage of female manager	%	25.96	25.91	/
Percentage of female STEM employees	%	19.60	17.48	/
Percentage of female in management positions in revenue-generating functions	%	18	8.66	9.78
Disabled employees	Persons	89	71	/
Minority employees	Persons	1,148	1,199	1,114
Percentage of minority employees	%	3.40	3.41	3.26
Percentage of minority managers	%	3.96	6.80	/
Percentage of Manchu employees	%	0.75	0.73	/
Percentage of Manchu managers	%	1.42	1.20	/

Indicator	Unit	2025	2024	2023
Percentage of Hui employees	%	0.85	0.89	/
Percentage of Hui managers	%	0.77	0.84	/
Percentage of Zhuang employees	%	0.60	0.62	/
Percentage of Zhuang managers	%	0.62	0.66	/
Percentage of Mongolian employees	%	0.53	0.50	/
Percentage of Mongolian managers	%	0.36	0.38	/
Percentage of Miao employees	%	0.12	0.12	/
Percentage of Miao managers	%	0.1	0.02	/
Percentage of other minority employees	%	0.55	0.55	/
Percentage of other minority managers	%	0.7	3.70	/
New hires	Persons	3,407	4,411	4,618
New hires from experienced recruitment	Persons	2,872	3,857	4,038
New hires from campus recruitment	Persons	535	554	580
New employees (male)	Persons	2,577	3,346	3,490
New employees (female)	Persons	830	1,065	1,128
New hires (senior managers)	Persons	20	23	/
New hires (middle managers)	Persons	58	97	/
New hires (general employees)	Persons	3,329	4,291	/
New employees under 30 years old	Persons	2,131	2,261	2,572
New employees between 30 and 50 years old	Persons	1,217	2,085	1,951
New employees over 50 years old	Persons	59	65	95
New employees from the Chinese mainland	Persons	3,407	4,408	4,614
New employees from Hong Kong, Macao and Taiwan regions	Persons	0	3	4
New employees from overseas	Persons	0	/	/
New minority employees	Persons	96	186	/
Number of new employees from "Double First-Class" Universities and QS Top 100 Universities	Persons	227	239	368
Average annual hiring cost	RMB	2,099	2,058	/
Employee turnover rate	%	13.23	10.53	10.57
Number of departed employees	Persons	4,464	3,706	3,614
Male employee turnover rate	%	13.91	10.73	11.17
Number of male employees departed	Persons	3,488	2,810	2,808

Indicator	Unit	2025	2024	2023
Female employee turnover rate	%	11.26	9.95	8.91
Number of female employees departed	Persons	976	896	806
Turnover rate of employees under 30 years old	%	22.08	17.12	18.70
Number of employees under 30 years old departed	Persons	1,762	1,359	1,415
Turnover rate of employees aged 30-50	%	7.94	8.15	8.18
Number of employees aged 30-50 departed	Persons	2,334	1,968	1,914
Turnover rate of employees over 50 years old	%	10.33	12.19	8.90
Number of employees over 50 years old departed	Persons	368	379	285
Turnover rate of senior manager	%	3.66	5.64	/
Departed senior managers	Persons	42	60	/
Turnover rate of middle manager	%	4.57	5.65	/
Departed middle managers	Persons	138	181	/
Turnover rate of general employees	%	14.49	11.20	/
Departed general employees	Persons	4,284	3,456	/
Turnover rate of minority employees	%	16.11	12.26	/
Departed minority employees	Persons	185	147	/
Voluntary employee turnover rate	%	10.7	9.15	8.41
Total number of voluntary resignations	Persons	3,600	3,220	2,874
Total training sessions	Times	476,586	462,788	449,390
Total employees trained	Persons	33,742	35,197	34,178
Male employees trained	Persons	25,071	26,195	25,129
Female employees trained	Persons	8,671	9,002	9,049
Senior managers trained	Persons	1,143	1,063	1,086
Middle managers trained	Persons	3,021	3,202	3,193
General employees trained	Persons	29,578	30,932	29,899
Employees under 30 years old trained	Persons	7,979	7,937	/
Employees aged 30-50 trained	Persons	22,199	24,150	/
Employees over 50 years old trained	Persons	3,564	3,110	/
Percentage of certified personnel by positions	%	6.57	4.40	2.95
Number of certified personnel by positions	Persons	2,217	1,549	1,008

