2018 Environmental, Social and Governance Report



China Tian Lun Gas Holdings Limited

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China Tian Lun Gas Holdings Limited



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2018 Environmental, Social and Governance Report



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About this Report

China Tian Lun Gas Holdings Limited (the "Company") (Stock Code: 1600) hereby presents the Environmental, Social and Governance Report 2018 ("the Report" or the "ESG" Report) of the Company and its subsidiaries (collectively, the "Group" or "Tianlun Gas"). This is the first independent annual ESG report of the Group. Adhering to the mission of developing clean energy and improving living environment, the Group provides customers with safe and clean energy, and promotes environmental improvement and protection. In the Report, the Group demonstrates its practices and performances in various ESG aspects in 2018 in an open and transparent manner. The Group strengthens communications with stakeholders and the public by the Report to let them understand the Group's ESG activities and related impacts, thus enhancing their confidence in the Group.

Reporting Scope

The information and data in the Report cover the period from 1 January 2018 to 31 December 2018, which is consistent with the financial year covered by the Group's 2018 annual report. The Report covers the Group's principal businesses including its investment, operation and management of gas pipeline connections, transportation, distribution and sales of gas, construction and operation of gas filling stations, and production and sales of LNG in China. There are no significant adjustments in the reporting scope compared with the ESG Report 2017 in the Annual Report 2017 published on 26 April 2018.

Reference

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEX"). The Report is presented according to the reporting principles of ESG Reporting Guide:

• Materiality: The Group determines material ESG aspects with stakeholder engagement and materiality assessment;

• **Quantitative:** The Report discloses the key environmental performance indicators in environmental and social areas of the Group in quantitative terms;

• Balance: The Report provides an unbiased picture of the Group's environmental and social performance;

• Consistency: The methodology for preparing ESG report is consistent with previous years.

Report Availability

The Report is available in electronic version which can be viewed or downloaded on the website of the Company (www.tianlungas.com) and the HKEXnews website (www.hkexnews.hk).

Contact Information

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Chairman's Statements

Chairman Mr. Zhang Yingcen 16th July 2019



With China's fast growing economy, the needs for new energy supply and problems of environmental protection are increasing. Natural gas, as an economic, stable, safe and efficient clean energy, has strategic significance in China's urbanization acceleration, lowcarbon economic development, energy structure upgrading, energy saving and environmental protection, addressing climate change, etc. As one of modern clean energy recognized by the country, natural gas has gained national policy support, and enjoyed more proportion in the non-renewable energy structure of the nation. It gives greater momentum to its development as one of the major energy in modern clean energy system of our country.

With the mission to "develop the clean energy and improve the living environment", the Group devotes themselves to improve people's livelihood. The Group has been focused on development and utilization of natural gas to provide clean and convenient natural gas to clients. In 2018, with the joint efforts of the staffs, the Group responded to market opportunities and challenges, and guaranteed safe and stable gas supply in current operation areas. The Group also actively responded to the Chinese government's call for coal-to-gas conversion and launched a township coal-to-gas conversion project in Henan Province, providing gas pipeline connections services for more than 380,000 gas users of the project. In addition, the Group vigorously promoted value-added services for township coal-to-gas conversion users, and strove to provide more comprehensive services for township users, bringing good gas use experience to township users. During the year, the Product Standards, Installation Standards and Security Inspection Service Standards were completed to further reduce safety risks.

The Group continues to improve customer service quality, and provide customers with more convenient and comfortable experience through innovative grid management and diversified payment platform as well as considerable value-added services. The Group focuses on continuous staff cultivation: combines internal qualified coach selection and external professional trainer employment, carries out training plans and provides career promotion path for staffs of all levels. At the same time, the Group creates safe and comfortable working environment and competitive compensations for staffs to improve their sense of belonging and happiness continuously.

In the future, the Group will adjust overall strategy timely, following favorable opportunities of national policies and economic environment. While maintaining continued rapid growth of performance, the Group will explore the way of sustainable development and contribute to the society and environment.

About the Company

Company Profile

Tianlun Gas was established in 2002 which is one of the earlies enterprise specialized in gas pipeline connections, transportation, distribution and sales of gas, construction and operation of gas filling stations, and production and sales of LNG, etc. On 10th November 2010, the Company was listed on mainboard of HKEX with stock code 1600. Currently, Tianlun Gas has successfully operated 60 urban gas projects in 17 provinces, 51 gas refilling stations, 1 LGN plants and 6 Long-haul pipelines (among which, 3 have been put into operation, 3 are under construction/planning).





	Unit	2018
	Million RMB	11,434
	Million RMB	5,113
	Million RMB	600
	RMB	0.5751
	Households	2,354,203
	Ten thousand m ³	129,236
smission volume	Ten thousand m ³	86,759

	Unit	2018
	People	2,843
	People	1,769
	People	1,074
n rate of subsidiaries	%	100
	Ten thousand RMB	2,000

	Unit	2018
	Tonnes	193.43
	Tonnes	102.11
	Ten thousand m ³	92.09
	MWh	45,466.21
otion	MWh/Million RMB revenue	14.45
emissions	tCO ₂ e/ Million RMB revenue	8.01

Responsible Governance, Compliance and Self-Discipline

Good governance is an important basis for a company's sustainable development. The Group builds sound ESG management organization structure, actively communicates with stakeholders and strengthens compliance and risk governance to continuously improve ESG management. Besides, in compliance with relevant laws and regulations, the Group conducts anti-corruption governance to achieve cleanness and self-discipline, thus guaranteeing healthy development.

This chapter responds to the UN Sustainable Development Goals:

16 PEACE, JUSTICE AND STRONG

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The Group insists on sustainable development strategy and conducts ESG work from operating with compliance, strengthening safety management, improving service quality, implementing environmental protection, accelerating staff development, actively giving back to the society, etc. The Group integrates ESG concepts into the process of strategy planning and decision making. The Group follows global sustainable development trend and makes efforts to achieve UN Sustainable Development Goals.





ESG

Decision maker

Management

The Group puts great emphasis on ESG work and constantly improves ESG management system. The Group has built ESG management structure that is composed of Board of Directors, management, responsible departments and ESG working group. Through this structure, the Group conducts ESG management comprehensively and improve ESG management level which effectively responds to the ESG risks and opportunities.

