



# 2024

## Environmental Social and Governance Report



Huzhou Gas Co., Ltd.\* 06661.HK

# CATALOGUE

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## Enhancing Corporate Governance for a Stable and Sustainable Future

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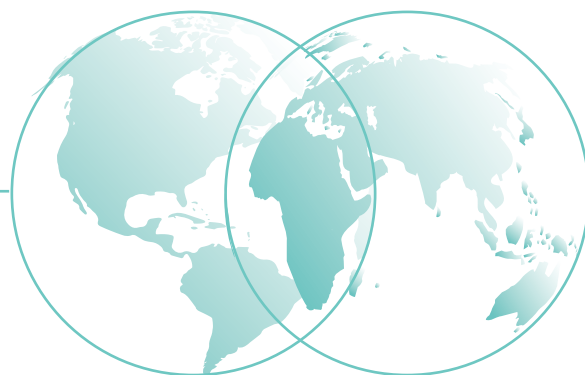
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This report is the third Environmental, Social, and Governance (ESG) report published by Huzhou Gas Co., Ltd. (hereinafter referred to as "this report"). It reflects Huzhou Gas's active fulfillment of economic, social, and environmental responsibilities, its commitment to sustainable development, and its responses to important issues of concern to stakeholders. This report has been reviewed by the company's board of directors, which is responsible for the authenticity and validity of the information contained herein.

## Report Period



The timeframe for the content of this report is from January 1, 2024, to December 31, 2024, with some content extending beyond this period.

## Report Scope



This report covers Huzhou Gas Co., Ltd. and its subsidiaries.

## Data Sources



All information and data in this report are sourced from the company's formal documents, statistical reports, and financial reports, as well as from the environmental, social, and governance information compiled and audited by the company. The report is prepared based on the principles of materiality, quantitative measurement, balance, and consistency, and is published in both Chinese and English. In case of any discrepancies, the Chinese version shall prevail. Unless otherwise specified, all currency units are in RMB.



## Preparation Basis



This report is prepared in accordance with the Guidelines for ESG Reporting (Appendix C2) of the Hong Kong Stock Exchange (hereinafter referred to as "the Exchange") and references the GRI Standards released by the Global Sustainability Standards Board (GSSB), the Technical Guidelines for Compiling Motor Vehicle Emission Inventories, and the Comprehensive Energy Consumption Calculation Method (GB/T 2589-2020) and the GHG Protocol.

## Terminology



To facilitate expression and readability, Huzhou Gas Co., Ltd. is referred to as "Huzhou Gas," "the company," or "we" in this report.

## Report Access



This report is available for download and browsing on the Hong Kong Stock Exchange website (<https://www.hkex.com.hk>) and the company website (<http://www.hzrqgf.com>).

## Chairman's Statement

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*Huzhou Gas, as a state-owned enterprise,  
takes on its social responsibilities with the  
commitment to "ESG + technological innovation"  
as its driving force. It deeply implements the green  
and low-carbon transformation of energy,  
promotes the high-quality development of  
new productive forces, and empowers thousands  
of households to pursue a better life.*

Focusing on the "new", we have been bold in taking the lead in reform and innovation, and our development momentum has been unstoppable. From deepening our core business in gas, with gas sales exceeding 600 million cubic meters, to achieving multiple "zero breakthroughs" in the pan-energy field, we have completed the "steam-to-gas" heating transformation for 14 units including the Central Hospital and the Third People's Hospital of the city. This has enabled us to replace over 100,000 tons of coal steam consumption annually. We have consistently integrated innovation, openness, responsibility, and win-win into our corporate development, turning the ESG concept into a "soft power", and charting a unique and sustainable development path that effectively enhances both the economic and social value of the enterprise.

**We have made a leap towards "intelligence", activating the "new energy" of digital transformation and forging ahead with the power of digital intelligence.** We have been recognized as a national high-tech enterprise, opening a new chapter in innovation and development. We have continuously promoted the construction of the "Smart Cloud" online platform, comprehensively upgrading our digital and service capabilities. We have installed various Internet of Things devices such as remote pressure monitoring, intelligent cathodic protection piles, and intelligent valve well equipment, creating a new "Internet +" model for gas services. We have built a safety supervision platform system to bridge the "digital intelligence gap", and deeply empowered the monitoring capabilities of the gas pipeline network through AI technology and information-based dispatching management, promoting the improvement and effectiveness of gas safety rectification.

**We have broken through towards "distance", building a "one-network" gas supply system, and remained committed to our responsibility to the people.** We have completed the operation of the first LNG emergency storage and distribution station, and achieved interconnection of provincial and intra-provincial pipeline networks through a "direct connection + transfer" dual-mode. We have actively introduced resources from outside the province for supply, forming a "three-source" guarantee situation of pipeline resources, liquid resources, and gas storage resources. We have closely cooperated with the construction of the Shanghai-Suzhou-Huzhou high-speed railway and the Rugao-Suzhou-Huzhou intercity railway, contributing to urban renewal. We have actively applied new technologies, materials, and processes, practiced the concept of sustainable development, and strengthened the construction and upgrading of gas pipeline networks and other infrastructure.

**We have strived for "excellence", adhering to the principle of "people-oriented" to gather energy.** We have ensured that the development of the enterprise and the growth of employees are in harmony. We have improved the talent mechanism and team building, and for the first time, we have independently recognized the skills levels of employees, with 38 employees passing the assessment and obtaining vocational skill certificates. We have launched the "Sustained Development Plan" special training camp to solidify the foundation for employee growth, creating a clear and smooth career development path for employees, stimulating their potential and vitality, and enabling them to realize their self-worth. Our staff have been awarded honors such as the Outstanding Individual in Energy Consumption Dual Control Work in Zhejiang Province and the "Golden Blue-collar Worker" of Zhejiang Province.

**We have moved towards "beauty", painting a "new chapter" of a happy life, and providing dedicated services to protect and serve.** We have upgraded and built a "Beautiful Life Experience Center" to provide one-stop warm services for residents. We have comprehensively advanced the renewal and transformation of old urban gas pipelines, with over 50 kilometers of old gas pipelines updated and upgraded, and 28 old residential areas completed with riser pipe renovations, benefiting nearly 12,000 households. We have vigorously promoted the "Warm Gas to the Countryside" project, covering 8 administrative villages, truly meeting the people's aspirations for a better life and adding to the happiness of people's livelihood.



## Board Statement

Huzhou Gas is committed to enhancing and deepening sustainable business practices, establishing a robust ESG governance mechanism, and striving for harmony with the environment and society to create long-term stable environmental, social, and corporate value. The board of directors places great importance on Huzhou Gas's sustainable development, therefore establishing an ESG working group to assist the board in formulating and overseeing the implementation of the company's ESG-related strategies. An ESG working group composed of various functional departments has also been set up to ensure that all aspects of ESG are integrated into the company's daily management and operations, and to ensure that relevant ESG risks are identified and managed effectively. We regularly hold internal and external activities to communicate closely with stakeholders, identify and assess important ESG issues, and discuss and review the assessment results with the ESG working group. Based on the external macro environment and the company's development strategy, the ESG working group discusses and identifies the risks and opportunities in environmental, social, and governance areas, prioritizing the management and enhancement of key issues as part of the annual sustainable development strategy.

This year, to smoothly achieve carbon peaking by 2030 and prepare for carbon neutrality by 2050, Huzhou Gas has set per capita energy consumption targets based on its long-term development strategy and core business, developing detailed action plans for carbon reduction and health and safety targets. The board will oversee and review the achievement of these targets, continuously improving and enhancing the company's sustainable development performance. Based on target setting, Huzhou Gas has established and improved climate-related indicators and target management, continuously conducting assessments of climate-related risks and opportunities, identifying key risks and opportunities, and formulating response measures to strengthen climate response capabilities.

This report comprehensively discloses the progress and achievements of Huzhou Gas's ESG work in 2024 and was reviewed and approved by the ESG working group and the board of directors on March 26, 2025.



## About Huzhou Gas

Huzhou Gas Co., Ltd. (referred to as "Huzhou Gas") was established in June 2004, jointly funded by Huzhou Urban Investment and Development Group Co., Ltd. and Xinao (China) Gas Investment Co., Ltd. It was listed on the main board of the Hong Kong Stock Exchange on July 13, 2022, becoming the first domestically nurtured state-owned enterprise listed in Huzhou, with stock code: 6661.HK. The company has invested in and constructed projects such as the West Gas Gate Station, Chuan Gas Gate Station, and LNG Emergency Storage and Distribution Station, mainly responsible for natural gas operations, pipeline construction, and diversified energy services in certain streets of Huzhou's central urban area, Wuxing District, Nanxun District, and the South Taihu New District, making it a professional urban gas operator and integrated energy service provider.

Huzhou Gas always prioritizes safety in production, establishing a robust long-term control mechanism for hazard management to safeguard over 4,000 kilometers of natural gas pipelines (includes over 1,700 kilometers of medium and high-pressure natural gas pipelines.) and over 318,000 customers. The company actively utilizes technologies such as big data, visualization, and the Internet of Things to elevate risk warning and safety management to a new level, ensuring stable and safe gas supply. It diligently fulfills its social responsibilities as a state-owned enterprise, driving the quality development of the economy and society with a sense of responsibility and providing professional services to safeguard the happy lives of thousands of households.





Looking to the future, Huzhou Gas will continue to prioritize its responsibility for serving local development, ensuring clean energy supply, and reinforcing gas safety. It will draw on diverse strengths, pursue progress, and build a more complete resource procurement, distribution, and storage peak-shifting system, striving to realize the grand blueprint for the company's soaring development in a rapidly growing industry environment.

Company established in

**June 2004**

Listed on the Hong Kong Stock Exchange on

**13 July, 2022**

Guarding natural gas pipelines

over **4,000** kilometers



## Enhancing Corporate Governance for a Stable and Sustainable Future

ESG Governance

ESG Goals

Stakeholders

Materiality Issues

Business Ethics

Consumer Rights

Legal Compliance

Sustainable Supply Chain

Intellectual Property Protection

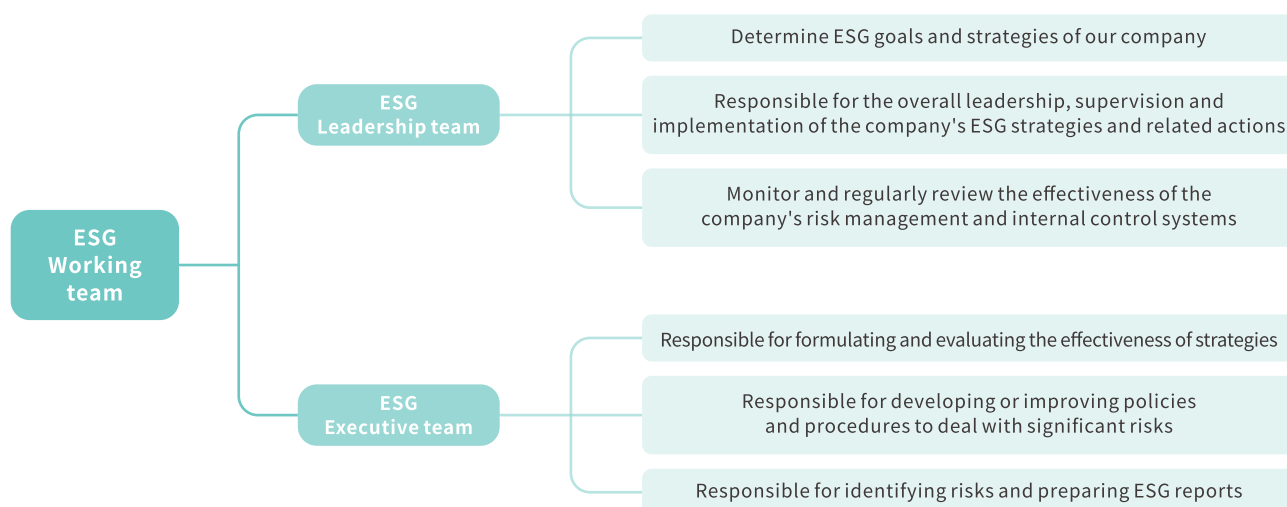




## ESG Governance

To better achieve standardized and professional management of sustainable development efforts, Huzhou Gas has established an ESG management system that includes the board of directors, the ESG working group, and relevant ESG-related departments. The internal management mechanisms, workflows, and information disclosure methods related to ESG have been further refined and improved, continuously optimizing the company's ESG governance capability and integrating ESG quantitative management into corporate governance and daily controls.

The company's ESG working group consists of both an ESG leadership team and an ESG execution team, with the specific organizational structure as follows.



## ESG Goals

Huzhou Gas has established multiple management goals targeting key sustainability issues and regularly tracks the achievement of these goals:

	Goal/Commitment	2023 Completion Status	2024 Completion Status
Environment	By 2025, achieve an energy consumption density of less than 5 MWh/employee	4.1 MWh/employee	4.57 MWh/employee
	By 2025, achieve a water resource consumption density of less than 70 tons/employee	33.75 tons/employee	42.67 tons/employee
Social	By 2025, reduce the “Million Work Hours Injury Rate” to 0.1%	0.107%	0.11%
	Maintain the comprehensive civil security inspection rate at 100%.	100%	100%
	Maintain a home visit safety inspection rate of 100% for commercial users	85%*	100%
Governance	ESG working group annual score reaching 98% satisfaction	/	99.23%

\*In 2023, the rate of civil household safety inspections will be collected. In 2024, it will be adjusted to the rate of civil comprehensive safety inspections.

## Stakeholders

Huzhou Gas is always attentive to the demands and opinions of various stakeholders and is committed to facilitating communication channels to fully respond to stakeholders' expectations regarding the company's sustainable development. In 2024, we actively engaged in various forms of ESG-related discussions with stakeholders, aiming to capture subtle changes in important issues.

Stakeholders	Communication Methods
Investors/Managers	Board meetings/daily communication (phone, email, and meetings), notification letters for interim and annual reports/company website
Employees	Staff meetings/work evaluations/employee activities/training/seminars
Partners and Suppliers	Supplier evaluation guidelines/on-site inspections/supplier meetings
Government and Regulatory Authorities	Daily communication/information submission/routine inspections/special reports/participation in related policy formulation
Industry Associations	Seminars/training/cooperative research
Consumers	Hotline/customer service center/regular safety inspections
Local Residents	Public welfare activity promotion/environmental protection lectures
Nearby Enterprises	Skill exchanges



## Materiality Issues

Huzhou Gas regularly assesses ESG materiality issues. In 2024, through internal and external interviews, peer benchmarking, and assessment of rating indicators, we deeply researched various ESG materiality issues. We distributed surveys to stakeholders and determined the significant ESG issues matrix for this year based on the survey results.



### Issue Determination

Potential high-relevance issues for Huzhou Gas are identified based on the Exchange's "Environmental, Social and Governance Reporting Guidelines," domestic and international reporting standards, peer benchmarking, and mainstream ESG ratings.



### Stakeholder Participation

Surveys were distributed in various formats (both online and offline) to all internal and external stakeholders, soliciting their suggestions regarding the company's ESG management. A total of 309 valid responses were collected, representing a 20% increase compared to last year.



### Matrix Formulation

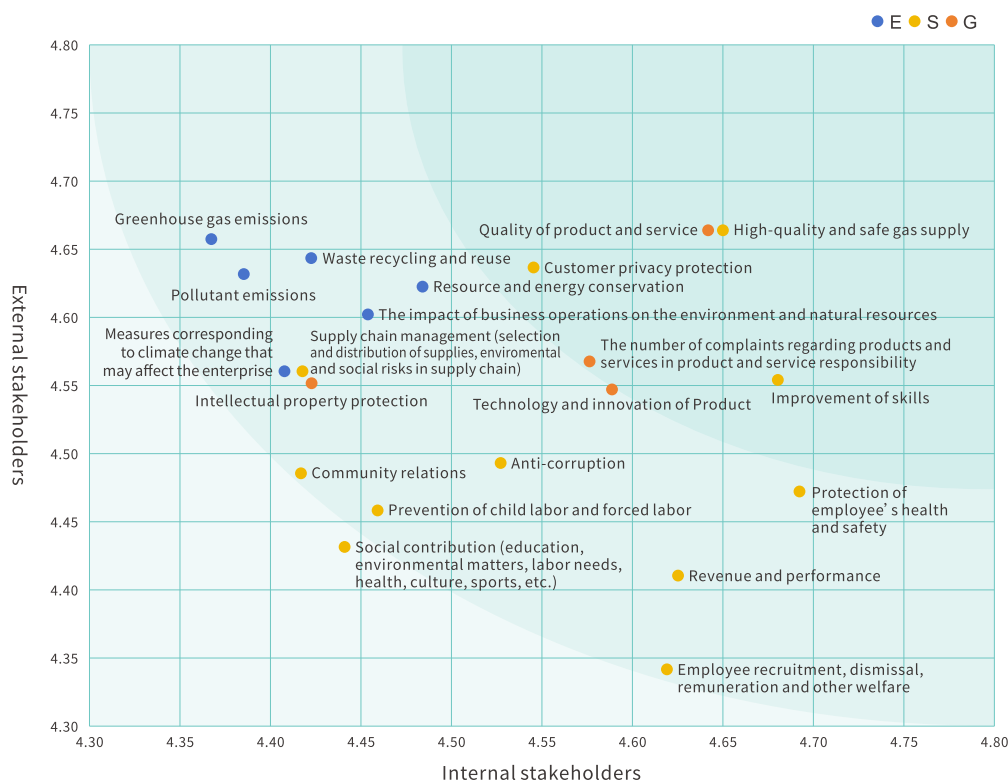
Based on issue determination and stakeholder communication results, the 2024 materiality issues matrix was derived by comparing it with the 2023 matrix.

Combining industry development trends, peer benchmarking, and market concerns, the board of directors, ESG working group, headquarters departments, and member companies adjusted and confirmed the materiality issues.



### Review of Materiality Issues Matrix

The materiality issues were submitted to the board for review and confirmation, forming the final materiality issues matrix. The key issues for the 2024 year of Huzhou Gas are: high-quality and safe gas supply, product and service quality, improvement of professional skills, and protection of customer privacy.



## Business Ethics

Huzhou Gas is committed to maintaining clear standards of business ethics. Beyond strict compliance with relevant national laws and regulations, internal guidelines and regulations stricter than these have been established to enhance compliance management and improve the company's ethical standards.

External Laws and Regulations	Internal Policies and Systems
Criminal Law of the People's Republic of China	Huzhou Gas "Three Major and One Large" Decision-making System and Implementation Plan
Criminal Judicial Interpretation of the People's Republic of China	Huzhou Gas Related Party Transactions and Major Transaction Management System
Criminal Procedure Law of the People's Republic of China	Key Points of Huzhou Gas 2024 Party Style and Integrity Construction and Anti-Corruption Work
Supervision Law of the People's Republic of China	Huzhou Gas Staff "Eight Hours Outside" Supervision Management Measures
Anti-Money Laundering Law of the People's Republic of China	Huzhou Gas Whistleblower Policy
Provisions on the Standard for Filing and Prosecution of Criminal Cases Under the Jurisdiction of Public Security Organs	Huzhou Gas Professional Discipline Management Measures
	Huzhou Gas Anti-Fraud Management System

Huzhou Gas adopts a "zero tolerance" attitude towards violations of business ethics. The company has established the Huzhou Gas Anti-Fraud Management System to create reporting channels for potential fraud/violations and to handle them comprehensively, ensuring the company's legal and compliant operations and protecting the legitimate rights and interests of shareholders, employees, and fulfill social responsibilities. A management mechanism led by the Board of Directors and with the General Office in charge is established. The board is responsible for reviewing management plans related to business ethics and anti-corruption, regularly supervising the effectiveness of these management efforts, and making decisions on handling significant corruption cases.

Huzhou Gas attaches great importance to the management of related-party transactions. It continuously pays attention to regulatory requirements from the China Securities Regulatory Commission and the Hong Kong Stock Exchange, aiming to improve the standardized management system for related-party transactions. In 2024, based on the improvement of pricing policies, further clarification of management responsibilities, approval processes and information disclosure, the company revised the "Huzhou Gas Related-Party Transactions and Major Transactions Management System" to ensure that the company's related-party transactions are legal and compliant, and the information disclosure is timely and accurate. This year, the company has not been involved in any corruption lawsuits or violations of related-party transactions.

The company advocates honest operation and fair competition, and consciously and strictly complies with the Anti-Monopoly Law. It has formulated the "Huzhou Gas Compliance Management Guidelines for Anti-Monopoly", which further clarifies the basic concepts of anti-monopoly compliance, the organizational structure and responsibilities of compliance management, the risk identification and prevention of monopolistic behaviors, the guarantee for the operation of compliance management, and the response to investigations by law enforcement agencies. It also includes gas industry anti-monopoly cases, compilations of anti-monopoly laws and regulations, and a risk prevention and control list for anti-monopoly compliance management. This provides a normative thinking for the company's anti-monopoly compliance management work, while guiding and requiring every employee to take legal and compliant behavior as the basic behavioral standard and conduct various business activities in a compliant manner.



Visit to Huzhou Qianlian Museum



"Integrity Station 'The Clean Breeze Promotes Righteousness, Integrity Upholds Original Intent' Activity"

For acts that seriously violate the requirements stipulated in the Criminal Law of the People's Republic of China and the Anti-Corruption and Bribery Regulations, etc., Huzhou Gas will impose penalties in accordance with relevant regulations such as the "Huzhou Gas Occupational Discipline Management Measures".

### Business partner interactions

- ① Treat business partners fairly, and make business decisions based on legal business considerations and standards, rather than personal relationships or interests;
- ② Strictly review the qualifications and compliance performance of business partners, and select those with good reputation and complete qualifications;

### Corruption and commercial bribery

- ① Do not directly or indirectly provide any valuable items or benefits to anyone, including government officials, to obtain convenience;
- ② Strictly prohibit giving benefits directly or indirectly to others to obtain business opportunities and benefits, and also prohibit directly or indirectly accepting or soliciting benefits from others in business activities;
- ③ Employees personally do not accept any kickbacks or commissions.

### Avoiding conflicts of interest

- ① Employees cannot hold positions concurrently in units with conflicts of interest with the company, or provide assistance to competitors;
- ② Employees must not use their positions to seek benefits for themselves or others, must not interfere or disrupt the company's bidding, contract signing, market access and other businesses, must not designate or suggest designating transaction objects, and must not disclose insider information to specific relationship personnel.

In order to create a working atmosphere of integrity and honesty, Huzhou Gas has actively carried out the construction and publicity of integrity culture, and signed integrity commitment letters with employees, suppliers and contractors. In 2024, we organized a total of **6 training** sessions on business ethics and anti-corruption for the company's directors, supervisors, all employees (including interns), suppliers and contractors.



## Consumer Rights

The company has established the Huzhou Gas Customer Complaint Management System to strengthen customer complaint management, standardize handling procedures, and ensure timely, fair, and reasonable resolution of external customer complaints. The company manages each customer complaint case based on principles of unified management, smooth channels, objectivity and fairness, rapid response, and not letting any issue go unresolved.

To enhance customer service management effectiveness and improve customer satisfaction, the company revised the Huzhou Gas Service Management Assessment Measures this year, setting up dedicated service administrators and strengthened the assessment, supervision and accountability mechanisms. A 24-hour service hotline has been established to promptly handle gas installation requests while ensuring reasonable working hours for employees, strictly standardizing completion times for customer installations, gas replacements, supply assurances, and urgent repairs.

Monthly review of the handling situation of 12345 Sunshine Hotline and 95158 work orders is conducted, and a service work brief is formed. External typical cases, key work orders and effective complaints are analyzed. A "positive incentive, negative list" mechanism is established to promote the continuous improvement of the "red list" and prompt the "black list" to conduct thorough summaries and implement rectifications.

A total of 325 work orders were handled by Sunshine Hotline, with a customer complaint rate of 0.14% and a satisfaction rate of 83.17% for customer complaint handling. A total of 2,400 calls were returned, with a satisfaction rate of 99.83%.

Sunshine Hotline  
Process received

**325** pieces

Satisfaction rate of customer  
complaint handling of

**83.17%**

Satisfaction rate of

**99.83%**

Indicator Items	Unit	2023	2024
Number of Cases	Cases	370	325
Repetition Rate	%	8.65	4.92
3-Day Completion Rate	%	95.68	98.46
Satisfaction Rate	%	57.84	83.17

The company offers after-sales service for Gree gas appliances to consumers: 3 years of free warranty and 8 years of free on-site service. During the reporting period, the company provided a total of 10,193 free door-to-door maintenance services.



Huzhou Gas Better Life Experience Hall

Provide free warranty within

**3 years**

Provide free on-site service within

**8 years**

Provided on-site repair services total

**1,0193 times**  
in the report year

## Legal Compliance

To promote the institutionalization, normalization and diversification of the rule of law and compliance work, and to make law-abiding and compliance, integrity and honesty, and clean business conduct the voluntary behavior and basic norms of all employees, and to build a law-based listed state-owned enterprise with sound governance, compliant operation, standardized management and honest and trustworthy conduct, Huzhou Gas has formulated the "Huzhou Gas 2024 Rule of Law and Compliance Work Plan" for this year.

This year, based on long-term governance experience, the company has comprehensively reviewed key areas such as corporate governance, investment management, and bidding and tendering, and formulated the "Job Compliance Responsibility List", "Compliance Process Control List", and "Compliance Risk Identification List" (collectively referred to as the "Three Compliance Lists"), further clarifying the responsibilities of each department and position, and achieving compliance, scientific and efficient management throughout the entire business and process.



To strengthen the management of business ethics and anti-corruption behaviors, the company conducts regular audits annually and carries out annual audits for key businesses, paying attention to key personnel in important business areas. Issues identified in audits are addressed through corrective measures to ensure closed-loop management. By assessing compliance with and implementation of the company's business ethics-related policies through internal audits, we continuously build a transparent, open, and compliant corporate image.

In 2024, we conducted three human resources audits, five financial and tax audits, and four internal audits, totaling 12 audits for the year.



## Sustainable Supply Chain

Huzhou Gas is committed to building a durable and robust supply chain system, firmly adhering to green, environmentally friendly, and responsible procurement principles. The company places a high emphasis on the integrity of suppliers, clearly outlining ESG management initiatives and requirements for them, ensuring supply chain safety, improving the efficiency of procurement funds, and jointly promoting sustainable development.

External Laws and Regulations	Internal Rules and Regulations
The Bidding Law of the People's Republic of China The Implementation Regulations of the Bidding Law of the People's Republic of China	Supplier Management Guidelines of Huzhou Gas Procurement Management Measures of Huzhou Gas



### Supplier Comprehensive Evaluation

In 2024, the company released the Supplier Management Guidelines, managed uniformly through the procurement bidding center. The evaluation of suppliers covers dimensions such as supplier establishment, assessment, and maintenance, quantifying scores based on four aspects: product quality, delivery capacity, after-sales service, and safety performance. The business departments assign quantitative scores to suppliers, with service quality classified into five levels. The procurement bidding center publishes results for suppliers who do not meet standards, and those deemed non-compliant cannot be classified as new suppliers for three years.





### ESG Risk Assessment and Management for Suppliers

Before approving suppliers, we actively conduct ESG risk assessments and evaluations, identifying potential risk points throughout the entire material supply chain, including material procurement, supplier assessment, supplier communication, and material storage. We conduct in-depth analyses of the impacts and relevant control measures associated with each risk point:

Suppliers with significant violations, defaults, or high ESG risk behaviors are placed on a high-risk supplier list, with regular reports to the board on high-risk concentrated procurement projects. Multiple assessments and corrective checks are conducted to improve the ESG performance of such suppliers.

Suppliers that remain high-risk after being blacklisted for rectification will have the incidence of major violations in the supply chain reduced.

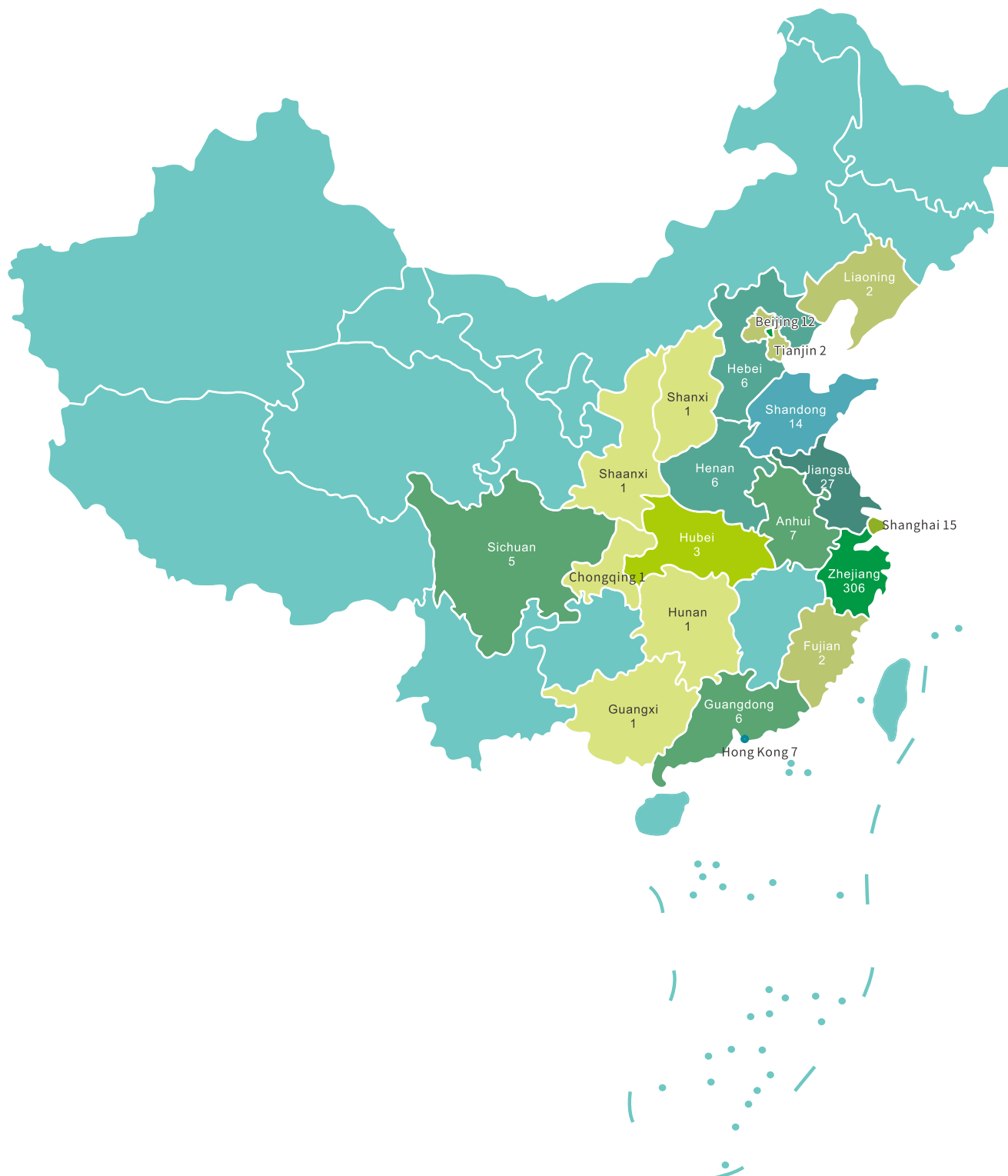


### Full Process Management of Procurement

The company has formulated the Procurement Management Measures of Huzhou Gas., adhering to principles of openness, fairness, justice, competition, selection of excellence, and integrity. A procurement leadership team is established to oversee procurement-related work, along with a procurement supervision team responsible for following up on procurement activities, supervising the procurement work and personnel, and proposing reasonable suggestions for any existing issues to promote healthy and orderly development of procurement efforts.

The supervision and inspection of procurement activities are divided into regular inspections and random spot checks to ensure that these materials comply with relevant industry standards. If any raw materials are found to be defective, our quality control personnel will screen them according to policy requirements, and we typically return such materials to the suppliers. For special equipment and certain pipeline components, we require suppliers to provide quality certificates and inspection certificates issued by qualified organizations.

In 2024, Huzhou Gas cooperated with a total of 425 suppliers, of which 418 were from mainland China and 7 from Hong Kong.



## Intellectual Property Protection

Huzhou Gas places great importance on protecting technological innovations, strictly adhering to the Patent Law of the People's Republic of China, establishing its own intellectual property value creation and operation system, exploring the commercialization of intellectual property assets, and promoting compliant creation, management, utilization, and protection of intellectual property. The company enhances its intellectual property risk prevention and control capabilities through the establishment of a comprehensive intellectual property system and management processes for patents and other intellectual property assets.

Based on business occurrences, Huzhou Gas has developed the Huzhou Gas Intangible Asset Management System, clarifying the management of intangible assets such as land use rights, trademark rights, the company's network domain names, copyrights, computer software, franchise rights, patent technologies, non-patent technologies, and trade secrets, while encouraging the introduction and application of advanced industry technologies and partners.

As of the end of 2024, Huzhou Gas has obtained a total of 11 patents for inventions and utility models and participated in the formulation of 5 group standards. The company emphasizes the quality requirements of acquiring intellectual property rights, requiring quality control throughout the entire process from patent mining, searching, and commissioning to final submission. Professional personnel are engaged to provide intellectual property protection services for technological research and development, and the company organizes experts regularly to guide relevant technological innovation efforts.

During the reporting period, the subsidiaries of Huzhou Gas Company respectively obtained certificates such as the National High-tech Enterprise Certification, the Small and Medium-sized Enterprise of Science and Technology Type in Zhejiang Province, and the Small and Medium-sized Enterprise of Innovation in Zhejiang Province.



During the reporting period, there were no incidents of intellectual property infringement.

## Strengthening Safety Management and Building Urban Barriers

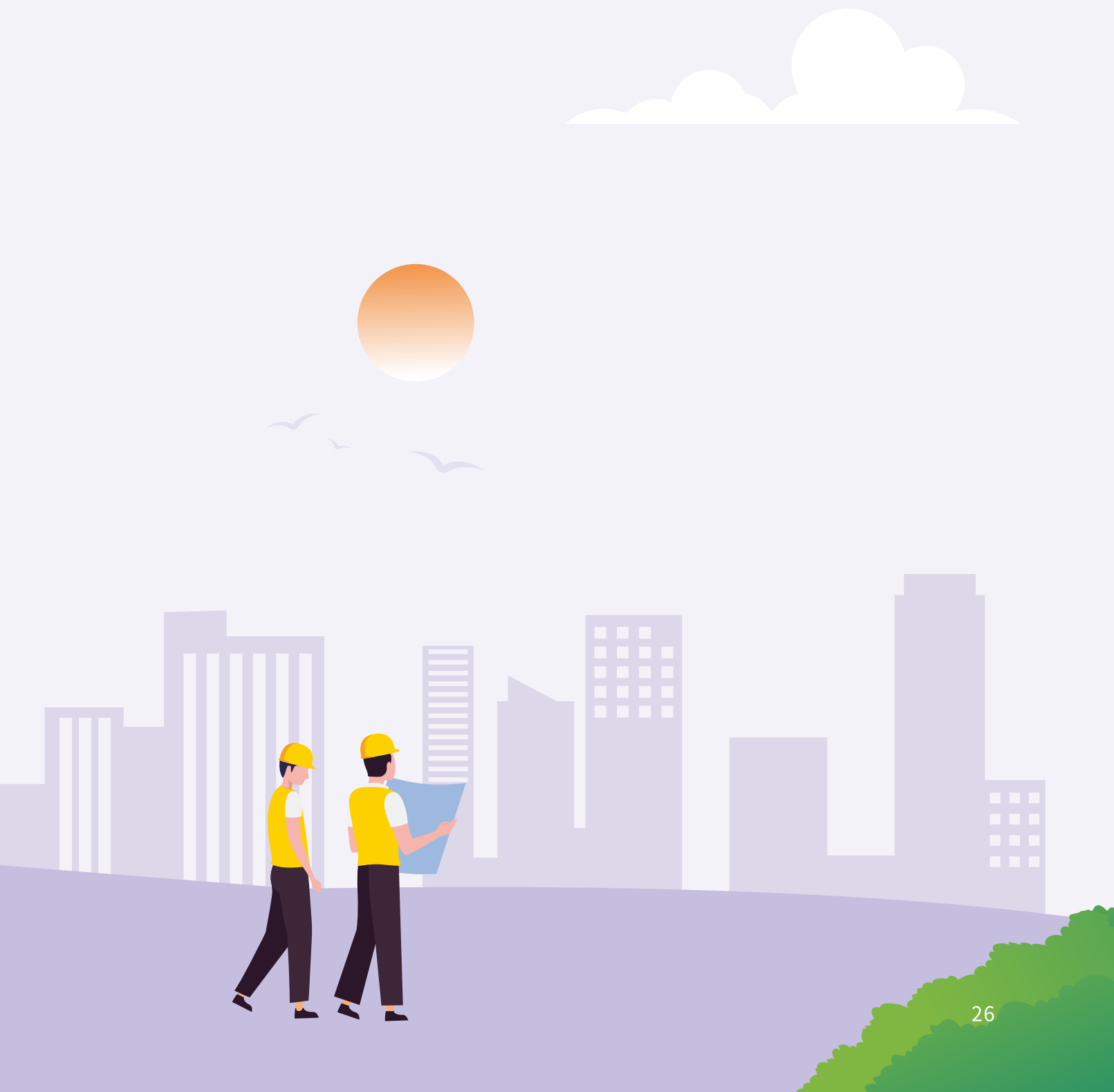
System Safety

Operational Safety

Supply Security

Privacy Security





## System Safety

Huzhou Gas is committed to establishing a complete safety system, continuously strengthening the construction of safety institutional frameworks, ensuring that safety management measures are standardized across all operational scenarios. This includes aspects such as safety responsibility systems, digital safety standards, pipeline integrity systems, and emergency management standards.

### External Laws and Regulations

Occupational Disease Prevention Law of the People's Republic of China (Revised)  
Production Safety Law of the People's Republic of China (Revised)  
Environmental Protection Law of the People's Republic of China (Revised)  
Special Equipment Safety Law of the People's Republic of China  
Emergency Response Law of the People's Republic of China  
Oil and Gas Pipeline Protection Law of the People's Republic of China  
Production Safety Accident Emergency Regulations  
Urban Gas Management Regulations

### Internal Rules and Regulations

Compilation of Huzhou Gas Safety Production Management Regulations (2024 Edition)  
Huzhou Gas Operation Assurance and Emergency Warning Plan  
Huzhou Gas HSE Accident Management Regulations  
Huzhou Gas Customer Safety Inspection Management Measures  
Huzhou Gas User-side "Clearance and Dynamic Zeroing" Action Plan  
Huzhou Gas Customer Service Department Standardized Processes  
Huzhou Gas Safety Production Risk Control System Construction Report  
Emergency Plan for Major Production Safety Accidents of Huzhou Gas.

### Hazard Investigation and Control System

The company has developed the Operation Assurance and Emergency Warning Plan and established a leadership group for hazard investigations, with clear responsibilities defined. Hazard investigations are conducted, and the results are processed, including hazard grading, determination standards, and notification of the hazard investigation and control status. A graded approach to hazard control is implemented to improve the production safety accident hazard investigation and control system.

In 2024, to thoroughly investigate gas risk hazards at the user end and further improve the closed-loop management mechanism for hazard control among industrial and residential users, promptly identifying and eliminating hazards, the company developed the "User-side Hazard Clearance and Dynamic Zeroing" Action Plan to ensure that hazard rectification is effectively implemented, thereby effectively curbing accidents.

The company has conducted safety promotion work by visiting households and raising awareness of safety among industrial and commercial clients regarding recent national gas explosion case studies. Regular reports on hazard lists are submitted, and a systematic generation of hazard rates is carried out, focusing on eliminating secondary and tertiary hazards by industry. Different streets are designated for smoother hazard clearance work, with dedicated personnel from the streets coordinating with the company for hazard rectification on a household basis.

In 2024, the company successfully completed the rectification of a total of 1723 primary safety hazards and 1194 secondary and tertiary safety hazards, totaling 2917 safety hazard rectifications.

Comprehensive inspection rate for residential users	Primary Gas Leak Hazard Rectification Rate	Hose Replacement to Metal Hose Completion Rate	Public Community Promotion
100%	100%	100%	98 times

Typical Case

Typical Case: In response to the first-level safety hazard of the absence of combustible gas alarms in the kitchens of 96 children's clothing stores in Zhili Town, Huzhou Gas established a special task force and allocated funds. Through the methods of "street sweeping for publicity and informing customers of gas supply suspension", in collaboration with relevant departments, they urged for rectification. Eventually, the installation rate of alarms reached 100%, achieving safe governance of the first-level hazard.



The joint supervisory department conducts street outreach in Zhili Town.

Huzhou Gas regularly conducts routine safety inspections and free household safety checks on courtyard pipelines, indoor pipelines, gas equipment, and facilities, with all user safety inspection cycles strictly adhering to the User Gas Safety Inspection System of Huzhou Gas.

## Inspection Frequency

### Residential Users

For communities where the replacement time exceeds 8 years, the inspection cycle is 12 months;

For communities with 8 years or less of replacement time, the inspection cycle is at 18 months;

For rural natural village natural gas customers and customers with repaired leaking vertical pipes, the inspection cycle is 6 months.

### Industrial and Commercial Users

Class A includes commercial users with daily gas consumption  $\geq 500$  cubic meters, schools, enterprises, public institutions, catering users, and commercial complexes: once per quarter;

Class B includes customers with daily gas consumption  $< 500$  cubic meters: once every six months;

Class C includes commercial household gas meters: once per year.



The staff conducted a safety inspection of the measuring instruments.

### Risk Assessment System

We employ safety checklist analysis (SCL) and operational condition hazard analysis (LEC) for risk evaluation. This includes analyzing sources of danger and risks, such as identifying hazardous substances and harmful factors in the production process.

### Risk Control System

A safety risk control leadership organization is established, clearly defining safety production responsibilities at all levels and positions. Risk control measures are planned, considering various factors involved in risk control. Safety risk management systems are developed, including safety risk control training and education systems, and safety risk grading control responsibility systems. Regular emergency drills are held, with a total of 51 specialized and comprehensive emergency drills conducted throughout the year to enhance risk control capabilities.



Leakage Drill in Community Courtyard's Medium-Pressure Pipeline



## Operational Safety

Huzhou Gas strengthens the protection of employee occupational health by formulating and implementing occupational health management systems, including responsibilities for occupational disease prevention, warning notifications, maintenance and repair of protective facilities, management of protective equipment, hazard monitoring and evaluation, concurrent management of occupational health in construction projects, monitoring and managing the health of workers, and accident handling and reporting.



### Regular Monitoring of Occupational Disease Hazards

We have established a dedicated HSE office that regularly monitors various occupational disease hazard factors in the working environment and evaluates their status; effectively identifying and controlling existing or potential occupational disease hazard factors in workplaces.



### Monitoring Employee Health

We provide level 3 safety education and pre-job physical examinations for new employees, including routine check-ups and targeted examinations for hypertension, heart disease, and hearing issues. Employees with hypertension, heart disease, or hearing loss are not assigned to positions with occupational health hazards. Occupational health records for workers are established, including occupational history, exposure history to occupational disease hazards, and health check results. Regular health check-ups are provided once a year for general employees and at least once a year for employees in positions with occupational health hazards.



### Providing Specialized Protection for Positions

For newly constructed, renovated, or expanded projects, we implement the "Three Simultaneities" management system for occupational health, ensuring that occupational health protection facilities are designed, constructed, and used concurrently with the main project, safeguarding the safe operation of projects and the health of on-duty employees. Protective equipment is provided for positions with occupational health hazards, and reasonable rest periods are arranged. For those working in high-temperature environments, staggered work hours are implemented, along with the provision of heat-reducing medications. Measures to reduce on-site noise levels are taken at project sites to lower noise levels.

**In 2024, seven employees of Huzhou Gas were injured due to work-related accidents, resulting in a total of 123 lost workdays.**

## Supply Security

In 2024, Huzhou Gas fully adopted intelligent operations, achieving comprehensive monitoring, early warning, and regulation of the entire production process, which has enhanced production scheduling and resource allocation efficiency, improved work efficiency, and reduced risks of environmental and safety incidents such as leaks.

### Engineering

- Construction quality is strictly controlled throughout the entire process, from technical disclosure to completion acceptance. Any issues in personnel qualifications, abnormal hazardous work procedures, non-compliant welding, quality feedback, etc., during construction are flagged for urgent attention and feedback to form a closure loop. Key processes and hazardous operations on-site are equipped with ball cameras and smart eyes for live streaming and archival recording.
- In cases of weld seam failure, rectification orders are issued online, allowing real-time tracking of rectification efforts to achieve closed-loop management. By analyzing the reasons for weld seam failures, the first-pass welding qualification rate is improved.
- Evidence compliance procedures are systematically monitored, with ball cameras and smart eyes tracking hazardous operations throughout the entire process.
- Early warning for expired personnel qualifications prevents unauthorized operations; process supervision data analysis enhances process control.



Live construction shooting by a spherical camera.

## Station

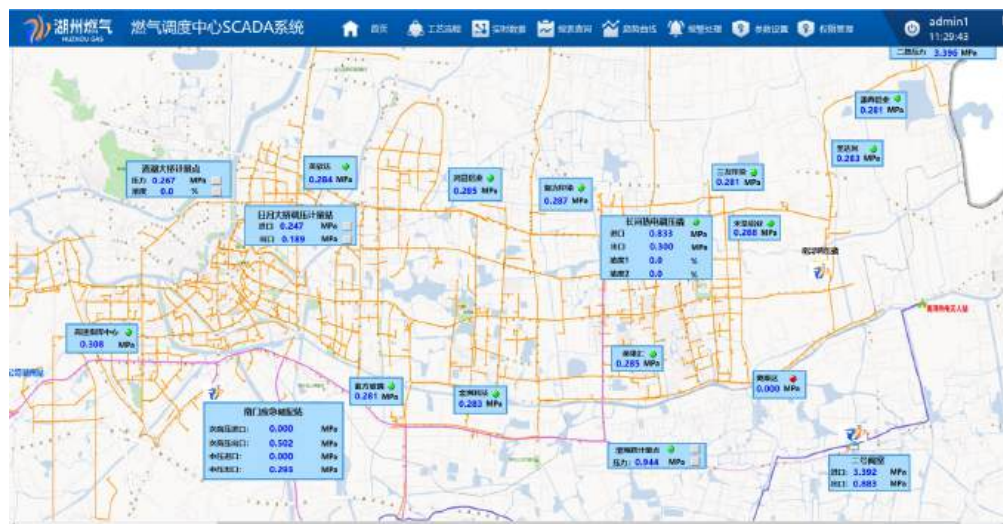
- Laser cloud platform leak alarms are used for accurate "targeting," completing station scans in just 35 minutes, ensuring stability and efficiency.
- 24-hour patrol monitoring with laser platforms enables automatic identification and locking of alarm leak points, promptly addressing gas leak hazards and strengthening safety management at the facilities.
- Manual site inspections are conducted every two hours to enhance monitoring.



Laser Cloud Platform

## Pipeline Network

- Pressure monitoring terminals facilitate real-time monitoring, collecting data every minute, with scheduled uploads and real-time reports for abnormal conditions, significantly shortening response times.
- Smart valves allow for real-time data collection and timely reporting of hazards, supporting monitoring of gas leaks and water levels.
- Real-time data collection for cathodic protection testing, with abnormalities reported promptly.



Pipeline Pressure Online Monitoring System



### Gas Leak Alarm Devices Maintain Safety



Huzhou Gas has installed 574 sets of intelligent gas leak monitoring alarm devices in its service area, achieving full coverage of leak detection in dense population areas. If gas leaks or pipeline breaks occur in these areas, the alarm devices immediately trigger sound and light warnings and upload information to the company's intelligent operation and maintenance center, allowing on-duty personnel to promptly discover and communicate alarm information. Huzhou Gas focuses on building a "Smart Cloud" platform, enhancing gas use safety and stability through system upgrades and IoT device integrations, thereby ensuring the happiness of residents.



Intelligent Alarm Device for Gas Leak Detection

## Privacy Security

The company has established the Confidentiality Management System of Huzhou Gas to regulate the company's information security efforts, preventing and eliminating various leakage incidents. Adhering to "customer satisfaction" as a principle, it continuously improves the customer complaint handling mechanism and strengthens compliance management and service quality management of outsourcing service providers.

By developing the Service Management Assessment Measures of Huzhou Gas, Customer Complaint Management System of Huzhou Gas, and the Company's Confidentiality Management System of Huzhou Gas, the agility and convenience of the customer complaint handling system are optimized. We continuously identify customer pain points and challenges, providing improvement suggestions to avoid recurring complaints. To enhance the comprehensive quality of the customer service team and increase service awareness, we provide professional, high-quality services.

The company accepts anonymous reports and strives to protect whistleblowers from retaliation. Without the consent of the responsible leader and the complainant, the company will not disclose or leak whistleblower information or reports in any manner. Those responsible for violating confidentiality regulations will face strict consequences, and those who commit crimes will be handed over to judicial authorities.

In 2024, the company held 12 special review meetings on service management, further optimizing the complaint handling process and enhancing service awareness, effectively improving the overall business quality and service level of all employees.



Sunshine hotline operators at work



## Driving Low-Carbon Transformation to Protect a Green Home

Highlight Case

Climate Change

Low-Carbon Operations

Green Environment

Water Conservation and Emission Reduction

Waste Management

Ecological Coexistence





## Highlight Case

### Energy Conservation and Emission Reduction in Dyeing Enterprises

Under the national "dual carbon" goals, the dyeing industry faces immense pressure to reduce carbon emissions and urgently needs technological transformation. Huzhou Gas actively visited dyeing enterprises to introduce a dye vessel energy storage mixed heating system, replacing coal-fired steam with natural gas during dyeing, thereby reducing energy costs for enterprises. This heating method significantly improves energy conversion thermal efficiency compared to coal-generated steam.

Currently, 120 dyeing enterprises have completed technical upgrades for dye vessels, which can reduce nearly 17,000 tons of standard coal usage annually, resulting in a projected reduction of 34,000 tons of CO<sub>2</sub> emissions and saving enterprises 6.75 million yuan, effectively promoting the transformation and upgrade of the traditional industry toward green development.

Completed the technical transformation of the dyeing vat enterprise

**120 enterprises**

Annual reduce the consumption of standard coal by

**17,000 tons**

Reduce carbon dioxide emissions by

**34,000 tons**



Dye vat energy storage intelligent mixing heating system

Highlight Case

Integrated Gas Heating Equipment

The company has built new integrated gas heating equipment and supporting gas pipelines to replace existing coal-fired steam heating, addressing the heating supply issues faced by major consumers such as hospitals due to aging municipal steam pipelines. Using integrated heating equipment meets emission reduction requirements and contributes to the development of green productivity, achieving multiple wins in ecological, social, and economic benefits. Currently, the projects for Huzhou City Center Hospital and Third People's Hospital have entered the steam supply stage. For example, the project at the center hospital is expected to save 3,500 tons of steam annually, achieving a 20% energy saving and reducing CO<sub>2</sub> emissions by 1,044 tons. Additionally, 14 similar heating projects are in progress, which, upon operation, will replace the consumption of 105,000 tons of coal-fired steam and reduce CO<sub>2</sub> emissions by 31,000 tons. Such transformation projects achieve multiple wins in ecological, social, and economic benefits, supporting the green and low-carbon development of society and responding to the objectives set by the Paris Agreement, contributing to controlling the global temperature increase within 2°C.

The Distributed Energy Generation Station Project of Huzhou Central Hospital

Annual steam saving volume

**3,000 tons**

Energy saving fractional

**20%**

Reduce carbon dioxide emissions by

**1,044 tons**

The ongoing similar type of heating project

**14**

Annual steam saving volume

**105,000 tons**

Reduce carbon dioxide emissions by

**31,000 tons**

In addition to focusing on gas supply business, the company is expanding into new energy sectors such as solar energy storage and charging, virtual power plants, and cooling and heating energy conservation, providing comprehensive energy services to meet terminal energy demands while achieving low-carbon transformation of its own business, co-creating a low-carbon future.

## Highlight Case

### Photovoltaic Projects

The company is laying out photovoltaic projects, focusing on the investment and construction of distributed photovoltaic projects, dedicated to accelerating the achievement of national "dual carbon" goals. Leveraging the resource advantages of state-owned enterprises, we precisely formulate "one enterprise, one policy," aiming to create a leading local service provider for distributed photovoltaic power generation projects.

In 2024, Huzhou Gas and its holding subsidiaries added 28 new grid-connected photovoltaic projects, with an added installed capacity of 17.58 megawatts. As of December 2024, there are 47 operational photovoltaic projects, providing 35 million kWh of clean electricity annually, equivalent to reducing 20,000 tons of CO<sub>2</sub> emissions.

Already operating  
photovoltaic project

**47 projects**

Annual provide clean  
electricity

**35 million Kwh**

Reduce carbon dioxide  
emissions by

**20,000 tons**



Distributed Photovoltaics of Tiandi Logistics



Distributed Photovoltaics of Weineng environment

## Highlight Case

### Pan-Energy Station Projects

The company addresses the energy needs of 17 small wood enterprises relocated within an innovation and entrepreneurship micro-park by constructing energy facilities in the park and establishing a microgrid for the enterprises. An intelligent platform is used for unified energy supply management, improving energy utilization efficiency to achieve energy conservation, emission reduction, and integrated intelligent management.



## Climate Change

Huzhou Gas refers to the TCFD (Task Force on Climate-Related Financial Disclosure) framework to set and improve climate-related indicators and target management, continuously assessing climate-related risks and opportunities, identifying key risks and opportunities, and formulating response measures to strengthen climate response capabilities and enhance climate resilience.

The natural gas industry is closely related to climate change. The ESG working group is fully responsible for overseeing ESG issues, including climate change. Members of the ESG group identify climate change risks and opportunities and lead the implementation of effective response plans. In 2024, Huzhou Gas conducted its first analysis of climate risks and opportunities, continuously enhancing the board and various business departments' abilities to identify, assess, and respond to climate risks and opportunities. Under the supervision of the ESG working group, the company has developed the Emergency Response Plan for Production Safety Incidents of Huzhou Gas. (hereinafter referred to as the "Emergency Plan"), which clearly defines climate goals and various response measures.

We established a model for analyzing and assessing the company's climate-related risks and opportunities, identifying and evaluating the potential impacts of physical and transitional risks on Huzhou Gas's daily production and operations. Particularly, we conducted assessments on the potential impacts of domestic and international carbon trading markets on Huzhou Gas's production operations over different time scales, including the potential costs arising from fluctuations in compliance quota prices in China's national and local carbon trading markets.



## Risk

Risk Type		Risk Factors	Risk Description	Value Chain Impact	Occurrence Time	Response Measures
Physical Risk	Acute Risk	Typhoon	May affect operations, causing facility shutdown at pan-energy operation points and reducing company revenue.	Operations	Short term	Incorporate risk response measures into the Emergency Plan; actively train and enhance flood prevention capabilities of personnel at corresponding operation points or facilities.
		Heavy Rain, Flood	Damage to gas transportation pipelines and facilities, resulting in asset loss and increased maintenance costs.	Operations	Short term	Use sturdier facility and pipe designs and construct a ring network to effectively avoid overall damage to the gas pipeline network due to localized damage; comprehensively carry out risk hazard re-inspection and remediation activities.
Transitional Risk	Policy and Regulatory Risk	Energy Structure Transition	The "dual carbon" goals promote energy structure transition, with the share of non-fossil energy steadily increasing. Over the long term, the share of natural gas in the energy structure may decrease, potentially impacting gas.	operations upstream	Long term	Develop pan-energy businesses vigorously, increase the share of non-fossil energy operations, and provide more diversified green low-carbon products for downstream customers; arrange for cutting-edge low-carbon technologies such as energy storage, geothermal energy, and biogas utilization.
		Domestic Carbon Market	As the national carbon market's emission quotas become gradually stricter, it may lead to increased energy costs, as the national carbon trading market further incorporates the construction costs of industries like steel and cement, as well as infrastructure projects such as gas pipelines, storage stations, and receiving stations	Operations upstream	Medium term	Assess the indirect costs passed on due to compliance with the national carbon market and actively adjust and optimize raw material procurement strategies.

## Opportunities

Opportunity Type		Opportunity Description	Value Chain Impact	Impact Time
Climate Opportunity	Increase in Extreme Weather	Due to increased extreme weather and weather uncertainty, there may be an increase in residential heating gas demand, thereby impacting gas business revenue.	Downstream	Medium term
	Digital Transformation	Conduct digital transformation to improve resource allocation efficiency by designing and optimizing transportation scheduling routes, helping to save costs and improve energy management efficiency.	Operations	Short to Medium term
	Pan-Energy Business	The pan-energy business provides clean energy services to meet the emission reduction needs of downstream industrial and commercial customers, offering green factory and low-carbon park solutions.	Downstream	Medium to Long term



## Climate Risk Management

Huzhou Gas has incorporated climate change measures into its long-term corporate strategy, integrating climate risk-related factors into daily operations from the perspectives of mitigation, adaptation, and financial impact. This year, company assessed the impact of low-carbon policies on urban gas projects and pan-energy projects, analyzing market trends in low-carbon energy demand and changes brought about by low-carbon technology development. We comprehensively evaluated the adaptability of investment projects to climate transition risks and timely introduced residential heating technologies, analyzing and enriching various investment projects from different dimensions.

Huzhou Gas continuously monitors policy, technology, market, and stakeholder demands as influencing factors of transition risks in the low-carbon transformation process. We closely pay attention to and monitor supporting policies under the national "dual carbon" goals and market regulatory requirements of the energy industry. We actively implement energy-saving transformation projects in our operations and thoroughly carry out methane emission control work to reduce our carbon emissions. We also focus on downstream customers' demands for energy carbon management and clean energy, timely adjusting our business layout to provide renewable energy and low-carbon services.

## Low-Carbon Operations

This year, Huzhou Gas's Scope 1 emissions were 202.09 tons eCO<sub>2</sub>, Scope 2 emissions were 1,041.10 tons CO<sub>2</sub>, and Scope 3 emissions from business travel flight mileage were 5.96 tons CO<sub>2</sub>.

	Unit	2023	2024
<b>Scope 1</b>			
Emissions	tons CO <sub>2</sub> equivalent	183.71	202.09
Emission Density	tons CO <sub>2</sub> equivalent / billion revenue	/	8.51
Emission Density	tons CO <sub>2</sub> equivalent / total employees	/	0.46
<b>Scope 2</b>			
Emissions	tons CO <sub>2</sub> equivalent/ billion revenue	669.10	1029.74
Emission Density	tons CO <sub>2</sub> equivalent/ total employees	/	43.37
Emission Density	tons CO <sub>2</sub> equivalent	/	2.33
<b>Scope 3</b>			
Other Scope 3	tons CO <sub>2</sub> equivalent	/	5.96 <sup>1</sup>

Reference Standard: "GHG Protocol"

1: Due to the upstream natural gas supply company's failure to disclose relevant data, only the greenhouse gas emissions resulting from employee business travel and commuting were disclosed this year.



# Green Environment

Huzhou Gas strictly complies with national laws and regulations related to environmental protection. In 2024, the company did not receive any administrative penalties for violations of the following laws and regulations.

External Laws and Regulations	Internal Policies and Systems
Energy Law of the People's Republic of China	HSE Accident Management Regulations of Huzhou Gas
Environmental Protection Law of the People's Republic of China (Revised)	Site Management Regulations of Huzhou Gas Co., Ltd.
Pollution Discharge Permit Management Measures	Daily Behavior Norms for Huzhou Gas Drivers
Water Pollution Prevention and Control Law of the People's Republic of China (Revised)	
Air Pollution Prevention and Control Law of the People's Republic of China	
Environmental Noise Pollution Prevention and Control Law of the People's Republic of China	

Huzhou Gas insists on minimizing resource consumption while maintaining efficient operations, supporting and developing clean energy, and improving comprehensive resource utilization rates. The company conducts monthly statistical management of water, electricity, gas, and vehicle fuel and focuses on the management of major equipment, regulating equipment operation processes to fully utilize energy effectively. Any abnormal energy usage is promptly reported, and measures are identified and rectified in a timely manner. For sustainable development, the company regularly promotes energy-saving initiatives and monitors vehicle arrangements to regulate employee travel.

Looking ahead, we will strive to minimize unnecessary energy consumption and improve energy efficiency.

Regarding vehicles, the company surveyed its fleet and found a total of 41 vehicles, including 34 unleaded gasoline vehicles, 4 diesel vehicles, 2 pure electric vehicles, and 1 hybrid vehicle.

Through the company's efforts to improve energy efficiency and promote energy-saving practices among employees, the following is a year-on-year comparison of energy consumption and density in 2024:

	Unit	2023	2024
Electricity Consumption	MWh	1096.7	1287.174
Total Electricity Intensity	MWh/Employee	2.48	2.91
Natural Gas Consumption	Cubic Meters	6045	6481
Natural Gas Consumption Density	Cubic Meters/Employee	13.68	14.63
Gasoline and Diesel Consumption	Liters	82946	73583.88
Gasoline and Diesel Consumption Density	Liters/Employee	188.51	166.10

Due to business expansion, Huzhou Gas's natural gas consumption showed a slight increase.

Based on the "Comprehensive Energy Consumption Calculation Guidelines," the energy consumption is uniformly converted into MWh measurements, resulting in the following comparisons:

	Unit	2023	2024
Direct Energy	MWh	700.90	737.53
Indirect Energy	MWh	1096.70	1287.20
Total Energy Consumption	MWh	1797.61	2024.72
Energy Density	MWh/Employee	4.10	4.59
	MWh/Million Revenue	/	0.85
	MWh/Million Profit	/	12.19

In 2024, energy consumption density was effectively controlled within the set three-year target of 5 MWh/employee, meeting the requirements and aligning with the company's sustainable development strategy.

This year, the company also aligned energy density with revenue and profit, aiming to more effectively set energy density over the next three years. Specifically, the goal is to control energy consumption per million revenue within 1 MWh and per million profit within 15 MWh, ensuring economic benefits under optimal energy consumption conditions.

## Water Conservation and Emission Reduction

Huzhou Gas's water usage primarily consists of office and living water, as well as equipment cleaning water, sourced from the city's unified water supply system, with no issues in obtaining suitable water sources. Wastewater treatment is supervised by relevant departments, organizations, and individuals, with annual wastewater tests conducted by qualified third-party testing agencies, and reports issued, along with spot checks from the local disease control center. For office and basic sanitation water, it is pre-treated before being discharged into the municipal sewage network, with collected wastewater meeting China's "Comprehensive Sewage Discharge Standards" Level 3 discharge standards.

Huzhou Gas emphasizes the impact of water resource consumption on the environment and has implemented a series of water-saving measures, including installing water-saving reminder signs in various water usage areas to raise employee awareness, and using touchless sensor faucets to achieve water conservation.

The water consumption and rate of the company in 2024 are as follows:

	Unit	2023	2024
Water Consumption	Tons	14849	18901
Water Consumption Density	Tons/Employee	33.75	42.86
Water Consumption Density	Tons/Million Revenue	/	7.96
Water Consumption Density	Tons/Million Profit	/	113.75

According to the company's corrected water resource use targets in the 2023 ESG report—reducing water resource consumption density to 70 tons/employee within three years—this year met the requirements.

This year, the company also aligned water consumption density with revenue and profit, aiming to effectively set water consumption density over the next three years. Specifically, the goal is to control water consumption per million revenue within 9 tons and per million profit within 120 tons, ensuring economic benefits under optimal water resource consumption conditions.

The types and information regarding air emissions from company vehicles in 2024 are as follows:

Emission Type	Unit	2023	2024
Nitrogen Oxides (NOx)	Kg	52.17	46.67
Sulfur Oxides (SOx)	Kg	4.26	0.11
Particulate Matter (PM)	Kg	17.24	1.76

Although the vehicle mileage increased this year, the use of electric vehicles and the elimination of older vehicles resulted in a significant reduction in air pollutant emissions.

## Waste Management

Huzhou Gas strictly complies with relevant laws and regulations, adhering to the principles of "reduction," "resource recovery," and "harmless disposal" in waste management, and promotes standardized waste management. We have set a goal to manage and dispose of 100% of hazardous waste compliantly each year, requiring subsidiaries to develop hazardous waste disposal plans and strictly follow these plans for hazardous waste disposal, prohibiting the backfilling of hazardous waste.

This year, a total of hazardous waste was produced, all of which was collected by a professional disposal unit.

## Ecological Coexistence

We deeply recognize the importance and necessity of biodiversity. We conduct risk assessments of potential biodiversity impacts across the industrial chain to minimize ecological impacts caused by ourselves and stakeholders. Most of the urban gas operations occur in urban areas, focusing on investment and construction of distributed photovoltaic projects, which do not involve wind farms or hydropower plants, thus avoiding direct ecological damage and having minimal impact on regional ecological environments. The nature of our company's operations does not involve the use of packaging materials.

In pipeline laying projects, the company systematically considers potential biodiversity risks at various stages, including pre-construction, construction, and post-completion, adhering to the principles of "avoid, reduce, restore, offset, and compensate." We formulate biodiversity protection action measures to mitigate the impact on biodiversity at our operational sites.



### Green Construction Principles



#### Before Construction

- Strictly comply with the Environmental Impact Assessment Law and related legal standards to conduct a comprehensive environmental assessment of the atmosphere, water, noise, soil, etc.
- Conduct research on the project's environmental protection plans, analyze the current environmental quality status in the project area, and identify ecological factors.
- Set strict evaluation standards for ecological protection areas, such as water source areas and animal habitats.





## During Construction

- Implement green construction concepts to minimize negative environmental impacts while ensuring safety and quality.
- Conduct comprehensive environmental monitoring based on digital technology, accurately identify environmental risks, and implement effective management measures, including the selection of low-noise equipment.
- Designate special routes and lanes.
- Avoid excavation that impacts vegetation and trees as much as possible.

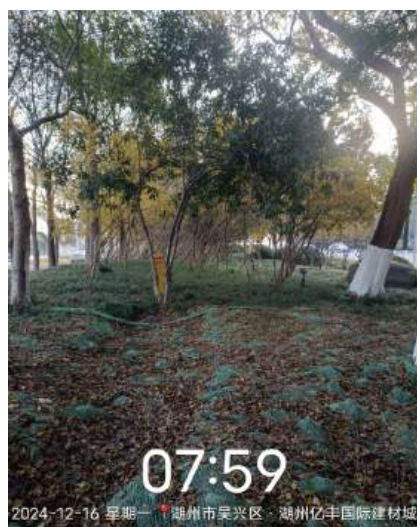


## After Completion

- Restore the original state promptly and ensure ecological restoration.
- Transplant unavoidable plants during excavation and conduct compensatory planting after construction is completed.

## Case Study

In the heating renovation project for Huzhou City Central Hospital, Huzhou Gas signed a greening replanting agreement with Huzhou Donghai Coast Horticulture Co., Ltd., replanting red leaf photinia and leveling the land to restore impacts from excavation along the pipeline and station.



Repair of the road surface and green belt after the completion of construction

## Fulfillment of Corporate Responsibility and Shared Development Benefits

Talent Development

Employee Rights

social Warmth

social Welfare





## Talent Development

Huzhou Gas formulates a talent creation value plan based on strategic development planning and adheres to the principles of fairness, equality, and transparency in selecting talents through campus recruitment and social recruitment. In this process, we actively cooperate with universities to provide various knowledge and skills training for students and opportunities for learning and experience at the company, preparing talent reserves that align with strategic development.

The Recruitment Management Measures of Huzhou Gas clearly stipulate the management of recruitment, labor service management, attendance management, compensation and benefits management, performance assessment management, and training and development management, employing principles of open recruitment, fair evaluation, equitable competition, and selective excellence.

During the recruitment process, the company requires the applicants to provide their ID cards to ensure that they have reached the legal working age.

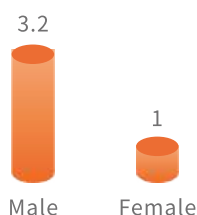
Additionally, the company implements standard working hours, comprehensive working hours, and irregular working hours for different types of employees. All three working hour systems do not exceed statutory standards and provide for employees to enjoy statutory holidays according to law, ensuring employees have sufficient rest time while avoiding forced labor situations.

During the recruitment process, 16 new employees were recruited through social recruitment, online recruitment, and other methods.

The total number of employees in the company is 441, with a gender ratio of 3.2. Senior management accounts for 1.1%, and middle management accounts for 9.1%. There are no part-time employees; all employees are full-time. The main age range of employees is between 30 and 40 years old, with 5% having non-local household registrations. Among the lost personnel, the gender ratio was relatively balanced, with 8 men and 7 women. The age group of 30 to 40 years old was the main age range for personnel loss, accounting for 47%. Other age groups, namely those under 30, between 40 and 50, and over 50, had 5, 1, and 2 people respectively.

The board of directors has a gender ratio of 7:1.

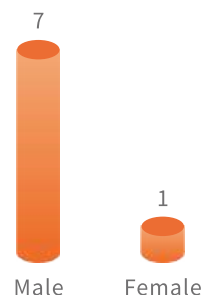
**Ratio of male and female employees**



**Annual promotion**



**Ratio of men to women on the board of directors**



# Employee Rights

Employees are the cornerstone of the enterprise. We insist on attracting more outstanding talents with a fair and just attitude, providing a diverse and inclusive working environment that fully respects and protects employees' rights.

We strictly adhere to national laws and regulations and talent management systems, ensuring that there is no discrimination based on gender, region, ethnicity, religion, age, or nationality in recruitment and employment processes. We respect all employees' legal rights and strictly prohibit the illegal employment of child labor and forced labor. To supervise and ensure employees' legal rights are protected, we conducted three human resources audits this year. If any incidents of child labor or forced labor are discovered, the company will terminate the employment relationship and report to relevant departments, providing necessary assistance to victims if needed.

External Laws and Regulations	Internal Regulations and Systems
Labor Contract Law of the People's Republic of China	Recruitment Management Measures of Huzhou Gas
Labor Law of the People's Republic of China	Employee Entry, Transfer, and Exit Management Regulations of Huzhou Gas
Labor Protection Supervision Regulations	Compensation Management System of Huzhou Gas Performance Evaluation Management Measures of Huzhou Gas
Labor Contract Law Implementation Regulations	Attendance and Leave Management System of Huzhou Gas
Zhejiang Labor Protection Regulations	Training Management System of Huzhou Gas
Zhejiang Labor Protection Supervision Regulations	Occupational Discipline Management Measures of Huzhou Gas
	Skill Title Management Regulations of Huzhou Gas
	Occupational Skill Level Certification Management System of Huzhou Gas
	Management Measures for Retired Management Cadres of Huzhou Gas
	Management Regulations for Employees Unsuitable for Their Positions of Huzhou Gas

The company has set employee compensation and dismissal, recruitment and promotion, working hours, vacation, equal opportunities, diversity, anti-discrimination, and other benefits based on the Performance Assessment Management Measures of Huzhou Gas and the Management Regulations for Employees Unsuitable for Their Positions of Huzhou Gas.

Huzhou Gas focuses on the joint development of employees and the company, committed to continuously creating growth opportunities for employees, broadening their career paths, and establishing clear promotion channels to jointly promote the achievement of long-term strategic goals. In this process, we have developed annual learning plans for employees, ensuring learning hours and providing relevant learning and assessment venues.



## ★ Annual training

The total number of trainees was 441, reaching 100% participation of all employees in the training program. Among them, the number of male trainees accounted for 76.2% of the total trainees, while the number of female trainees accounted for 23.8%. The number of trainees from senior management and above accounted for 1.36% of the total trainees. The company pays attention to the growth of employees of different genders and levels. During the reporting period, the total training hours of the company were 13,893 hours, accounting for 13% of the total working hours. The company fully recognizes the importance of skill enhancement for business and personal growth, and all annual training plans are implemented, improving employee skills and supporting company development.

	Men	Women	Chief Executives	Senior Management	Middle Management	General Staff
Number of Trained Employees	336	105	1	5	40	395
Training Duration (hours)	11872.5	2020.5	68	529.5	3191.5	10104
Average training duration(hours)	35.3	19.2	68	105.9	79.8	25.6
Total Training Duration (hours)	13893		13893			

Throughout the year, various training sessions were held, including legal knowledge training, professional skills training, and safety training, totaling 813 sessions.



Safety Month Training



Employee Skills Competition





## "Rapid Growth Plan" Special Training Camp

The company focuses on enhancing the professional capabilities and qualities of its employees, continuously improving the regular training mechanism and innovating training methods. Considering the ability demands of young backbone staff for supporting the development of new businesses, the company holds the "Rapid Growth Plan" special training camp. It adopts a combination of learning, training, combat, and competition, through various means such as theoretical knowledge learning, mentor guidance, etc., and based on the actual situation of the company, formulates research topics to provide effective ideas for the company's development. This enables employees to strive for excellence and helps to build a composite talent team with good comprehensive qualities, excellent management capabilities, and strong business capabilities.



2024 Training Camp of Huzhou Gas Better Technical Education Plan

To safeguard employees' legal rights and ensure their physical and mental well-being, the company's labor union organizes annual employee paid leave for recuperation based on upper-level regulations and soliciting employee feedback. To protect employee health, in 2024, the company conducted physical examinations for a total of 441 employees. The rate of recuperation and physical examination of employees is 100%.

Additionally, the company actively encourages employees to organize recreational activities to enhance physical fitness and relieve stress. Various clubs organized by employees regularly carry out activities, enriching lives while enhancing corporate cohesion. There are three types of clubs with a total of 67 registered members in company.

In 2024, a total of 10 activities aimed at enhancing employee happiness and sense of belonging were organized.



"Hu Ran Cup" Basketball League





"Walk Alongside You, Climbing Over Peaks"  
20th Anniversary Trekking Event



Celebration of Lantern Festival: Skillful Paper Cutting  
Commemorates Integrity



2024 Employee Birthday Party



4th Moon Festival - Family Together



The management of the company visits and shows care to the employees engaged in high-temperature operations every year, and promptly provides them with necessary items for keeping cool in summer.

## Social Warmth

In 2024, Huzhou Gas focused on social services, maintaining a high level of attention to community and livelihood issues. We actively practice our commitment to ensuring supply by meeting the needs of the public with sincere service, supporting rural revitalization, and contributing to the improvement of living standards for social harmony and development. This year, the company implemented projects that benefit the public and give back to society, such as updating old pipelines, providing gas delivery to rural areas, ensuring gas supply, and offering discounts for low-income households.

### ★ Updating Old Pipelines

In 2024, Huzhou Gas aimed to enhance the safe and convenient use of natural gas by surveying all gas pipelines and facilities in Wuxing District, Huzhou City. We screened the pipelines and facilities based on their age and condition, and rebuilt those that met the requirements. Through a "one community, one plan" approach, we held discussions with community resident representatives, stationed personnel for promotion, distributed informational materials, and took measures to ensure safe, efficient, and orderly construction. We employed staggered construction schedules, set up protective barriers, and optimized construction processes to minimize the impact on residents' lives, thereby improving the safety and stability of the gas pipeline network. Over 10,000 households in old communities had their risers updated as part of this initiative.

**20 km of old gas pipelines were reconstructed, 34 km of risers in old communities were updated.**



During the renovation of the pipeline network in the old residential area.



### ★ Gas Delivery to Rural Areas

Huzhou Gas is committed to improving basic livelihood services. We launched the "Gas Delivery to Rural Areas" initiative to promote full coverage of clean energy in rural areas, reduce coal pollution, and facilitate rural living. In 2024, the company laid over 16 kilometers of gas pipelines and connected more than 2,000 households.



The villagers who benefited from the air supply initiative presented a banner.

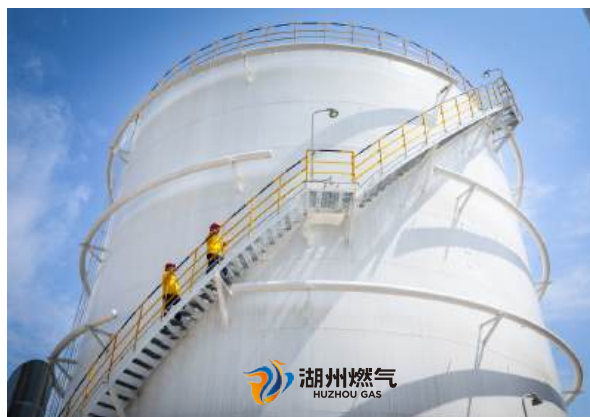


### ★ Gas Supply Assurance

Safe and stable gas supply is a top priority for Huzhou Gas in fulfilling its social responsibilities and is also a major concern for stakeholders. We integrate smart technology to enhance our capacity for predicting customer demand, coordinating gas source resource allocation, and dynamically ensuring stable gas supply in various scenarios to meet different users' gas needs.

Huzhou Gas has developed the "2024-2025 Operational Support and Emergency Early Warning Plan," establishing a mechanism for forecasting, matching, monitoring, and delivering operations across all scenarios. Based on constructing a natural gas resource pool, we optimize the flow of resources, dynamically track contracts, and implement supply-demand matching management. In May 2024, we initiated the Deqing Binhai Gas Interconnection Project, with a total investment of 3.29 million yuan, which has now been accepted and put into operation. This project will further enhance the gas supply assurance capacity in the Huzhou area. **The maximum daily gas consumption reached to 2.18 million cubic meters and annual sales exceeding 600 million cubic meters.**

To ensure a safe and stable natural gas supply in winter, Huzhou Gas conducted in-depth research on gas demand, strengthened gas quantity analysis and monitoring, sought gas sources through multiple channels, and optimized allocation. We developed winter supply assurance and emergency plans to respond to extreme weather and gas demand peaks; completed interconnections of provincial and external pipelines, advanced the construction of the "Smart Cloud" platform for full-chain monitoring and management; strengthened equipment inspections and maintenance to eliminate safety hazards; and strictly implemented duty systems to ensure that emergency repair teams are always on standby to meet public gas supply needs.



The staff of the LNG emergency storage and distribution station conducts daily inspections.

## ★ Gas Supply Assurance for Low-Income Households

To guarantee the gas supply for all members of society, the company has implemented a gas purchase discount policy for low-income users. Low-income families, families receiving disability assistance, and low-income worker families can receive a maximum annual discount of 60 m<sup>3</sup> of natural gas usage fees based on their actual gas consumption. Marginal low-income households can receive a maximum annual discount of 30 m<sup>3</sup>. During the reporting period, Huzhou Gas Company served a total of 325 users.

Huzhou Gas offers a 50% reduction in pipeline gas facility renovation fees for low-income households, marginal low-income households, special hardship individuals, and documented low-income worker families recognized by the labor union, ensuring that everyone in society can conveniently use natural gas.

Huzhou Gas ensured the supply of gas for low-income

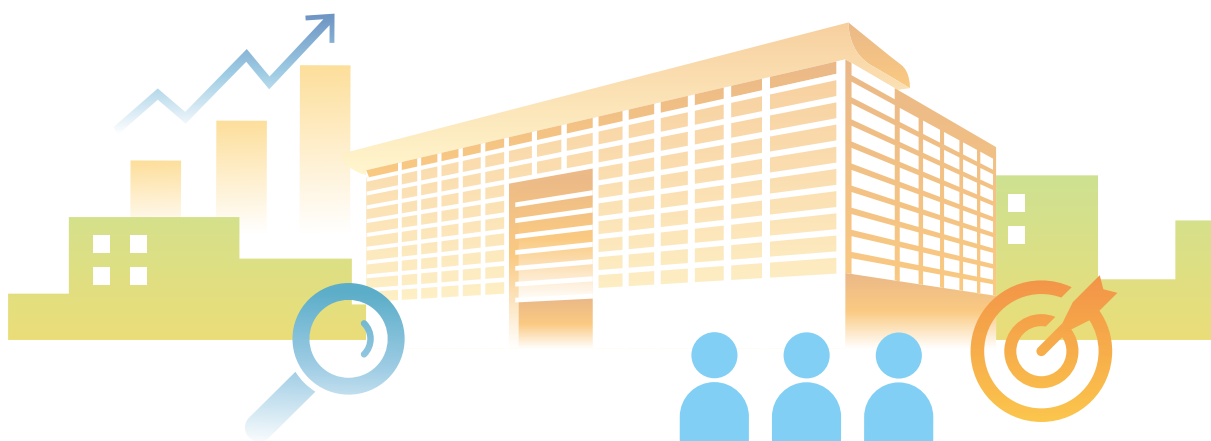
**325** households

Annual reduce the volume of natural gas exemption

**9750m<sup>3</sup>**

## ★ Residential Gas Supply Assurance

The Huzhou City government implements a tiered gas pricing system, with the first-tier sales price set at 2.92 yuan/m<sup>3</sup>, which applies to most residential households. To ensure the supply of gas for people's daily life, there exists a phenomenon of cost inversion in the prices of residential gas.





## ★ Social Safety Promotion

Huzhou Gas has initiated a series of actions spearheaded by party members, through means such as safety publicity and safety inspection, to weave a tight safety net for gas use, and effectively enhance the safety awareness and self-protection ability of residents in terms of gas use. In January 2024, Huzhou Gas collaborated with the Ji Shan Er Community, a joint party-building unit, to carry out gas safety promotion activities. Our safety volunteer team, "Hu Xiao Ran," analyzed typical cases of gas safety accidents that have occurred in recent years for community residents and industrial and commercial users, providing gas safety warning education to the public.



The "Hu Xiaoran" volunteers promote gas safety to industrial and commercial users.

In June 2024, Huzhou Gas collaborated with the streets to launch the "Zero Tolerance for Gas Hazards, Safe Communities with Me" initiative to create safe streets, where staff conducted training, explained, and showed residents the importance of gas safety using case studies like the "3.13" explosion accident in Hebei.



The Huzhou gas staff conducted a gas safety publicity activity in the community.

## ★ "Three-Step In" activity

In 2024, Huzhou Gas conducted 98 safety promotion activities in communities, schools, and commercial complexes.



We established communication mechanisms with schools to conduct safety inspections and urge corrective actions during winter and summer breaks.



We offered free replacement of metal corrugated pipes and other activities to help the public address the challenges of "difficult replacements."



Each month, we designate a commercial complex and randomly select five industrial and commercial users for one-on-one safety gas use inspections and training.

# Social Welfare

This year, Huzhou Gas has launched a special action for "Caring for Farmers," where employees voluntarily purchased over 1,300 jin of agricultural products such as corn, peaches, and grapes, benefiting multiple rural households in towns such as Changxing Tuying Village, assisting rural revitalization through consumer support.



The corn of Changxing Taihu Tuying Village Farm.

In January 2024, a consolation team from Huzhou Gas visited the AnDing Academy Community in AiShan Street for the "Double Ten Million Pair Assistance" visit activity, providing care and warmth to three households in difficulty, and send consolation funds. In 2024, Huzhou Gas donated 280,000 yuan to charity foundations, actively participating in charitable poverty alleviation and common prosperity efforts, fulfilling our social responsibilities.

Activity Date	Target Organization	Activity Content
2024/1/31	Anding Academy Community	Consolation for families in difficulty
2024/9/18	Huzhou Nanxun Charity Association	Donations for poverty alleviation and rural revitalization
2024/9/20	Huzhou Charity Association	Donations to charity organizations



## Looking Ahead

Extreme weather, localized wars, and geopolitical crises are influencing our lives and social structures in the context of globalization. Establishing a more stable, healthy, and environmentally friendly low-carbon society is becoming a current trend, and the significance of sustainable development for enterprises is gradually becoming more prominent.

Reflecting on 2024, Huzhou Gas actively responded to the national dual carbon initiative and the international Paris Agreement, starting low-carbon transformation with new energy while also taking on social responsibilities and fulfilling our obligations to support sustainable social development.

Huzhou Gas has always been committed to social welfare, not only holding various charitable activities regularly each year but also contributing to the care for the young and elderly, cultivating talent, and ensuring the gas supply for society.