Indicator	Unit	2025	2024	2023
Total training time	Hours	1,347,264	1,270,612	1,198,320
Average training hours	Hours/person	39.93	36.10	35.06
Average training hours of male employees	Hours/person	38.9	37.83	36.79
Average training hours of female employees	Hours/person	31.9	31.05	30.26
Average training hours of senior managers	Hours/person	31.01	29.96	28.95
Average training hours of middle managers	Hours/person	28.71	27.75	26.83
Average training hours of general employees	Hours/person	38.22	37.18	36.16
Average training hours of employees under 30 years old	Hours/person	38.47	37.53	/
Average training hours of employees between 30 to 50 years old	Hours/person	36.80	36.08	/
Average training hours of employees over 50 years old	Hours/person	32.97	32.64	/
Average training hours of employees from the Chinese mainland	Hours/person	39.93	36.11	35.06
Average training hours of employees from Hong Kong, Macao and Taiwan regions	Hours/person	22.25	20.36	/
Average training hours of Han employees	Hours/person	36.70	36.16	/
Average training hours of minority employees	Hours/person	35.13	34.44	/
Average training hours of Professionalism	Hours/person	30.47	30.02	/
Average training hours of Leadership	Hours/person	27.46	27.06	/
Average training hours of Operational Capabilities	Hours/person	52.44	51.67	/
Training investment	RMB	28,539,984	30,516,892	33,070,664
Average training investment	RMB/person	846	867	968
Employee fatalities due to safety incidents	Persons	0	0	0
Contractor fatalities due to safety incidents	Persons	0	0	0
Contractor work-related injuries	Cases	0	0	/
Employee fatalities rate due to safety incidents	%	0	0	0
Recordable employee incidents ¹⁶	Cases	17	19	27
Recordable contractor incidents	Cases	0	0	/
Recordable employee incident rate (excluding fatalities)	%	0.05	0.04	0.08
Employee lost hours due to work-related injuries	Hours	4,062	3,748	11,444
Employee lost days due to work-related injuries	Days	508	469	1,431
Employee lost-time injury frequency rate (LTIFR) per million working hours	Case/million working hours	0.25	0.27	0.40
Lost-time injury frequency rate (LTIFR) per million working hours (employees & contractors)	Case/million working hours	0.22	0.24	/
Recordable incident rate per thousand employees	Case/thousand people	0.50	0.54	0.79

¹⁶ Include incidents caused employees injuries in different work situations.

Indicator	Unit	2025	2024	2023
Recordable incident rate per thousand contractors	Case/thousand people	0	0	/
Recordable incident rate (per thousand employees & contractors)	Case/thousand people	0.37	0.47	/
Total safety training	Times of participation	427,156	426,102	427,697
Safety training for general manager level	Times of participation	9,850	9,145	8,230
Safety training for safety management personnel	Times of participation	11,425	10,680	10,968
Safety training for employees	Times of participation	405,881	406,277	408,499
Full-time security management staff	Persons	935	936	837
Safety emergency drills	Times	8,720	8,116	9,895
Patents under application	Items	38	347	143
Effective patents	Items	2,418	2,349	1,089
Effective copyrights	Items	835	682	372
Effective trademarks	Items	451	494	8
R&D investment	RMB 100 million	7.53	7.6	10.7
Effective and significant complaints investigated	Cases	0	0	0
Concluded legal cases regarding corruption practices	Cases	0	0	0
Senior management received anti-corruption training	Persons	1,767	941	967
Employees in key positions received anti-corruption training	Persons	1,690	1,552	1,556
Employees received anti-corruption training	Persons	3,909	3,562	3,576
Class A suppliers (Significant)	Entities	92	152	179
Class B suppliers (Important)	Entities	1,138	1,783	949
Class C suppliers (General)	Entities	7,530	5,065	3,972
Number of suppliers from the Chinese mainland	Entities	8,758	7,000	/
Number of suppliers from Hong Kong, Macao and Taiwan regions	Entities	0	0	/
Number of overseas suppliers	Entities	2	0	/
Audit coverage of significant tier-1 suppliers in the past three years	%	100	100	100