Related Responsibilities management level bodies • Evaluating and determining ESG risks • Ensuring that appropriate and effective ESG risk management and **Board of** internal control systems are in place Directors • Approving ESG strategy and planning, supervising ESG work • Reviewing ESG performance and approving annual ESG report • Executing ESG risk management and internal control systems • Reporting ESG risks and opportunities to the board • Providing confirmation to the board on the effectiveness of the ESG risk management and internal control systems Management • Preparing ESG strategy and planning and reporting to the board Assigning works based on approved ESG strategy • Reporting to the board on ESG performance and annual ESG report

Responsible department	Investor Relations Department	 Organizing and coordinating ESG working group to carry out ESG work Accelerating the implementation of ESG material aspects Preparing annual ESG report and reporting to the management
ESG working group	Headquarter functional departments and all subsidiaries	 Assigning responsible personnel and implementing specific ESG work Collecting information and data Assisting in the preparation of annual ESG report

Stakeholder Engagement

The Group provides diversified communication channels for shareholders/ investors, customers, employees, government, suppliers, environment and society, etc. to understand needs of the stakeholders, actively respond to their concerns and accept their supervision.

Stakeholder	Expectation and requirements	Communica methods ar
Shareholders /investors	Development strategies of the Company Growth potential of the Company Investment returns Timely information disclosure Corporate compliance	Results confere General meetir Roadshows Interim and an Project researc
R Customers	Safe and steady supply of gas Service quality Protection of personal information of customers Reasonable price	Customer satis Complaints an multiple chanr
Employees	Compensation and benefits Training and development Working environment Relationship with employees	Staff represent Internal and ex for employees Staff activities
Government	Pay taxation in accordance with the law Timely and regulated information disclosure Safe operation in compliance with the law Control regulations Environmental protection	Institution visit Give work repo Daily commun Information di
Suppliers	Punctual performance of contractual obligations Transparent procurement Corporate reputation	Supplier discus meetings Daily commun Strategic coop
Ø Environment	Energy saving and emission reduction Reduce environmental impacts	Environmental assessment an communicatio Environment n
Community	Facilitate regional development Business ethics Carry out public welfare	Charity events Volunteer activ

cation and channels	Response and feedback
erences etings annual reports arch	Disclosure of announcements, resolutions of general meetings and financial reports as required Strive to improve profitability Timely disclosure information Actively organise field research of projects
tisfaction survey and advices from Innels	
entatives external training es es	Establish a fair remuneration and promotion mechanism Expand the types and methods of training Care for employee health Organise staff activities Provide a healthy and safe working environment
isits ports unication disclosure	Operation in compliance with the laws and regulations Accept government inspections and visits Truthful and accurate information disclosure Carry out operating activities in accordance with policies Actively facilitate coal-to-gas conversion
cussion unication operation	Open tender and performance of contracts as agreed
tal impact and external tion t management	Supply clean energy Practice resources saving
its tivities	Tian Lun Charity Fund Take part in public welfare

Materiality Assessment

In accordance with the "ESG Reporting Guide" and international standards, the Group constructs ESG materiality assessment model to carry out materiality assessment. The Group determines environmental and social aspects that have great impacts on the Group and stakeholders through materiality assessment. The Group discloses and responds to these material aspects in this report.



Materiality	ESG Aspects	No.
	Safe work	1
	Customer service	2
	Environment emergency management	3
High	Waste water and waste gas	4
High	Energy saving	5
	Employment according to law	6
	Occupational health	7
	Hazardous waste	8
	Noise control	9
	Water saving	10
Moderate	Product innovation	11
Moderate	Combat corruption and advocate integrity	12
	Staff training	13
	Partners	14
	Greenhouse gas	15
Low	Solid waste	16
	Social charity	17

Operation Compliance

The Group strictly manages and controls signs, intellectual property rights and advertisement, etc. and prevents legal risks so as to operate according to laws and protect the Group's legal rights and interests.



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Intellectual Property Rights



Advertising



The Group prepares Tian Lun Visual Identity Design Handbook which regulates each element and usual applications under different situations to build unified and unique corporate image.

In compliance with relevant laws and regulation, including but not limited to the Patent Law of the People's Republic of China, Trademark Law of the People's Republic of China, Copyright Law of the People's Republic of China, Anti-Unfair Competition Law of the People's Republic of China, the Group established the Tianlun Gas Intellectual Property Rights Management Policy to strengthen management of patent rights, trademark rights, copyrights, business secrets and other intellectual property rights.

In compliance with relevant laws and regulations including but not limited to Advertising Law of the People's Republic of China, the Group established the Tianlun Gas Advertising Management Policy to manage advertising in a unified way and regulate advertisement design and placement.

Anti-Corruption and Self-Discipline

In compliance with relevant laws and regulations relating to anti-corruption, including but not limited to the Company Law of the People's Republic of China, Anti-unfair Competition Law of the People's Republic of China, Anti-Money Laundering Law of the People's Republic of China, the Group formulated the Cadre Management Rules, the Rewarding and Punishment Policy for Reporting, Supervision Management Policy, Three Red Lines and Five Bans and Violation Punishment Management Rules, etc., to avoid bribery, extortion, fraud and money-laundering, etc. The audit and supervision department of the Group (the "Audit and Supervision Department") is responsible for the Group's overall supervision to ensure that members of the Group operate in accordance with laws and regulations and the Group's policies.

The Group encourages internal and external reporting of violation against laws and regulations relating to anti-corruption and sets up smooth reporting channels, including visit reporting, anonymous phone reporting, mail and letter reporting, online reporting, etc. The Audit and Supervision Department prints and gives out audit inspection contact cards to partner, suppliers, customers and staff etc. to notify them of whistleblower channels. If violations are reported and confirmed, the Audit and Supervision Department will impose punishment according to related policies. Severe cases will be transferred to judicial department.



In 2018, the Group conducted various activities promoting audit and supervision policies and work to advocate integrity culture. During the reporting period, no legal case regarding corrupt practice was brought against the Group. Besides, the Group was not aware of any non-compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.

In August 2018, Tian Lun Gas held audit meeting when all cadres and key post staffs of the Group signed the Integrity and Self-Discipline Commitment Letter.

In October 2018, Tian Lun Gas organized company leaders to visit Xinzheng jail for integrity promotion.



The Group hangs audit promotion boards of "Regulated and Transparent Operation" and policy promotion posters at the business halls of its members to promote the concept of operation in compliance with the law.





Safe Gas Supply, Reliable Operation

In compliance with relevant laws and regulations, including but not limited to Production Safety Law of the People's Republic of China, Special Equipment Safety Law of People's Republic of China, the Group stays true to its management philosophy of "Safety first, focus on prevention, involvement of all staffs and continuous improvement". The Group established safety management system, promoted safety standardization reviews, conducted "prevention of three violations", investigated and controlled hidden dangers advanced hidden dangers, etc., to reduce safety risks and create safe environment.

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This chapter responds to the UN Sustainable Development Goals:



Safety Management

The Group has always regarded safety management as the cornerstone of its continuous operation and development, and continuously improves the standards and requirements for safety management. The Group formulated a series of safety policies such as the Safe Work Management Policy, Guides for Building Safe Production Management System, Safe Work Supervision Management Policy, etc. The Group also established safe work management structure that is composed of leading organization, supervising organization and supporting organization in the Group and the members with clear roles and responsibilities of safety personnel of all levels. The Group has established sound safety management system to conduct safety work. In 2018, the Group issued the Safety Management Standardization Guideline, Hidden Safety Danger Management Policy and the "Prevention of Three Violations" System that was against "illegal operations, illegal command, and violation of labor discipline", etc. to improve safety management system.



Risk Control System





The Group insists on promoting safety management system with the core of risk control. To achieve safety goals, the Group organizes members to establish position safety production responsibility regulations, and to clarify roles and responsibilities of the positions. The Group also carries out safety assessment and gives rewards or punishments based on the Management Policy of Safety Goals and Assessments.

During the reporting period, there were no non-compliance with laws and regulations relating to providing a safe working environment.



The Group has established a standardized management system for occupational health, safety and environment. Eight aspects of each member of the Group, including system construction, engineering, station, transmission and distribution, customers, fire protection, transportation, environment and society, have been unified and standardized according to the Tianlun Gas Safety Management Standardization Guideline.

In order to improve the internal safety management level, the Group actively promotes the safety standardization based on the guideline.

The Group conducted a comprehensive inspection for the members' safety management situation through standardized, systematic and normalized safety assessment. In 2018, the Group established a three-level safety management review mechanism of company's self-review, regional comprehensive review and the Group's random review. The review completion rate of each region and each member reached 100%, and a total of more than 30 members met the national three-level standardization requirements.



Safety Standardization Certificate of Tongyu County Dadi Gas Limited

Safety Operation

Safety Working and On-site Signs

Hidden Danger

Management

and emergency drills.

The Group pays attention to the employees' personal safety, strictly implements the Dangerous Operations Management Policy and other relevant regulations. The Group strengthens the management of dangerous operations in accordance with the principle of "Graded responsibility, key control, timely declaration" to ensure that relevant safety measures were implemented during the operation, and relevant risk factors were effectively controlled, reduced or eliminated.

The Group strictly manages safety signs for stations, pipelines, fire-fighting equipment, operation records, dressing, etc. The Group unified the signs' specifications, size, content and location according to the Safety Signs Management Policy, to ensure that these signs fully remind hidden dangers and violations and that safety operation are improved.

The Group continuously strengthens the supervision and management of hidden dangers. It organizes the Group and the members to carry out comprehensive inspection, seasonal inspections, holiday inspections, spot/special inspections, and household safety inspections, etc. in accordance with the Hidden Danger Management Policy. The Group also require members and management at all levels to carry out hidden danger investigations joined with safety inspections according to the time, content and frequency requirements of Safety Production Management Policy.

The pipeline-network department of each member of the Group is responsible for inspection and management, and regularly conducts inspections according to Management Policy on Inspection of Pipelines and Ancillary Facilities. They inspect the gas pipeline networks, valve wells, pressure regulating facilities and gas facilities in the community to ensure safety of pipelines and ancillary facilities.

In 2018, the Group further improved its internal implementation standards and issued systems covering security inspection and hidden danger management, etc. From the implementation level, the Group actively organized members of the Group to carry out "safety production month" activities and various inspections to eliminate hidden dangers.

and a total of more than

30 members met the national threelevel standardization requirements.

To improve safety operations, the Group strives to promote safe operations, conduct hidden danger investigations, and strengthen accident management

Case: Safety production month to investigate and control hidden dangers

In June 2018, Dunhua Dadi Gas Limited actively carried out the safety production month activities. It classified hidden dangers, arranged rectification time according to severity, assigned responsible person and inspector, and tracked the rectification results.



In June 2018, Jilin Yitong Tianlun Gas Limited organized employees to conduct inspections on the construction site, pipeline network and ancillary facilities and station equipment during the event, and timely rectified and reviewed the hidden dangers discovered.



Accident Management In response to production safety accidents, fire accidents, traffic accidents, emergencies, etc., the Group formulated the Safe Production Accidents and Incident Management Policy to strengthen accident management, standardize accident information reporting, organize rescue timely and effectively, reduce losses, strictly conduct accident investigation, seriously investigate accident liability, carefully sum up lessons, prevent and reduce accidents. The Group adheres to the principle of "four do not allow" in accident management: do not allow that the reason of accident was not found; do not allow that the responsible person was not seriously dealt with; do not allow that the responsible person of the accident and the employees were not deeply educated; and do not allow that the preventive measures for accidents were not implemented.

During the reporting period, the number of work-related fatalities was 2 due to a traffic accident. After the accident, the Group reviewed the drivers' and supercargoes' certificates and driving records again, conducted training on the safety awareness of driving, and strengthened safety protection measures and maintenance so as to prevent similar accidents.

In 2018, the Group carried out "prevention of three violations" supervision for over **1,000** person-time.

Emergency Management

🗘 Topic:

In 2018, the Group established a "prevention of three violations" leadership and supervising team according to the "Prevention of Three Violations" System. It carried out work through the 3-level supervision mechanism of group-region-member, including "prevention of three violations" special training, organizing employees to sign safety production commitment, implementing "prevention of three violations" supervisions at the group and regional level, etc. The Group's supervisors went deep into the site to inspect the specific operations, conduct regular inspections through video surveillance and carried out punishment and rectifications on site when finding the "three violations". In 2018, the Group carried out "prevention of three violations" supervision for over 1,000 person-time, significantly reducing the occurrence of violations.

In order to effectively deal with var Emergency Management Policy, revi conducted regular assessment training and emergency drills to improve the actual response and rescue capabilities of relevant person. Each member is equipped with special emergency personnel and vehicles to carry out prompt rescue in an emergency situation.



In June 2018, Chaozhou Huamao Energy Distribution Limited conducted an emergency drill at Longhu LNG Station. This drill simulated the LNG leakage of the inlet pipe of the storage tank when preparing for unloading, and comprehensively tests the feasibility of the emergency plan and the ability of employees to respond to emergencies.



"Prevention of Three Violations"

In order to effectively deal with various emergencies, the Group formulated the Emergency Management Policy, revised and improved emergency plans annually,



Emergency personnel and vehicles of Zhengzhou Shangjie Tian Lun Gas Limited

Emergency drills

Safety Culture

The Group regards safety culture construction and safety knowledge management as the key of safety production. Through continuous innovation and exploration, the Group continuously enriches and perfects the concept and connotation of safety culture, and expands the influence of safety culture. The Group improves employees' safety awareness and guides safe production behavior by all employees' participation in safety culture communications.

The Group formulated the Management Policy on Safety Education and Training to conduct overall management of safety production education and training for the Group and its members. The members are responsible for the safety trainings. For ordinary workers, safety training focuses on safety production policies and regulations, safe operation behaviors and operation procedures; for special operators, safety training mainly focuses on new knowledge and new skills related to their positions; for other employees, safety training mainly includes safety culture concept, relevant safety regulations, and emergency disposal knowledge and skills related to their positions. All new employees must participate in pre-job safety trainings and pass the examinations.

In 2018, the Group carried out activities such as "Safe Production Month" and "Collection of Safety Culture Ideas" to strengthen employees' safety awareness and cultivated a team of safety management experts. The Group cooperated with relevant consulting agencies and introduced advanced safety management method of the industry. The Group also integrated advanced safety management knowledge and concepts into the daily production and operation through special training, revision of relevant systems, expert seminars and accident case analysis meetings.

Case: Safety Knowledge Competition

In June 2018, Dunhua Dadi Gas Limited held a safety knowledge competition with the theme of "Safety Common Sense, Knowing Should Be Known" to

improve the safety awareness of employees. The competition topic addressed the safety knowledge of the gas industry, covering "Prevention of Three Violations" System, etc., to enhance employees' attention and learning of relevant safety knowledge and regulations.



Safe Use of Gas

Reducing the risk of the user's gas system and improving the safe usage of gas are also important to the Group's safety work. The Group established a sound security management system through the Tianlun Gas Safety Inspection Management Regulations. Each member of the Group regularly conducts household safety inspections for various users such as residential/industrial/ commercial users, and thoroughly rectifies hidden dangers to ensure safe usage of gas.

Safety publicity is an important means to improve users' safety awareness. Based on the Safety Publicity Management Work Guidelines, the Group has formed a long-term mechanism for security publicity, through newspaper/TV, short message/Wechat, large-scale security promotion, household security promotion, community publicity, corporate promotion, school publicity, volunteer safety officers and other forms of security publicity activities, to popularize safety knowledge to gas users and other related companies.

In 2018, the Group organized members of the Group to carry out safety gas promotion activities monthly in the community, including the promotion and training of safe use of gas and knowledge of gas leakage treatment. In June 2018, the Group launched safe gas promotion activities and organized community users to carry out indoor leakage treatment and fire-fighting drills. From November to December 2018, the Group organized the household safety inspection of heating users, and patrolled the community to promote the knowledge of safe use of gas in winter.

🗘 Case: Saf

In June 2018, distributed more than

6,000 safety publicity materials.

In June 2018, Baiyin Natural Gas Limited went deep into the community to conduct education activities on safe use of gas. It organized staff to carry out promotion on the common sense of safe use of gas in Yinguang Community and West District Plaza, and distributed more than 6,000 safety publicity materials.



Safe Promotion

Quality Services, Cooperation and Win-win

In compliance with relevant laws and regulations, including but not limited to the Product Quality Law of the People's Republic of China and Regulation on the Administration of Urban Gas, etc., the Group provides quality products and services to customers. The Group also continuously improves supply chain management and pursues win-win cooperation with suppliers to promote the whole supply chain to manage environmental and social risks.

This chapter responds to the UN Sustainable Development Goals:

17 PARTNERSHIPS FOR THE GOALS

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Customer Services

Customer Service System

Oriented by customer demand and satisfaction, the Group strives to perfect the service concepts. The Group improves the brand awareness and acceptance in gas users through good customer service, so as to make customer service one of the core competitiveness.

The Group continues to improve the customer service system and formulated the Customer Service Specification Instruction Manual, which refined the management standards of customer service from various dimensions such as basic service specifications, post service specifications, operation rules, customer service supervision, customer service evaluation, etc. Each member specially sets up a customer service hotline and publicizes it, and arranges special staff to answer customers' calls for 24 hours. The Group regularly conducts customer satisfaction surveys, distributes questionnaires through household surveys. The survey results are collected and analyzed to form customer satisfaction assessment reports. Based on the survey results, the Group strives to make improvements accordingly and raise customer service levels. The Group regards customer information as confidential. Customers' data is properly managed by authorized personnel and could not be inquired, copied or extracted by unauthorized personnel, so as to effectively protect customer privacy.

During the reporting period, the Group was not aware of any non-compliance with laws and regulation or complaints relating to advertising, labelling and privacy matters of products and services provided.



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Trainings

The Group continues to enhance the professional skills and service awareness of customer service personnel and regularly conducts targeted training. In 2018, the Group organized special trainings for service employees and developed excellent courses in customer service training, including market research, marketing strategy formulation, business etiquette, business negotiation, large industrial user development, quick quotes for small commercial users, contract management and other courses. Thus it perfected the customer service training system, improved the professional quality of customer service staff, and standardized the work flow.

Customer Complaints

The Group attaches great importance to customer evaluation, complaints and suggestions, and formulated the Customer Complaint Management Policy. Adhering to the principle of "Customer First", the Group established various complaint channels, including telephone, website, business hall window, WeChat offical account, etc. Through these channels, the Group listens to customers' complaints and opinions, proactively deals with customer complaints and provides timely feedback.



Innovative Service

The Group fully implements the innovative management thinking of "Internet +" and further promotes the construction of information technology. Through system integration, the gas billing system has realized the billing through multiple types of IC card metres on the same platform. Through the formulation of an impeccable metre reading plan, billing and prepayment for different types of users could be carried out. In addition, by connection to major third-party payment platforms in China, gas users are able to pay real-time bills online via Alipay, Wechat, self-service terminals and banks, which has significantly saved waiting time for users to queue up for payment.



The Group actively adopts Yilian cloud customer service system to provide customers with one-stop service and improve customer satisfaction through functions such as cloud meter reading, cloud security check, cloud call, cloud work order and cloud charging, etc.





Cloud Customer Service System

Supplier Management

The Group maintains a good and stable relationship with various suppliers, and established a good corporate reputation through open bidding, ontime contract execution and transparent procurement, to ensure the stable development of the business. The Group irregularly holds supplier meetings to fully communicate with suppliers, exchange ideas regarding problems in the cooperation process, and optimize the cooperation programs.

The Group complies with relevant laws and regulations, including but not limited to the Law of the People's Republic of China on Tenders and Bids, and the Provisions on the Scope and Threshold of Construction Projects for Bid Invitation, etc. In order to further standardize the management of engineering projects and production materials, the Group formulated and strictly implemented the Project Management Guidance Manual, the Project Management Policy, Material Management Policy, the Management Policy for Market Survey of Material Purchase, etc. and established a complete supplier selection, evaluation and termination system. It requires all suppliers to obtain certification for quality management system, environmental management system and occupational health and safety management system, to strictly manage the environmental and social risks of the supply chain.

The Group requires bidders to strictly comply with the provisions prohibiting commercial bribery in relevant laws and regulations, including the Anti-Unfair Competition Law of the People's Republic of China, the Criminal Law of the People's Republic of China, etc. The bidders should follow the principles of "Law-abiding, Honest, Fair, and Scientific". The Group added a special clause on "Anti-corruption and bribery" in the bidding documents and resolutely refused commercial bribery and other unfair business practices. The Group publicizes the auditing and supervision department's telephone number, email address and other reporting channels to suppliers, and encourages them to report commercial bribery and other improper business practices.



Topic:

• According to the requirements on safety construction management and relevant laws and regulations including Construction law of the People's Republic of China, the Group signed a Safety Construction Agreement with the construction suppliers. They are required to establish a sound safety production responsibility system and a safe production management system, and strictly implement relevant technical specifications and safe operating procedures to achieve safe construction.

- employees.

• Each member imposed penalties and eliminations on the construction suppliers based on the evaluation results and supervisors' monthly assessment.

As of 31 December 2018, the number of suppliers of the Group by province is shown as below:



Construction Supplier Management

• The Group signed a Special Account Co-management Agreement with the construction suppliers to jointly manage the special account, to ensure that the wages of migrant workers can be paid in a timely and sufficient amount.

• Each member regularly conducts monthly evaluations and comprehensive evaluation of individual projects on construction units with the principle of "Fairness, Openness and Justice", so as to promote improvement of project quality, fulfil safe production, and ensure occupational safety and health of

Clean Development, Environment improvement

The Group complies with relevant laws and regulations, including but not limited to the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution, the Law of the People's Republic of China on Prevention and Control of Water Pollution, and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Law of the People's Republic of China on the Prevention and Control of Environmental Noise, etc. The Group formulated Occupational Health and Environmental Protection Management Policy and established corresponding standards and operational procedures to reduce the impacts on the environment.

This chapter responds to the UN Sustainable Development Goals:



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Providing Clean Energy

In 2018, the central government of China took the opportunity of the strategy of energy restructuring to vigorously promote the development and utilization of natural gas. As an enterprise committed to developing clean energy, the Group fully responds to the government's call for air pollution treatment and insists on the utilisation and promotion of natural gas. Leveraging the opportunities brought by China's policies for acceleration for utilisation of natural gas, the Group actively provides optimisation plans to enterprises with high energy consumption and heavy pollution in the areas in which it operates, and promotes the development of coal-to-gas conversion to further reduce the emission of atmospheric pollutants from coal combustion.

Topic:

The Group provided 382,591 rural households in Henan with gas connection services as of 31 December 2018.

In June 2018, Henan Tianlun Gas Group Co., Ltd., an indirect wholly-owned subsidiary of the Company, entered into a partnership agreement with Henan Zhongyujin Holdings Investment Management Co., Ltd. and Henan Yuzi Urban-Rural Integrated Construction Development Co., Ltd. to establish Henan Yuzi Tianlun New Energy Investment Fund Center, which is committed to providing support for the township coal-to-gas conversion project in Henan Province. At the end of July 2018, the Group launched the township coal-to-gas conversion project in Henan. The Group provided 382,591 rural households in Henan with gas connection services as of 31 December 2018.

In 2018, the Group's urban gas operation and
transmission business distributed a total of
2.16 billion cubic meters of natural gas.
Based on the gas sales volume, the Group helped to
reduce the emissions from approximately
3.6 million tonnes of coal,
representing a reduction of emissions of approximately
3.98 million tonnes of carbon dioxide,
which is equivalent to the annual carbon absorption of
170 million trees.

Coal-to-gas Conversion

Emission Reduction

In July 2018, the State Council issued the Three-Year Action Plan to Win the Blue Sky Defence War, in which the central government of China made it clear that it would vigorously adjust and optimize the industrial structure and energy structure, continuously implement air pollution prevention and control actions. As a gas supplier, the Group fully responds to the call of the country to win the blue sky defense war, and is committed to promoting environmental protection and improving air pollution. On the one hand, it promotes the progress of coalto-gas conversion, and helps industrial and commercial users and residential users reduce emissions of pollutants and greenhouse gas. On the other hand, the Group promotes energy saving and carbon emission reduction from itself, and takes the road of sustainable development.

The Group formulated the Occupational Health and Environmental Protection Management Policy and established the Safety and Environment Technology Department which is responsible for environmental protection in the production activities of the Group and its members. The safety management committees of the members of the Group are responsible for their environmental protection management respectively, including publicizing and enforcing environmental protection laws and regulations, supervising and inspecting environmental work, and minimizing the impact of company activities on the surrounding environment. The Group regards the formulation of the environmental protection system and the implementation of environmental protection measures as part of the performance appraisal of members, and gives appropriate rewards and punishments accordingly. During the reporting period, there were no environmental cases of violation against laws and regulations.

The Group's waste gas emissions include mainly emissions of nitrogen oxides, sulphur dioxide and particulate matter from the use of vehicles. The Group reduced fuel consumption and waste gas emissions by controlling the use of vehicles. The Group's wastewater are mainly production wastewater generated by LNG plants, as well as domestic wastewater generated from operations and workplaces. The production wastewater is discharged into local sewage treatment plants for professional treatment, and domestic wastewater is discharged into municipal pipe networks.



generated by the Group are shown as below:

A1.1 Emissions Nitrogen oxides (NOx) Sulfur dioxide (SO_2) Particulate matter Wastewater discharge

*Note: Domestic wastewater is discharged into the municipal pipe network. The Group has not monitored the domestic wastewater discharge. The wastewater discharge data disclosed in the Report only includes the production wastewater from the LNG plant. The Group will consider gradually establishing a monitoring system and disclosing it at an appropriate time.

Case:

In 2018, the cooking fume concentration is about **1.5mg/m3**, and the annual discharge is **18kg**.

In 2018, for the situation that the concentration of canteen cooking fume exceeds the maximum allowable emission concentration specified in the Farming Standard for Cooking Fume (Trial) (GB18483-2001), Jilin Changling County Tianlun Gas Limited installed an induced draft fan with a wind volume of not less than 8000m³/h and an electrostatic fume purifier with a removal rate of not less than 60%. After purification, the emissions meet the standards, specifically, the cooking fume concentration is about 1.5mg/m³, and the annual discharge is 18kg.



During the reporting period, the types of emissions and respective emission data

Emissions (tonnes)
5.12
0.01
0.44
4,340

Jilin Changling County Tianlun Gas Limited's canteen gas reform



The Group's greenhouse gas emissions mainly include scope 1: direct greenhouse gas emissions and scope 2: energy indirect greenhouse gas emissions. Direct greenhouse gas emissions mainly include emissions from gasoline and diesel combustion of vehicles, as well as emissions from the use of natural gas. Energy indirect greenhouse gas emissions mainly include emissions from purchased electricity and purchased heat. Given the fact that greenhouse gas emissions are mainly from energy consumption, the Group encourages green office, promotes energy conservation awareness, and adopts energy conservation measures to reduce energy usage, so as to reduce greenhouse gas emissions.

During the reporting period, the Group's greenhouse gas emissions in total and intensity are shown as below:

A1.2 Greenhouse gas	Emissions	Unit
Scope 1: Direct emissions	2,901	tCO ₂ e
Scope 2: Energy indirect emissions	38,059	tCO ₂ e
Total GHG emissions	40,960	tCO ₂ e
GHG emissions intensity	8.01	tCO ₂ e/million RMB revenue

The Group's non-hazardous waste is mainly domestic garbage; hazardous waste mainly includes oil-water mixture in natural gas dehydration, impurities and filter membrane in natural gas filtration, waste activated carbon in lean amine filter, mercury remover in the LNG plant. In compliance with Directory of National Hazardous Wastes and the requirements of operation locations, the Group entrusts qualified hazardous waste disposal agencies to conduct unified collection and treatment for hazardous wastes when storing and handling them. Domestic wastes are collected, transported and disposed by the municipal sanitation department. The Group adopts various methods to control wastes, including recycling of qualified wastes, and encouraging the use of double-sided printing to reduce resource waste and amount of waste generated.

During the reporting period, the total hazardous waste and non-hazardous waste and intensity of the Group are shown as bellow:

A1.3 & A1.4 Hazardous and non-hazardous wastes	Emissions	Unit
Total hazardous waste	2.12	tonnes
Hazardous waste intensity	0.00041	tonnes/ million RMB revenue
Total non-hazardous waste	1,409.63	tonnes
Non-hazardous waste intensity	0.28	tonnes/ million RMB revenue

Resources Conservation

As an energy company, the Group attaches great importance to energy conservation, strictly abides by the requirements of the Energy Conservation Law of the People's Republic of China and other laws and regulations. It promotes green operation and advocates green office concept through the Office Energy Conservation Management Policy, carries out energy conservation, emission reduction, and use of resources rationally and efficiently throughout the daily operations of the Group:



promote water-saving awareness, turn off the tap before leaving

try to use reclaimed water to irrigate, control dust, flush vehicles

when water taps, valves, and water pipes leak, repair them in time;

try to avoid using running water to wash dishes and other items;

decrease the use of lighting fixtures or reduce total energy consumption while ensuring illumination;

try to use energy-saving lamps in the living area;

promote the awareness of saving electricity, eliminate constant lighting, and turn off the power of the devices in time;

adopt environmentally friendly office and construction equipment

reasonably set the indoor air conditioning temperatures at no less than 26 °C in summer and no higher than 20 °C in winter.

The Group formulated the Equipment Operation Management Policy to increase the management of water, electricity and lubricating oil used in the production and operation process in gas stations. The consumptions of water, electricity and lubricating oil are used as indicators of the performance appraisal, so as strictly control resource consumption. In addition, the Group also puts up appropriate slogans, pictures and texts in the workplaces and construction sites to help employees establish the idea of "Caring the earth, preserving the natural ecology and protecting the environment from me". The Group continues to promote electronic office and enrich the function of online system, and choose a reasonable route to reduce empty vehicle mileage for official business vehicles, etc.

The water source used by the Group is mainly municipal water, so there is no issue in sourcing water that is fit for purpose. Due to the operating characteristics of the Group, the KPI A2.5, packaging materials used for finished products, is not applicable and is not disclosed in the Report.

Case: Jilin Changling County Tianlun Gas Limited Boil Off Gas (BOG) system improvement

In 2018, Jilin Changling County Tianlun Gas Limited conducted process optimization for the BOG system. The original system returned the recovered BOG to the inlet of the raw gas after it is compressed by a lowpressure compressor at room temperature. After the optimization, the new system returned the recovered BOG to the inlet of the cold box and liquefy the BOG after it is compressed by high-pressure compressor. Through the optimization, the pretreatment amount of raw gas was increased, the energy efficiency was improved and the resource consumption was reduced.

During the reporting period, the Group's total energy consumption and intensity, as well as total water consumption and intensity are shown as below:

A2.1 & A2.2 Energy and water	Consumption	Unit
Gasoline	193.43	tonnes
Diesel	102.11	tonnes
Natural gas	92.09	Ten thousands m ³
Total direct energy consumption	12,366.99	MWh
Electricity	45,466.21	MWh
Purchased heat	57,766.57	GJ
Total indirect energy consumption	61,512.48	MWh
Total energy consumption	73,879.47	MWh
Energy consumption intensity	14.45	MWh / million RMB revenue
Total water consumption	43,373.37	tonnes
Water consumption intensity	8.48	tonnes / million RMB revenue

Controlling Environmental Impacts

The Group's main business and operating areas are less involved in the key national ecological protection zones, ecologically sensitive areas and vulnerable areas as stipulated in the Environmental Protection Law of the People's Republic of China, and the risks of destroying the ecological environment are relatively low. The Group deeply understands that environmental protection is one of the important social responsibilities of corporate citizens. It regularly conducts education and training of laws and regulations for employees, promotes green construction, conducts environmental impact assessment, etc., so as to control the impacts on the environment.

Green construction

The Group actively promotes green construction. The construction units are required to store construction materials or construction garbage by category, collect and transport them timely during the construction process. The construction units are also required to adopt methods to reduce dust by covering dust-proof net, shortening construction time, properly sprinkling water, tightly covering and storing indoors, etc. The procurement department of the Group strictly checks the procurement of basic materials, avoiding the selection of construction materials that emit toxic and harmful gases, so as to protect the health and safety of employees while avoiding environmental pollution.

Environmental assessment and monitoring

In compliance with relevant laws and regulations, including the Law of the People's Republic of China on Environmental Impact Assessment and the Soil Pollution Prevention and Control Law of the People's Republic of China, etc. the Group formulated the Management Policy of Stakeholders to predict, identify and evaluate the impact of the project's environment on stakeholders. The Group has established an open communication, disclosure and advisory mechanism to enable stakeholders to obtain relevant information and communicate with the Group timely. Taking into account the possible environmental risks, the Group actively takes mitigation measures to ensure sustainable environmental benefits.

The Group strictly abides by the Law of the People's Republic of China on the Prevention and Control of Pollution from Environmental Noise and requires members of the Group to conduct noise monitoring on a regular basis to ensure that noise emissions do not exceed relevant standards.

People Oriented, Society Contribution

The Group complies with relevant laws and regulations, including but not limited to the Labour Law of the People's Republic of China, the Law of the People's Republic of China on Promotion of Employment, the Labour Contract Law of the People's Republic of China, the Social Insurance Law, the Interim Provisions on Salary Payment, the Housing Provident Fund Management Regulations, the Implementation Policy for Paid Annual Leave, the Law of the People's Republic of China on the Protection of Minors, the Provisions on the Prohibition of Using Child Labor, etc. In line with the management concept of "people-oriented", the Group effectively protects employees' rights and benefits. It provides diversified training, perfect compensation and benefits as well as promotion system for employees. The employees' work, life, career development and health and safety are well protected. In addition, the Group actively carries out charitable activities and fulfills corporate social responsibility and contributes to society.

This chapter responds to the UN Sustainable Development Goals:



Employees' Rights and Benefits

Recruitment and promotion

Compensation and dismissal The Group formulated the Recruitment Management Policy, the Labor Contract Management Policy and the Talents Recommendations Management Policy, etc. to standardize the recruitment process. It searches outstanding talents that match the Group's corporate culture through internal and external channels. The Group strictly controls all aspects of the recruitment to ensure fairness and justice, including making recruitment plan, releasing recruitment information, collecting information, selecting personnel, investigating background, written test and interview, decision-making for recruitment, internship period and probation period. Meanwhile, by implementing the talent programs such as "Coming Home to Work at Tian Lun" and "Management Trainee for President" programs, a large number of high-quality talents had been introduced to the Group, which further improved its talent teams. The Group formulated the Internal Competition Management Policy to meet the demand for talents, select outstanding talents and broaden the career paths of employees. All the positions are open to the employees of the entire group. All the employees who meet the job requirements could participate in the competition. In addition, the Group conducts performance appraisal on a regular basis in accordance with the Employee Performance Appraisal Management Policy. The annual performance appraisal results are used as an important basis for employee promotion.

The Group formulated the Compensation Management Policy to establish a scientific and reasonable compensation system for employees. According to the characteristics of various positions, the Group adopt two compensation systems: the annual salary system and performance salary system. The annual salary is composed of fixed annual salary, post-performance annual salary, annual business performance bonus, benefits and subsidy. The performance salary system is composed of fixed salary, quarterly performance bonus, annual bonus, benefits and subsidy. In addition, the Group has innovated incentive mechanism. The Group formulated incentive schemes for township coal-to-gas conversion and value-added businesses, established a project contracting system for internal partners of its members, and a medium- and longterm business partnership system to comprehensively enhance employees' sense of participation and sense of belonging, and mobilize the enthusiasm of employees. The Group signed labor contracts with all formal employees. The specific conditions and procedures for terminating the labor contract are set out in the Management Regulation on the Abnormal Change of Employees and the Employees Reward and Punishment Policy. Random dismissal is not allowed.

Working hours, rest periods and other benefits and welfare

The Group formulated the Management Policy for Employee Attendance and Vacation, and implements various working hours' systems including standard working hours, comprehensive working hours and irregular working hours. If overtime is needed, employees should apply and get approval from the superior in advance. According to relevant regulations, the Group pays overtime compensation or arranges paid leave to protect employees' rights and interests. Employees are entitled to national statutory holidays, paid annual leave, marriage leave, pregnancy leave, maternity leave, sick leave, bereavement leave, etc. It provides employees with a better balance of their work and life, and indirectly improves their work efficiency.

The Group makes social insurance and housing provident fund contributions for employees in compliance with relevant laws and regulations, and purchases personal accident insurance for employees every year. In daily operations, the Group provides benefits for employees according to the Benefits Management Policy, including holiday gifts, wedding and funeral gifts, birthday allowances, lunch subsidies, communication subsidies, housing subsidies and transportation subsidies, etc. The Group also provides night allowance for employees who work at night, and give employees summer cooling allowance in hot days and winter heating allowance in cold days.





In order to strengthen employees' sense of belonging and enhance corporate cohesion, the Group held a variety of employee activities in 2018.



- **1** International Women's Day
- 2 Annual Conference themed on "Next stop, 2037"
- 4 Staff Sports Meeting themed on "Strive and Surmount"

2018 Excellent Staff Selection

3 Chorus competition of the Company's song on "Youth Day"

Equal opportunity, diversification and antidiscrimination

The Group recruit employees in accordance with the principles of fairness, impartiality and openness, and select the best candidates under same conditions. At the same time, the Group strictly complies with national and local laws and regulations and avoids discrimination against any employee based on personal characteristics such as race, gender, colour, age, family background, ethnic tradition, religion, physical fitness and original nationality, etc. The Group ensures that all employees are equally treated in compensation and dismissal, recruitment and promotion, working hours, rest periods, and other benefits and welfare, and all employees have equal job opportunities.

In order to create an equal and diversified workplace, the Group actively implements the Special Requirements for Labour Protection of Female Employees, the Female Interest Protection Law and other relevant laws and regulations. In addition to protecting the lawful interests of all employees, the Group has effectively protected special interests of female employees.

As of 31 December 2018, the total number of employees of Tianlun Gas was 2,843. The number of employees by gender, age, education and employee category is shown as below:



Labour **Standards**

In compliance with the relevant laws and regulations, the Group stipulates in the Administrative Policy for Employee Background Investigation that background checks will be conducted for all intended candidates. Their specific information are checked and the use of child labor is prevented. In compliance with the statutory working hours, the Group controls overtime work. If it is necessary to arrange employees to work overtime, paid leaves were arranged and overtime compensation were paid according to laws. Forced labour is prevented.

During the reporting period, the Group did not have any non-compliance with laws and regulations relating to child labour and forced labour.

Occupational Health

In compliance with relevant laws and regulations, including but not limited to the Labour Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, etc., the Group formulated the Management Policy for Occupational Health and Environmental Protection, so as to ensure the occupational health and safety of employees.

The Group proactively identifies potential health and safety risks in the workplace to continuously improve the occupational health management mechanism and ensure that employees understand the relevant risks and response measures. The Group faithfully fulfills the responsibilities for risk management and safety management. Medical examinations are regularly organized for employees every year. Noisereduction equipment, respirators, and face masks, etc. are provided for employees who work in places with high-noise, high and low temperature, so as to reduce their potential health risks. Besides, the Group conducts diversified occupational health and safety activities, regularly carries out occupational health and safety training, and continuously improves standards and requirements for occupational health and safety management.

laws and regulations relating to occupational health.



During the reporting period, the Group did not have any non-compliance with

Employee Training

The Group provides various types of trainings for employees at all levels according to their positions, including headquarters-based internal cadre training and selection project, and professional skills and safety management trainings for staffs.

The Group conducted selection of internal lecturers and organized training camps for internal training lecturers to continuously strengthen the internal lecturers' professional knowledge and experience, build a comprehensive curriculum system and empowerment, and establish and cultivate a team of outstanding internal lecturers. At the same time, the Group hired external professional lecturers and a total of nearly 700 hours' courses were provided to nearly 1,000 persons all year round, so as to meet the professional training needs of employees at all levels.

The Group hired external professional lecturers and a total of nearly 700 hours' courses were provided to nearly 1,000 persons all year round.



Human Resources System Training - "HR Research Guide"



Management Cadre Training at spring



Special training camp for internal cadre training and selection

Society Contribution

Charity **Promotion** The Group formulated the Charity and Public Welfare Management Policy, and actively participates in various charitable activities, fulfills corporate social responsibility, and aspires to become a company that "trusted by clients, respected by society".

In June 2018, Tianlun Charity Fund of Henan Charity Federation provided assistance to 25 poor children suffering from cerebral palsy and congenital heart disease in Lushi County. The amount of assistance was **573,438** yuan.



Cultural **Development** Supporting

In 2018, Tianlun Group donated RMB **20 million** to the Henan Charity Federation to establish the Tianlun Chuhehanjie Chess Culture Promotion and Development Fund, and organized the second Chuhehanjie Chess Competition.





In 2018, Tianlun Group were awarded the "Henan Charity Special Contribution Award in 2017" and the "Outstanding Charity Fund in 2017" by the Henan Charity Federation.



Index for	Aspect	Description	Section	Page
ESG Reporting	Al	Emissions: a)the policies; and b)compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non- hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants	Emission Reduction	30, 32~34
Guide		regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.		
	KPIA1.1	The types of emissions and respective emissions data.	Emission Reduction	33
	KPIA1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emission Reduction	34
	KPIA1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emission Reduction	34
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	KPIA1.5	Description of measures to mitigate emissions and results achieved.	Emission Reduction	32~34
	KPIA1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Emission Reduction	34
	A2	Use of Resources Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Resources Conservation	35~36
	KPIA2.1	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).	Resources Conservation	36
	KPIA2.2	Total water consumption and intensity (e.g. per unit of production volume, per facility).	Resources Conservation	36
	KPIA2.3	Description of energy use efficiency initiatives and results achieved.	Resources Conservation	35~36
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	KPIA2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable	/
	A3	The Environment and Natural Resources Policies on minimising the issuer's significant impact on the environment and natural resources.	Providing Clean Energy Controlling	31,37
	KPIA3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental	10,1
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KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employees' Rights and Benefits	42
B2	Health and Safety: (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 Management Safety Operation Safety Culture Occupational Health	16~2 43
KPI B2.1	Number and rate of work-related fatalities.	Safety Operation	20
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Safety Management Safety Operation Safety Culture Occupational Health	16~2 43
В3	Development and Training: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Employee Training	44
B4	Labour Standards: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employees' Rights and Benefits	43
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employees' Rights and Benefits	43
В5	Supply Chain Management: Policies on managing environmental and social risks of the supply chain.	Supplier Management	28~2
KPI B5.1	Number of suppliers by geographical region.	Supplier Management	29
B6	Product Responsibility the policies; and 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	Safety Management Safety Operation Safe Use of Gas Customer Dervices Operation Compliance	13, 16~2 23, 24~2
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Feedback from Readers

Thank you for reading the China Tian Lun Gas Holdings Limited 2018 Environmental, Social and Governance Report. In order to provide stakeholders with valuable information and improve our ability and performance in fulfilment of social responsibility, we are sincerely expecting your valuable opinions and suggestions.

Please fill in the feedback form and send it to us via the following methods: Email: hk@tianlungas.com Mailing Address: Room 1603, 16/F, 100 Queen's Road Central, Central, Hong Kong

1. Your overall rating for the Group's Environmental, Social and Governance Report:

 \Box Very good \Box Good \Box Fair \Box Poor \Box Very poor

2. Your rating for the Group's fulfilment of social responsibility:

Social Responsibility	🗆 Very good	🗆 Good	🗆 Fair	🗌 Poor	🗆 Very poor
Environmental Responsibility	🗆 Very good	🗆 Good	🗆 Fair	🗆 Poor	🗆 Very poor

3. How the Report reflects the impact of the Group's social responsibility practice on economy, society and environment?

□ Very good □ Good □ Fair □ Poor □ Very poor

4. What do you think about the clarity, accuracy and integrity of the information, data and indicators disclosed in the Report?

Clarity	🗆 Very good	🗌 Good	🗆 Fair	🗌 Poor	🗆 Very poor
Accuracy	🗆 Very good	🗆 Good	🗆 Fair	🗌 Poor	🗆 Very poor
Integrity	🗆 Very good	🗌 Good	🗌 Fair	🗌 Poor	🗆 Very poor

5. The content structure and layout design are convenient for you to read?
□ Yes □ Fair □ No

6. Other opinions or suggestions about the Group's work and the Report:

Thank you for your feedback and time!