Looking ahead, Huzhou Gas will steadfastly pursue its sustainable development strategy. On one hand, we will continue to fulfill our corporate responsibilities, ensuring the safety and stability of energy use in society. On the other, we will continue to respond to carbon neutrality strategies, aiming to provide cleaner and lower-carbon products and services, contributing to the achievement of carbon neutrality goals while promoting the development and upgrading of our own business, gradually transforming into an integrated comprehensive energy service provider. We will maintain our strategic determination and patience, moving together towards a new era of ecological civilization under the concept of sustainable development.



## Annex: ESG Performance Indicators Table

## Environmental Category

Name of index	Class	2023	2024
Exhaust gas	Nitrogen oxides (kg)	52.17	42.67
	Sulfur oxides (kg)	4.26	0.11
	Inhalable suspended particles (kg)	17.24	1.76
Green house gas emission	Scope 1 Direct greenhouse gas emissions (metric tons of CO <sub>2</sub> equivalent)	183.71	202.09
	Fossil fuel combustion- -a stationary source	13.09	11.34
	Fossil fuel combustion- -a mobile source	157.62	183.95
	Cryogen	131	6.79
	Scope 2 Energy indirect greenhouse gas emissions (metric tons of CO <sub>2</sub> equivalent)	669.1	1029.74
	Scope 1 + 2 greenhouse gas density (metric tons of CO <sub>2</sub> equivalent / employee)	1.94	2.79
	Scope 3 Greenhouse gas emissions (metric tons of CO <sub>2</sub> equivalent)	/	5.96 <sup>2</sup>
	Natural gas production	/	/
	Upstream and downstream transportation	/	/
	Use of natural gas sold	/	/
	Staff travel and commuting	/	5.96
	Total greenhouse gas emissions (Scope 1 + Scope 2 + Scope 3)	852.81	1237.79
Rejected material	Hazardous waste		
	Hazardous waste in the office building (metric tons)	0.0131	0.11
	Harmful waste density in office building (public ton / employee)	0	0
	Non-hazardous waste (metric tons)	0.55	0.44
Energy use	Direct energy (MWH)		
	Gasoline	572.46	608.58
	Diesel oil	69.42	65.94
	Natural gas	59.02	63.00
	Indirect energy source (MWH)		
	Power	1096.7	1287.17
	Total energy consumption	1797.61	2024.70
	Energy Density (MWH / employee)	4.06	4.59
Water resources use	Total water consumption (m <sup>3</sup> )	14849	18901
	Water consumption density (m <sup>3</sup> / employee)	33.7	42.85

1: Harmful oil and exhaust gas battery: not produced this year.

2: As upstream gas supply companies did not disclose the data, only greenhouse gas emissions from employee travel and commuting were disclosed this year.

## Social performance

Employee distribution		2023	2024
Sex	Male	330	336
	Female	110	105
Employment category	Chief executive	2	1
	Senior executives	7	5
	Middle management	37	40
	General employees	394	395
Type of employment	Full-time	440	441
	Part-time	0	0
Age	Under 30 years old	95	85
	Thirty to forty	222	227
	Forty-one to 50 years old	91	97
	Over 50 years old	32	32
Area	Inland	440	441
	Other	0	0
By sex ratio (male: female)		3.0:1	3.2:1
Total		440	441
Distribution and proportion of departing employees		2023	2024
Sex	Male	20 (6.1%)	8 (1.8%)
	Female	5 (4.5%)	7 (1.6%)
Age	Under thirty years old	12 (12.6%)	5 (1.1%)
	Thirty to forty	6 (2.7%)	7 (1.6%)
	Forty to fifty years old	2 (2.2%)	1 (0.2%)
	Over fifty years old	5 (15.6%)	2 (0.4%)
Area	Inland	25 (5.7%)	15 (3.4%)
	Other	0 (0%)	0 (0%)
Total number and proportion		25 (5.6%)	15 (3.4%)
Occupational safety and health performance		2023	2024
Number and proportion of deaths due to work-related causes		0	0
Number and proportion of injuries due to work		2, 0.44%	7, 1.58%
Number of working days lost due to industrial injury		118	123
Training		2023	2024
Sex	Male	330 (75%)	336 (76%)
	Female	110 (25%)	105 (24%)
Employment category	Chief executive	2 (0.4%)	1 (0.2%)
	Senior executives	7 (1.5%)	5 (1.1%)
	Middle management	37 (8.3%)	40 (9.1%)
	General management	394 (90%)	395 (89.6%)
Total number of employees trained		440 (100%)	441 (100%)



## HKEX ESG Index

Hong Kong Stock Exchange ESG Index and Environmental, Social, and Governance Scope with General Disclosures and Key Performance Indicators (KPI)

Environmental		
Indicator	General Disclosure	Chapter
A1 Emissions	General disclosure about gas and greenhouse gas emissions, pollution to water and land, and generation of hazardous and non-hazardous waste: (a) policies; (b) compliance with relevant laws and regulations that significantly impact the issuer	Driving Low-Carbon Transition
Key Performance Indicator A1.1	Types of emissions and related emission data	Driving Low-Carbon Transition - Water Saving and Emission Reduction
Key Performance Indicator A1.2	Direct and indirect energy-related greenhouse gas emissions (in tons)	Driving Low-Carbon Transition - Climate Change
Key Performance Indicator A1.3	Total hazardous waste generated (in tons) and density	Driving Low-Carbon Transition - Water Saving and Emission Reduction
Key Performance Indicator A1.4	Total non-hazardous waste generated (in tons) and density	Driving Low-Carbon Transition - Water Saving and Emission Reduction
Key Performance Indicator A1.5	Description of emission targets established and steps taken to achieve these targets	Driving Low-Carbon Transition - Water Saving and Emission Reduction
Key Performance Indicator A1.6	Description of methods for handling hazardous and non-hazardous waste, and description of established emission reduction targets and steps taken to achieve these targets	Driving Low-Carbon Transition - Water Saving and Emission Reduction
A2 Resource Use	General disclosure on policies for effective use of resources (including energy, water, and other raw materials)	Driving Low-Carbon Transition
Key Performance Indicator A2.1	Total direct or indirect energy consumption and density by type	Driving Low-Carbon Transition - Green Environment
Key Performance Indicator A2.2	Total water consumption and density	Driving Low-Carbon Transition - Water Saving and Emission Reduction
Key Performance Indicator A2.3	Description of energy use efficiency targets established and the steps taken to achieve these targets	Driving Low-Carbon Transition - Green Environment
Key Performance Indicator A2.4	Description of any issues in obtaining water sources, and the water efficiency targets established and the steps taken to achieve these targets	Driving Low-Carbon Transition - Water Saving and Emission Reduction
Key Performance Indicator A2.5	Total amount of packaging materials used for finished products and the amount per production unit	Not Applicable
A3 Environment and Natural Resources	General disclosure on policies to reduce significant impacts on the environment and natural resources	Driving Low-Carbon Transition - Ecological Coexistence
Key Performance Indicator A3.1	Description of significant impacts of business activities on the environment and natural resources and actions taken to manage those impacts	Driving Low-Carbon Transition - Ecological Coexistence
A4 Climate Change	General disclosure on policies to identify and address significant climate-related issues that have had or may have a significant impact on the issuer	Driving Low-Carbon Transition - Climate Change
Key Performance Indicator A4.1	Description of significant climate-related issues that have had or may have an impact on the issuer and response actions	Driving Low-Carbon Transition - Climate Change

Social		
Indicator	General Disclosure	Chapter
B1: Employment	General disclosure on policies regarding compensation and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination, and other treatments and benefits: (a) policies; and (b) compliance with relevant laws and regulations that significantly impact the issuer	Fulfilling Corporate Responsibility
Key Performance Indicator B1.1	Total number of employees by gender, employment type, age group, and region	Fulfilling Corporate Responsibility - Talent Development
Key Performance Indicator B1.2	Employee turnover rates by gender, age group, and region	Fulfilling Corporate Responsibility - Talent Development
B2: Health and Safety	General disclosure on policies to provide a safe working environment and protect employees from occupational hazards: (a) policies; and (b) compliance with relevant laws and regulations that significantly impact the issuer	Strengthening Safety Management, Building Urban Barriers
Key Performance Indicator B2.1	Number and rate of fatalities due to work over the past three years (including the reporting year)	Strengthening Safety Management - Operational Safety
Key Performance Indicator B2.2	Number of lost workdays due to workplace injuries	Strengthening Safety Management - Operational Safety
Key Performance Indicator B2.3	Description of occupational health and safety measures adopted, as well as related implementation and monitoring methods	Strengthening Safety Management - Operational Safety
B3: Development and Training	General disclosure on policies regarding improving employees' knowledge and skills to fulfill their job responsibilities. Description of training activities	Fulfilling Corporate Responsibility - Employee Rights
Key Performance Indicator B3.1	Percentage of trained employees by gender and employee category (e.g., executives, middle management)	Fulfilling Corporate Responsibility - Employee Rights
Key Performance Indicator B3.2	Average training hours completed per employee by gender and employee category	Fulfilling Corporate Responsibility - Employee Rights
B4: Labor Standards	General disclosure on policies to prevent child labor or forced labor: (a) policies; and (b) compliance with relevant laws and regulations that significantly impact the issuer	Fulfilling Corporate Responsibility - Employee Rights
Key Performance Indicator B4.1	Description of measures to review recruitment practices and avoid child labor and forced labor	Fulfilling Corporate Responsibility - Employee Rights
Key Performance Indicator B4.2	Description of steps taken to eliminate violations when identified	Fulfilling Corporate Responsibility - Employee Rights
B5: Supply Chain Management	General disclosure on policies for managing environmental and social risks in the supply chain	Enhancing Corporate Governance
Key Performance Indicator B5.1	Number of suppliers by region	Enhancing Corporate Governance - Sustainable Supply Chain
Key Performance Indicator B5.2	Description of practices regarding the employment of suppliers, the number of suppliers adhering to those practices, and related implementation and monitoring methods	Enhancing Corporate Governance - Sustainable Supply Chain

Social		
Indicator	General Disclosure	Chapter
Key Performance Indicator B5.3	Description of practices for identifying environmental and social risks at each link in the supply chain, and related implementation and monitoring methods	Enhancing Corporate Governance - Sustainable Supply Chain
Key Performance Indicator B5.4	Description of practices that promote the use of environmentally friendly products and services when selecting suppliers, and related implementation and monitoring methods	Enhancing Corporate Governance - Sustainable Supply Chain
B6: Product Responsibility	General disclosure on policies regarding the products and services provided, health and safety, advertising, labeling, privacy issues, and remedies: (a) policies; and (b) compliance with relevant laws and regulations that significantly impact the issuer	Strengthening Safety Management
Key Performance Indicator B6.1	Percentage of products sold or delivered that had to be recalled for health and safety reasons	Not Applicable
Key Performance Indicator B6.2	Number of complaints received regarding products and services and the response measures taken	Strengthening Safety Management - Privacy Safety
Key Performance Indicator B6.3	Description of practices related to the maintenance and protection of intellectual property	Enhancing Corporate Governance - Intellectual Property Security
Key Performance Indicator B6.4	Description of quality inspection processes and product recall procedures	Not Applicable
Key Performance Indicator B6.5	Description of consumer data protection and privacy policies, and related implementation and monitoring methods	Strengthening Safety Management - Privacy Safety
B7: Anti-Corruption	General disclosure on policies to prevent bribery, extortion, fraud, and money laundering: (a) policies; and (b) compliance with relevant laws and regulations that significantly impact the issuer	Enhancing Corporate Governance - Business Ethics
Key Performance Indicator B7.1	Corruption lawsuits filed against the issuer or its employees during the reporting period and the outcomes of those lawsuits	Enhancing Corporate Governance - Business Ethics
Key Performance Indicator B7.2	Description of preventive measures and reporting procedures, and related implementation and monitoring methods	Enhancing Corporate Governance - Business Ethics
Key Performance Indicator B7.3	Description of anti-corruption training provided to the chairman and employees	Enhancing Corporate Governance - Business Ethics
B8: Social Investment	General disclosure on policies regarding community engagement to understand the needs of operating communities and ensure that business activities consider community interests	Fulfilling Corporate Responsibility
Key Performance Indicator B8.1	Focused contribution categories	Fulfilling Corporate Responsibility - Social Welfare
Key Performance Indicator B8.2	Resources utilized in focused categories	Fulfilling Corporate Responsibility - Social Welfare



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