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Requirements, Subject Area, Aspects, General Disclosures and KPIs		Location within the Report
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements:	Board Statement
	(i) a disclosure of the board's oversight of ESG issues;	
	(ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and	
	(iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:	About This Report
	Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	
	Quantitative: Information on the standards, methodologies, assumptions and/ or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	
	Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About This Report

"Comply or Explain" Provisions		
Requirements, Subject Area, Aspects, General Disclosures and KPIs		Location within the Report
Environmental	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	Aspect A1: Emissions	
	A1.1 The types of emissions and respective emissions data.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A1.5 Description of emission target(s) set and steps taken to achieve them.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	Aspect A2: Use of Resources	
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Company's main business barely involves the use of packaging materials. This issue is not material to the Company.
Social	Aspect A3: Environment and Natural Resources	
	General Disclosure: Policies on minimising the issuer's significant impacts on the environment and natural resources.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Low-Carbon Development Marching Towards the Green-Oriented Journey
	Aspect B1: Employment	
	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Talent Jointly Forging Brilliance
	B1.1 Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	Talent Jointly Forging Brilliance
	B1.2 Employee turnover rate by gender, age group and geographical region.	Talent Jointly Forging Brilliance
	Aspect B2: Health and Safety	
	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Safety Fortifying the Foundation of Stability
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Safety Fortifying the Foundation of Stability
	B2.2 Lost days due to work injury	Safety Fortifying the Foundation of Stability
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Safety Fortifying the Foundation of Stability

"Comply or Explain" Provisions		
Requirements, Subject Area, Aspects, General Disclosures and KPIs		Location within the Report
Social	Aspect B3: Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.
		Talent Jointly Forging Brilliance
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).
	Aspect B4: Labour Standards	B3.2 The average training hours completed per employee by gender and employee category.
		Talent Jointly Forging Brilliance
	Aspect B5: Supply Chain Management	General Disclosure: Information on: (a) the policies; and
		Talent Jointly Forging Brilliance
		(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.
		Talent Jointly Forging Brilliance
	Aspect B6: Product Responsibility	B4.1 Description of measures to review employment practices to avoid child and forced labour.
		Talent Jointly Forging Brilliance
		B4.2 Description of steps taken to eliminate such practices when discovered.
		Talent Jointly Forging Brilliance
		General Disclosure: Policies on managing environmental and social risks of the supply chain.
		Ecology Harmony in Co-Creating a New Vision
		B5.1 Number of suppliers by geographical region.
		Ecology Harmony in Co-Creating a New Vision
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.
		Ecology Harmony in Co-Creating a New Vision
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.
		Ecology Harmony in Co-Creating a New Vision
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.
		Ecology Harmony in Co-Creating a New Vision
	Aspect B7: Anti-corruption	General Disclosure: Information on: (a) the policies; and
		Safety Fortifying the Foundation of Stability
		(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.
		Ecology Harmony in Co-Creating a New Vision
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.
		Safety Fortifying the Foundation of Stability
		B6.2 Number of products and service related complaints received and how they are dealt with.
		Ecology Harmony in Co-Creating a New Vision
		B6.3 Description of practices relating to observing and protecting intellectual property rights.
		Ecology Harmony in Co-Creating a New Vision
	Aspect B8: Community Investment	B6.4 Description of quality assurance process and recall procedures.
		The Company's main business barely involves product recycling. This issue is not material to the Company.
		B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.
		Safety Fortifying the Foundation of Stability
		General Disclosure: Information on: (a) the policies; and
		Operational Excellence The Path to Resilience and Success
		(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.
	Aspect B9: Environmental Protection	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.
		Operational Excellence The Path to Resilience and Success
		B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.
	Aspect B10: Environmental Protection	B7.3 Description of anti-corruption training provided to directors and staff.
		Operational Excellence The Path to Resilience and Success
		Operational Excellence The Path to Resilience and Success
	Aspect B11: Environmental Protection	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.
		Ecology Harmony in Co-Creating a New Vision
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).
	Aspect B12: Environmental Protection	Ecology Harmony in Co-Creating a New Vision
		B8.2 Resources contributed (e.g. money or time) to the focus area.
	Aspect B13: Environmental Protection	Ecology Harmony in Co-Creating a New Vision
		Ecology Harmony in Co-Creating a New Vision

Part D: Climate-related Disclosures	Location within the Report
Governance	
Skills and Competencies of the Board-Level Governance Body	Climate Change Response
How and How Often the Board-Level Governance Body Receives Information	Climate Change Response
Oversight by the Board-Level Governance Body	Climate Change Response
Role and Responsibilities of Management	Climate Change Response
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Climate-Related Risks and Opportunities	Climate Change Response
Business Model and Value Chain	Climate Change Response
Strategy and Decision-Making	Climate Change Response
Financial Position, Performance, and Cash Flows	Climate Change Response
Climate Resilience	Climate Change Response
Risk Management	
Processes for identifying, assessing, prioritising, and monitoring climate-related risks	Climate Change Response
Processes for identifying, assessing, prioritising, and monitoring climate-related opportunities	Climate Change Response
Integration of climate-related risks and opportunities into overall risk management processes	Climate Change Response
Metrics and Targets	
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Climate-related physical risks	Climate Change Response
Climate-related opportunities	Climate Change Response
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Internal carbon pricing	Climate Change Response
Compensation	Climate Change Response
Industry benchmarks	Climate Change Response
Climate-related targets	Climate Change Response

GRI Indicator Index

Statement of Use	ENN Energy has reported the information cited in this GRI content index for the period from January 1, 2025, to December 31, 2025, with reference to the GRI Standards
GRI 1 used:	GRI 1: Foundation 2021

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List of the ENN Energy's ESG Policies

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ENN Energy Rules for Vehicle Management	A2 Use of Resources
ENN Energy Holdings Limited Sustainable Development Policy	A2 Use of Resources
ENN Energy Holdings Limited Biodiversity Policy and Zero-Deforestation Commitment	A3 The Environment and Natural Resources
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ENN Energy Holdings Limited Human Rights and Employee Diversity Policy	B1 Employment
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Measures for Attendance and Vacation Management	B1 Employment
ENN Energy Holdings Limited Health and Safety Policy	B2 Health and Safety
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Guidelines for Third-Party Construction Control	B2 Health and Safety
Management Regulations for Suppliers' Construction Safety	B2 Health and Safety, B5 Supply Chain Management

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ENN Energy Regulations on Material Procurement Management	B5 Supply Chain Management
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ENN Group Supplier Blacklisting Management Measures (The Group)	B5 Supply Chain Management
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Regulation on Data Classification	B6.3 Description of Practices Relating to Observing and Protecting Intellectual Property Rights
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Information Disclosure Collaboration Management System	/
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Gas Service Guidelines	B2 Health and Safety
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Core Role Operational Rules of ENN Energy Corporation	B3 Development and Training

Reader's Feedback Form

Dear readers:

Thank you for reading our *2025 Environmental, Social, and Governance (ESG) Report*. To strengthen engagement with you and other stakeholders, improve our environmental, social, and governance performance, and enhance future reports, we value your comments and invite your feedback as follows:

Please share your specific feedback:

Questions

1. What is your overall comment on this report?

- ☐ Good
- ☐ Fine
- ☐ Average
- ☐ Below average

2. What do you think about the clarity, accuracy, and completeness of the information disclosed in this Report?

- ☐ Good
- ☐ Fine
- ☐ Average
- ☐ Below average

3. What do you think of the comprehensiveness of the economic responsibilities undertaken by the Company disclosed in this Report?

- ☐ Good
- ☐ Fine
- ☐ Average
- ☐ Below average

4. What do you think of the comprehensiveness of the environmental responsibilities undertaken by the Company disclosed in this Report?

- ☐ Good
- ☐ Fine
- ☐ Average
- ☐ Below average

5. What do you think of the comprehensiveness of the social responsibilities undertaken by the Company disclosed in this Report?

- ☐ Good
- ☐ Fine
- ☐ Average
- ☐ Below average

6. What do you think of the design and layout of this Report?

- ☐ Good
- ☐ Fine
- ☐ Average
- ☐ Below average

7. Which part of this Report do you think needs improvement?

- ☐ Governance
- ☐ Safety
- ☐ Service
- ☐ Supply chain
- ☐ Employees
- ☐ Environment
- ☐ Social

8. Information you would like to see that is not included in this Report:

9. Your opinions and suggestions on our environmental, social, and governance performance and reporting:

