JIAXING GAS GROUP CO., LTD.*

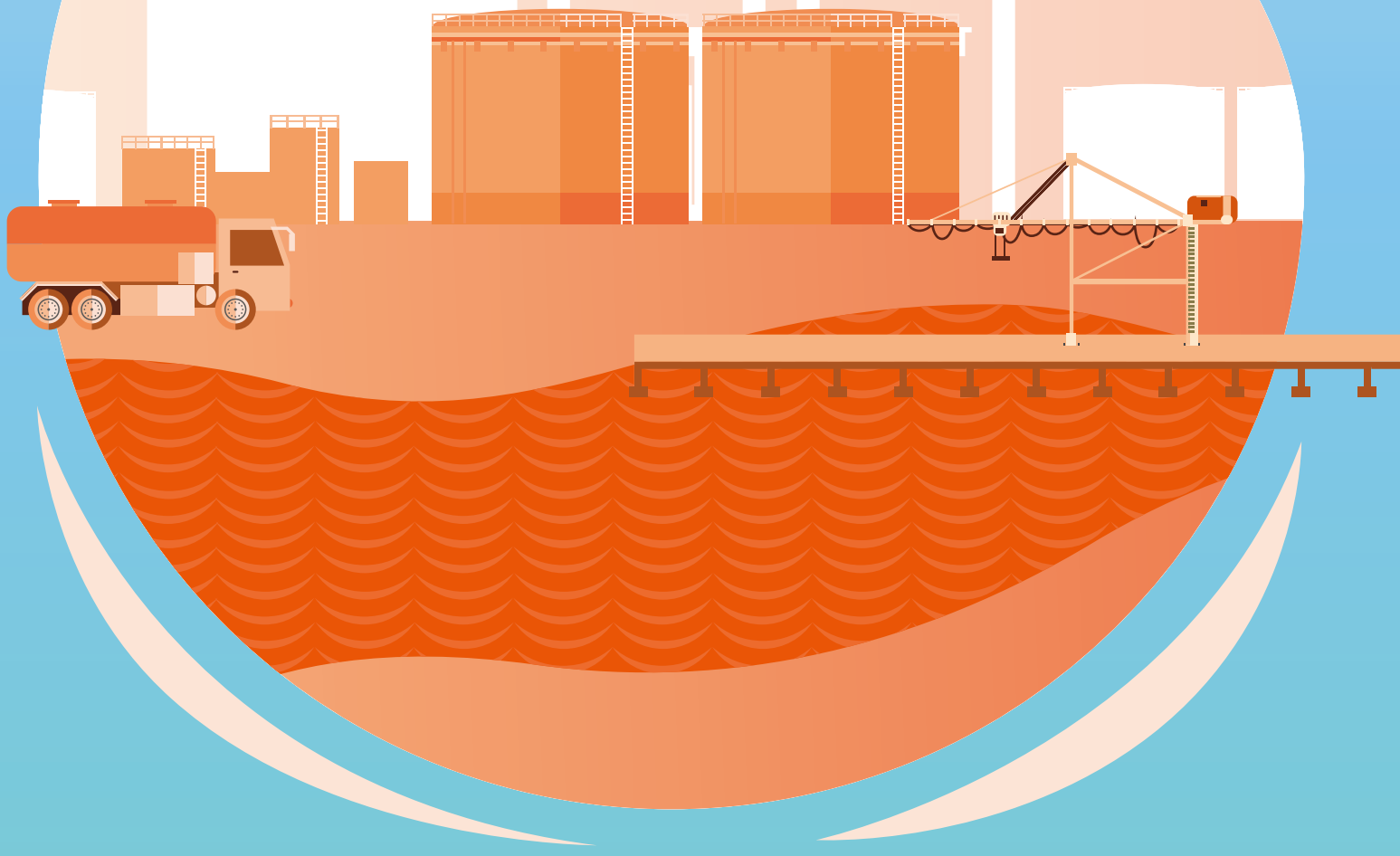
嘉興市燃氣集團股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

Stock code : 9908

2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

** For identification purposes only*



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OVERVIEW

This report is the sixth annual Environmental, Social and Governance (hereinafter referred to as the "**ESG**") report issued by JiaXing Gas Group Co., Ltd. and its subsidiaries (hereinafter referred to as the "**Group**", "**Jiaxing Gas**" or "**we**").

This report covers the ESG performance of the Group for the financial year from 1 January 2025 to 31 December 2025 (hereinafter referred to as the "**Reporting Period**").

BASIS OF PREPARATION

This report has been prepared in accordance with the requirements of the Environmental, Social and Governance Reporting Code as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and based on the principles of "Materiality", "Quantitative", "Balance" and "Consistency". And this report refers to the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

Materiality: we identified key ESG issues through materiality assessment, the process and results of which have been disclosed in this report.

Quantitative: In accordance with the "key performance indicators" of the Code, the Group made quantitative disclosures of key performance indicators with historical data in the "environmental" and "social" categories.

Balance: This report strives to achieve objective, fair and truthful disclosure and reflection of the Group's performance of responsibilities in the environmental and social fields in 2025.

Consistency: We follow a consistent approach for disclosure statistics and maintain the same disclosure statistics for this report in respect of information previously disclosed in the Report for last year.

The content of this report is determined through a systematic procedure. The procedure includes identifying key stakeholders, recognising and prioritising ESG-related significant issues, defining the boundaries of the ESG report, collecting relevant materials and data, compiling the report based on the information, and reviewing the data and information within the report, among others.

REPORTING SCOPE AND BOUNDARY

The policies, statements and data disclosed in this report cover the Group and its subsidiaries, and the scope of the Report is the same as that of 2025 annual report.

DATA SOURCE

Information and cases adopted in this report are mainly sourced from the statistics report and related documents of the Group. The Group undertakes that this report does not contain any false record or misleading statements, and is responsible for the truthfulness, accuracy and completeness of its contents.

RELEASING FORMAT

The Report has been published in both Chinese and English. Where the English content conflicts with the Chinese content, the Chinese one shall prevail. Readers and stakeholders may access this Report on the websites of Jiaxing Gas (www.jxrqgs.com) and the Hong Kong Stock Exchange (www.hkexnews.hk).

STATEMENT BY THE BOARD OF DIRECTORS

Jiaxing Gas is committed to building an operational model that harmonises environmental and social development. We are fully dedicated to creating sustainable environmental, social, and corporate value, continuously enhancing our ESG governance effectiveness, and laying a solid foundation for the Group's long-term development.

The Board of Directors has incorporated sustainable development into its core strategic agenda, establishing a three-tier governance structure: "Board – ESG Management – ESG Implementation". The Board, as the top-level decision-making body, oversees ESG strategy implementation, assesses major ESG risks, and approves management systems and annual reports. The ESG Management layer, coordinated by the Board Secretary and involving heads of departments and subsidiary General Managers, is responsible for updating sustainability policies, consolidating ESG practices and data, analyzing annual performance, and providing decision-making support to the Board. Employees across functional departments and subsidiaries, as the implementation layer, ensure ESG strategies are translated into concrete actions and effectively implemented.

Jiaxing Gas closely tracks energy industry trends, adheres to a prudent operational strategy, and continuously strengthens its gas supply capabilities to promote industry safety. We actively practice low-carbon development principles, accelerate business structure optimisation, and enhance corporate competitiveness. Simultaneously, we are expanding new energy and carbon neutrality services, injecting new momentum into high-quality development.

During the Reporting Period, the Group identified and analysed key ESG issues to clarify strategic priorities, ensuring ESG efforts focus on core needs. We are fully aware that corporate social responsibility extends beyond economic value creation; it is fundamentally committed to enhancing overall societal well-being and continuously strengthening sustainable development capabilities.

In 2025, the Group concentrated on nine key ESG priorities: corporate governance, gas safety and supply security, employee health and safety, integrity and anti-corruption, sustainability governance, customer rights protection, employee rights and benefits, information security and privacy protection, and risk and crisis management. These priorities were consistently integrated into daily operations, with dedicated focus on enhancing related performance metrics. Going forward, the Group will continue refining operational capabilities based on stakeholder expectations, dynamically adjust sustainability strategies, and create favourable conditions for long-term sustainable development.

This report details the progress and achievements of Jiaxing Gas's ESG initiatives in 2025. It was submitted to the Board of Directors for review and approval by the ESG Task Force on March 27, 2026. All Board members confirm that this report contains no false statements, misleading information, or material omissions, and accept individual and joint liability for the authenticity, accuracy, and completeness of its content.

Guided by our high-quality, sustainable development strategy in 2025, Jiaxing Gas advanced its operations with steadfast commitment. We adhered to our core priorities –"ensuring safety, maintaining growth, expanding markets, and driving transformation"– while making relentless efforts in areas including gas supply and service enhancement, digital empowerment and technological innovation, clean energy expansion, gas safety management digitalisation, green and low-carbon initiatives, and social responsibility fulfilment. Amid complex external risks and challenges, we continuously optimised our risk management framework to strengthen corporate resilience. Embracing opportunities presented by the green transition, we strategically deepened our natural gas business and actively entered the hydrogen energy sector, demonstrating strategic focus and resilience to change. These efforts solidified the foundation for the Group's sustainable growth. In line with China's 30/60 carbon goals, our teams across the Group united in purpose and committed in action – forging new paths for high-quality development and contributing Jiaxing Gas's strength to building a new chapter for the city of Jiaxing.

ESG-DRIVEN EMPOWERMENT FOR SUSTAINABLE GROWTH

Jiaxing Gas has established a robust ESG governance framework to harmonise economic growth with environmental stewardship and social well-being, embedding ESG principles deeply into operational practices. We attach high importance to stakeholder expectations through comprehensive, multi-tiered communication channels. Strictly adhering to our high-quality development strategy, we reinforce accountability and compliance awareness. Under the guidance of Party building, we cultivate a culture of integrity to anchor employees' ethical conduct. We optimise energy efficiency and resource utilisation, while prioritising talent development and management systems. By enhancing career growth mechanisms, we align employee aspirations with corporate goals, fostering synergy to drive sustained high-quality and sustainable progress.

SERVING WITH COMMITMENT, DELIVERING WARMTH TO EVERY HOME

Jiaxing Gas adheres to a customer-centric service philosophy, continuously providing convenient, efficient, and premium service experiences. We have built an omnichannel communication platform, breaking down barriers between online and offline services. By upgrading our online service ecosystem, we enable users to complete transactions with "zero visits." Multiple offline service points have been established, complemented by rigorous professional training and performance evaluations for customer service staff. This holistic approach enhances service quality and ensures precise responses to diverse customer needs. We actively listen to every request, conducting thorough user satisfaction surveys and complaint follow-ups to make our services more caring and efficient. Embracing innovation, we have upgraded IoT-based meters and optimised digital management systems while expanding online services and refining user experiences. Our commitment to digital and informational transformation empowers service quality through technology, shaping the Smart Gas brand image. Furthering our dedication to public convenience, we organise community and town outreach programs for service processing and gas safety education. Through residential safety inspections and awareness campaigns, we deliver not only safety knowledge but also care and warmth to our users, steadfastly safeguarding the stability and security of household gas supply.

DRIVING INDUSTRIAL ADVANCEMENT THROUGH INNOVATION

Innovation serves as the primary engine for our high-quality development. We proactively explore new frontiers and embrace pioneering initiatives, translating innovative capabilities into tangible growth momentum. By continuously optimising operational strategies around smart gas technologies and critical gas safety solutions, we enhance market competitiveness. In management innovation, we refine mechanisms for incentivising innovation and commercialising outcomes. A multidisciplinary expert panel evaluates innovation projects, standardising the entire lifecycle – from proposal initiation to implementation and assessment. Concurrently, we strengthen information security and compliance protocols through regular training programs, safeguarding intellectual property rights and establishing robust institutional safeguards for innovation. In technological innovation, we prioritise the digital transformation of pipeline safety infrastructure. This includes advancing Geographic Information System (GIS) functionalities and optimising core operational platforms – such as billing systems, work order management, and e-invoicing systems. Through seamless integration with government data interfaces, we enable cross-system interoperability, empowering efficient gas operations via digital solutions. In terms of service-industry integration, we actively fuse information technology with gas applications to pioneer new service models. Deepened university-industry partnerships foster collaborative R&D, accelerating industrial upgrading and sector-wide progress. We advance steadily along our digital transformation journey, driving synergistic development across academia, research, and industry.

SAFETY AS THE BOTTOM LINE, ENSURING STABLE SUPPLY

Jiaxing Gas continuously deepens operational safety and strives to enhance the stability and efficiency of gas supply. We regularly organise comprehensive emergency response drills and implement a 10-year meter replacement program alongside pre-holiday safety inspections to ensure the safety and stable operation of gas production throughout its lifecycle. Monthly gas quality sampling and analysis are conducted to strictly guarantee product quality. Leveraging the OA digital platform, we drive the digital and intelligent transformation of the entire safety management process, actively implementing IT and system upgrades. A systematic safety production evaluation mechanism has been established to deepen the standardisation of safety management. Diverse initiatives – including safety training sessions, Safety Production Month campaigns, and safety production meetings – are held to continuously improve employees' safety awareness and skill levels. We consistently strengthen inspections of gas supply facilities and pipeline networks, conducting systematic risk assessments and hazard remediation to resolutely prevent incidents and accidents. Regarding occupational health, we rigorously implement protective measures, effectively control occupational hazards, and safeguard employees' occupational health rights.

GREEN AS THE FOUNDATION: BUILDING A LOW-CARBON ECOSYSTEM

Jiaxing Gas embraces the philosophy of green development, establishing robust low-carbon management mechanisms and implementing sustainable operational practices. We advance carbon peak and carbon neutrality initiatives steadily, safeguarding ecological security through green operations. Our efforts include: building a resilient green supply chain to ensure stable and efficient energy supply; optimising processes and upgrading equipment through technological innovation; expanding into emerging sectors like integrated energy, EV charging stations, and hydrogen refuelling infrastructure to accelerate clean energy adoption; implementing standardised methane concentration monitoring and management during transmission and storage to effectively reduce greenhouse gas emissions. We vigorously promote energy conservation and emissions reduction, accelerating our green transition to set industry benchmarks under the "dual carbon" goals. Upholding "ecological priority and green development" as our guiding principle, we drive technological innovation and efficiency improvements to harmonise economic growth with ecological conservation, contributing to an eco-friendly society.

RESPONSIBILITY AS OUR COMMITMENT: CARING FOR SOCIETY AND PEOPLE

In line with our Party-building principles, Jiaxing Gas prioritises social responsibility as a core mission, demonstrating care through tangible actions. We actively engage in public welfare: conducting gas safety campaigns, elderly care initiatives, anti-fraud awareness drives, and blood donation programs; extending safety knowledge and warmth to communities while enhancing service quality; mobilising employees for volunteer services to foster corporate and community citizenship; organising annual tree-planting activities to uphold ecological values and protect natural heritage.

Looking ahead, Jiaxing Gas will leverage AI to build smart gas networks, enhancing security and reliability. By diversifying premium resources, we will forge distinctive competitive advantages. We continue to expand our customer base with premium services while optimising energy transition pathways to accelerate green transformation. As an "Architect of Better Living," we remain confident in our vision. Through integrated technological and service innovations, we will strengthen urban energy security, elevate quality of life, and propel industry progress with the enduring power of Jiaxing Gas.

ABOUT US

The Company is a pipeline natural gas ("**PNG**") operator in Jiaxing, a major prefecture-level city in Zhejiang Province, China.

- Its predecessor was Jiaxing City Gas Company, which was established in September 1985.
- In March 1998, the Company was incorporated as a limited liability company in China.
- In January 2017, it was restructured and renamed JiaXing Gas Group Co., Ltd.
- The Company was listed on the Hong Kong Stock Exchange on 16 July 2020 (stock code: 9908).

BUSINESS OVERVIEW

As a franchise grantee, the Group has served as a pipeline natural gas distributor within its exclusive operating area in Jiaxing. Our concession territory encompasses Jiaxing City and Jiaxing Port Area, with principal operations including:



Jiaxing Gas consistently adheres to the development principle of "Pragmatism, Truth-Seeking, and Pioneering Spirit," guided by the quality policy of "Safe Gas Supply, Civilised Service, Standardised Management, and Customer Satisfaction." The Group is committed to its vision of expanding and strengthening its operations. We uphold scientific and rigorous decision-making, efficient execution and control, prudent financial policies, and standardised internal management. Through these efforts, we actively pursue the Group's sustainable growth while earning the trust and satisfaction of our extensive customer base. The Group is dedicated to developing clean energy, continuously innovating and broadening its applications. We strive to contribute to building a more liveable environment for the city of Jiaxing.

INDUSTRY PARTICIPATION

We actively expand social cooperation, play an active role in industry associations, and contribute to the prosperity and development of associations and the industry itself.

The Group's memberships in associations

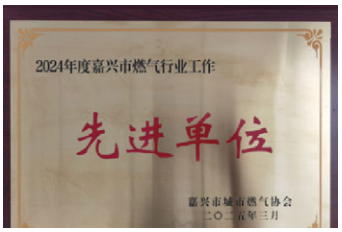
Category	Associations
Gas	China Gas Association Gas Branch Society of the China Civil Engineering Society Zhejiang Gas Association Jiangxi Gas Association Institution of Gas Engineers & Managers (IGEM)
Energy	Dealers' Council of the Shanghai Petroleum and Natural Gas Exchange Jiaxing Association for the Promotion of the Hydrogen Energy Industry in the Yangtze River Delta Zhejiang Energy Research Association Jiaxing Port Area Environmental Protection Association Jiaxing Port Area Petroleum and Chemical Industry Association Pinghu City Statistics Society
Construction	Zhejiang Engineering Research Centre for Intelligent Urban Infrastructure Jiaxing Association for Political Research on Construction Jiaxing Port Area Special Equipment Safety Management Association Jiaxing Port Area Construction Industry Association
Information security	Jiaxing Cyberspace Security Association

Category	Associations
Economy	Zhejiang Economic Council Zhejiang Merchants Research Association Jiaxing Economic Development Zone Association for Private Enterprises and Individual Workers Jiaxing Federation of Industry and Commerce Zhejiang Construction Accounting Society Zhejiang Economic Information Credit Price Association Natural Gas Price Branch Jiaxing Enterprise Compliance Association
Production quality and safety	Zhejiang Fire Protection Association Jiaxing Quality Association Jiaxing Institute of Measurement and Testing Jiaxing Association for Production Safety
Community engagement	Jiaxing Internal Audit Association Jiaxing Urban Construction Archives Society Zhejiang Association for Ideological and Political Construction Zhejiang Society for the Promotion of the Guangcai Programme

AWARDS AND HONOURS

In 2025, Jiaxing Gas earned multiple prestigious honours and industry awards. These serve as a powerful testament to the Group's commitment to sustainable development and continuous enhancement of its ESG management capabilities. They also motivate us to further integrate ESG practices into our operations.

Year	Award	Awarded by	Photo
2025	Certificate for Participating in the Drafting of Technical Specifications for Hydrogen Pipeline Transmission Systems	China Council for Industrial Environmental Protection	
2025	Pilot Site for Reform and Innovation	Zhejiang Gas Association	
2025	Advanced Unit in Energy Science and Technology Management in 2024	Zhejiang Energy Research Association	
2025	Jiaxing LNG Cold and Thermal Energy Comprehensive Utilisation Project Construction Management Innovation Team – 2024 Zhejiang Provincial Outstanding Energy Innovation Team	Zhejiang Energy Research Association	

Year	Award	Awarded by	Photo
2025	Provincial AAA "Contract-Honouring and Creditworthy" Enterprise (Natural Gas Sector of Jiaxing Port Area)	Zhejiang Provincial Administration for Market Regulation	
2025	Outstanding Partner of Jiaxing Economic & Technological Development Zone Construction Investment Group Co., Ltd. (2025)	Jiaxing Economic & Technological Development Zone Construction Investment Group	
March 2025	Advanced Unit of Jiaxing's Gas Industry in 2024	Jiangxi Gas Association	
March 2025	Second Prize for Information Work in Jiaxing's Gas Industry in 2024	Jiangxi Gas Association	
February 2025	Enterprise Achieving High-Quality Development in 2024	Changshui Subdistrict Working Committee, Nanhu District, Jiaxing Changshui Subdistrict Office, Nanhu District People's Government, Jiaxing	

Year	Award	Awarded by	Photo
2025	Advanced Grassroots Party Organisation of Jiaxing Economic & Technological Development Zone	Working Committee of Jiaxing Economic & Technological Development Zone	
2025	Outstanding Entrepreneur of Changshui Subdistrict (2024)	Changshui Subdistrict Working Committee, Nanhu District, Jiaxing Changshui Subdistrict Office, Nanhu District People's Government, Jiaxing	
January 2025	Top Ten Partner of Hangzhou Gas Group (2024)	Hangzhou Gas Group Co., Ltd.	

I. THE PATH TO SUSTAINABILITY: GOVERNANCE AS THE FOUNDATION, COMMUNICATION AS THE BRIDGE

Jiaxing Gas has deeply embedded the concept of sustainable development into the top-level design of its strategic management, ensuring its effective implementation throughout the entire value chain of business activities. The Group actively aligns with national strategic directives and the requirements of the carbon goals, striving to balance corporate economic growth with harmony between nature and society. With a strong sense of responsibility and mission, we comprehensively advance energy conservation, emission reduction, and carbon reduction initiatives while proactively fulfilling our corporate social responsibilities. Upholding our corporate mission of "Safe Gas Supply, Civilised Service, Standardised Management, and Customer Satisfaction," we continuously optimise management mechanisms and enhance operational quality. We are committed to establishing diverse communication channels to build close partnerships with stakeholders. Through multi-dimensional engagement, we maintain regular dialogue to deeply understand their expectations and concerns regarding environmental, social, and governance (ESG) matters. Our aim is to consistently create value for society, drive continuous improvement in ESG performance, and fuel sustained momentum for sustainable development.

1.1 ESG GOVERNANCE AS A CORNERSTONE

We have established and refined our ESG governance framework to ensure a robust governance structure with clearly defined responsibilities. The Board of Directors, serving as the ultimate body responsible for ESG governance, exercises comprehensive leadership and oversight. Under its guidance, a dedicated ESG Management Leadership Group has been formed, supported by an ESG implementation team comprising key personnel from cross-departmental units and subsidiaries. This structure precisely delineates the roles and responsibilities at each level, enabling the efficient integration and thorough execution of ESG principles and practices across the Group.

ESG management structure

Management structure	Specific responsibilities
Board of Directors	• Decision-making on the Group's ESG strategy and annual work plan; • Evaluating ESG performance and reviewing ESG reports; • Listening to the report of ESG cross-departmental working group
ESG cross-departmental working group (ESG management)	• Coordinating cooperation among various departments of the Group; • Supervising and inspecting ESG performance and related work progress; • Regularly reporting to the Board and providing suggestions to improve the Group's ESG performance
Functional departments and subsidiaries (ESG executive team)	• Responsible for the implementation of specific ESG related work

1.2 COMMUNICATION WITH STAKEHOLDERS

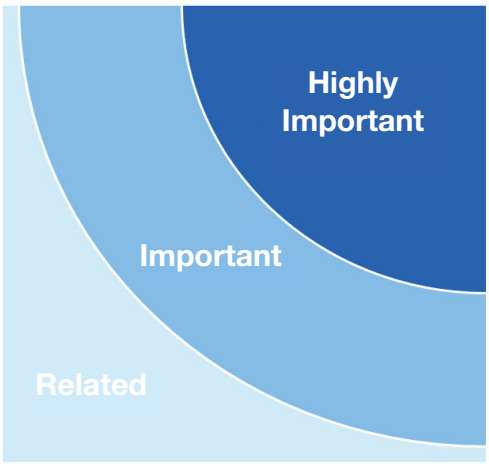
Jiaxing Gas attaches great importance to and thoroughly understands the expectations and demands of its various stakeholders, dedicating efforts to building comprehensive, multi-level internal and external communication mechanisms. Our stakeholder groups are broad and diverse, encompassing government and regulatory authorities, investors/shareholders, suppliers and partners, customers, media, employees, local communities, and public welfare organisations/non-governmental organisations (NGOs). To maintain regular dialogue with these key groups, we adopt diverse communication channels such as annual reports, periodic consultation meetings, and in-depth interviews. Through these regular exchanges, we accurately identify the core issues of concern to each party and ensure that the Group's value is communicated to all stakeholders promptly and efficiently.

Stakeholders	Issues of concern	Communication and response
Government	• Addressing Climate Change • Wastewater and Air Emissions • Solid Waste Management • Gas Safety & Security • Integrity and Anti-corruption	• Regular information distribution and communication • Attending conferences and major events • Accepting supervision and assessment • Strengthening compliance and operation management
Investors/shareholders	• Economic Performance • Industry Cooperation and Development • Gas Safety & Security	• General meeting • Company website and announcements • Investor research and reception
Suppliers and partners	• Responsible Supply Chain • R&D Innovation and Intellectual Property Protection • Industry Cooperation and Development	• Daily informal communication • Signing cooperation agreements • Special research, lectures
Customers	• Gas Safety & Security • Information Security and Privacy Protection • Customer Rights Protection	• Customer satisfaction survey • Multi-channel complaints and suggestions

Stakeholders	Issues of concern	Communication and response
Media	• Economic performance • Industry Cooperation and Development • Wastewater and Air Emissions • Solid Waste Management • Clean Energy Development	• Media site visits • Company website and social media
Employees	• Employee Rights and Benefits • Fairness and Diversity • Occupational health and safety • Employee Training and Development	• General meetings of employee representatives • Internal and external training for employees • Employee activities • Employee satisfaction survey
Communities	• Gas Safety & Security • Social Welfare and Community Involvement	• Visits and exchanges • Community involvement • Charitable donations
Non-profit/non-governmental organisations	• Social Welfare and Community Involvement • Addressing Climate Change • Clean Energy Development • Biodiversity Conservation	• Social communication and survey • Charitable and volunteer activities

1.3 MATERIALITY ASSESSMENT

This year, we comprehensively considered national macroeconomic policy guidance, capital market focus, related standards of sustainable development report related standards, and excellent peer benchmarking analysis, based on the current development status and focus of the Group's efforts during the Reporting Period, and selected 25 topics to form the topic library. In 2025, we conducted a materiality assessment and ranking from two dimensions, namely, importance to stakeholders and importance to business management, to identify ESG issues that are important for the Group. These issues are disclosed below:



Highly Important

Corporate Governance Integrity and Anti-corruption
Sustainable Development Governance Risk and crisis management
Gas Safety & Security Employee Health and Safety
Customer Rights Protection Employee Rights and Benefits
Information Security and Privacy Protection

Important

Economic Performance Efficient Use of Energy
Clean Energy Development Wastewater and waste gas exhaust emissions
Addressing Climate Change R&D Innovation and Intellectual Property Protection
Industry Cooperation and Development Equity and Diversity
Employee Training and Development Anti-unfair Competition
Responsible Supply Chain Preventing Forced Labour and Child Labour

Related

Solid Waste Management Biodiversity Conservation
Water Resource Management Social Welfare and Community Involvement

Materiality Matrix for ESG Issues of Jiaxing Gas in 2025

Response to the results of the materiality assessment in this Report

Category	Issues	Importance	Response of this report
Governance	Corporate Governance	Highly important	Governance: Fortifying Institutional Foundations
Governance	Integrity and Anti-corruption	Highly important	Integrity: Safeguarding Operations Through Transparency
Governance	Sustainable Development Governance	Highly important	ESG Governance
Governance	Risk and crisis management	Highly important	Risk Management: Weaving Comprehensive Safety Nets
Social	Gas Safety & Security	Highly important	Infrastructure: Building Unyielding Urban Gas Systems Community: Co-Creating Neighbourhood Vitality Service Excellence: Full-Cycle Supply Assurance
Social	Employee Health and Safety	Highly important	Infrastructure: Building Unyielding Urban Gas Systems
Social	Customer Rights Protection	Highly important	Customer Focus: Crafting Experiences with Sincere Care
Social	Employee Rights and Benefits	Highly important	Talent Development: Multi-Path Career Empowerment
Social	Information Security and Privacy Protection	Highly important	Customer Focus: Crafting Experiences with Sincere Care
Governance	Economic Performance	Important	Message from the Management
Environment	Efficient Use of Energy	Important	Resource Efficiency: Circular Economy Implementation
Environment	Clean Energy Development	Important	Climate Action: Blue-Sky Carbon Reduction Initiatives
Environment	Wastewater and waste gas exhaust emissions	Important	Eco-Operations: Greening Urban Landscapes
Environment	Addressing Climate Change	Important	Climate Action: Blue-Sky Carbon Reduction Initiatives
Social	R&D Innovation and Intellectual Property Protection	Important	Digital Innovation: Enabling Smart Energy Services
Social	Industry Cooperation and Development	Important	Digital Innovation: Enabling Smart Energy Services
Social	Equity and Diversity	Important	Talent Development: Multi-Path Career Empowerment
Social	Employee Training and Development	Important	Career Paths: Paving the Way for Talent Development
Social	Anti-unfair Competition	Important	Integrity: Safeguarding Operations Through Transparency
Social	Responsible Supply Chain	Important	Green Procurement: Shaping Sustainable Supply Chains
Social	Preventing Forced Labour and Child Labour	Important	Talent Development: Multi-Path Career Empowerment
Environment	Solid Waste Management	Related	Eco-Operations: Greening Urban Landscapes
Environment	Biodiversity Conservation	Related	Eco-Operations: Greening Urban Landscapes
Environment	Water Resource Management	Related	Resource Efficiency: Circular Economy Implementation
Social	Social Welfare and Community Involvement	Related	Social Responsibility: Promoting Community Welfare as Part of Party Building

Based on the results of the materiality assessment, this Report provides detailed disclosures on highly important issues to respond to internal and external concerns. Going forward, we will continue to focus on nine highly important topics: corporate governance, gas safety and security, employee health and safety, integrity and anti-corruption, sustainable development governance, customer rights protection, employee rights and benefits, information security and privacy protection, and risk and crisis management.

II. THE STEADFAST COMMITMENT: COMPLIANCE AS THE ANCHOR, INNOVATION AS THE CATALYST

Jiaxing Gas has established a robust compliance framework as the cornerstone of its operations. Strictly adhering to the strategic deployment for high-quality development, the Group has built and continuously refined a comprehensive compliance management system characterised by a clear hierarchy and extensive coverage. Upholding the principle of integrity in all business practices, the Group consistently reinforces its sense of responsibility and commitment to rules. It maintains a prudent approach to risk prevention and control, continuously optimising its risk management systems to effectively navigate complex and evolving market conditions. Simultaneously, the Group actively deepens collaborative partnerships with suppliers, promoting the sustainable development of the value chain. This collaborative effort lays a solid foundation for the Group's long-term, stable, and resilient operations.

2.1 GOVERNANCE: FORTIFYING INSTITUTIONAL FOUNDATIONS

Jiaxing Gas strictly abides by relevant laws and regulations including the Company Law of the People's Republic of China and the Hong Kong Stock Exchange Listing Rules. We have established a comprehensive, well-defined internal compliance system to ensure corporate sustainability and protect the legitimate rights and interests of shareholders and investors. Under the Group's Board of Directors, which is the highest decision-making and supervisory authority for corporate operations and management, there are three specialised committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, which together form a sound and efficient governance structure.

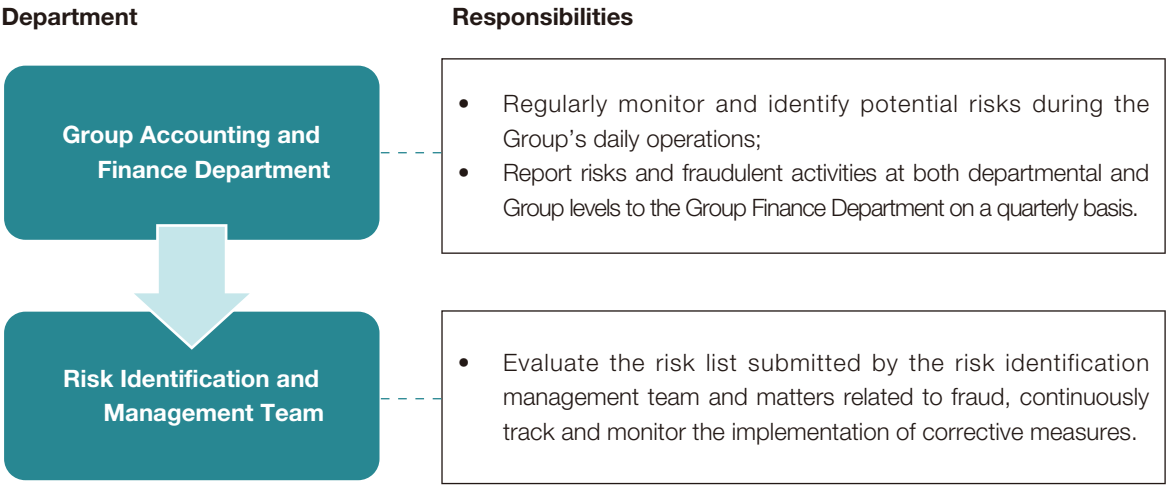
The Board and its committees collectively provide strategic guidance and decision-making support. They oversee the formulation of the Group's development strategy, comprehensively monitor operational performance, and prudently assess and make informed decisions on significant risk matters. Leveraging their professional expertise and supervisory functions, the committees focus on the detailed management of daily operations, ensuring the effective implementation and full-process oversight of Board decisions.

In terms of board diversity, the Group follows the revised Corporate Governance Code of the Hong Kong Stock Exchange and the latest requirements on diversity. Based on the business model and specific needs of the Group, we strive to form a diverse, specialised and balanced board of directors from multiple perspectives such as gender, age, region, cultural and educational backgrounds, professional qualifications, and industry experience, to effectively improve the Board's decision-making and governance capabilities. At the same time, the directors of the Group not only have profound professional expertise and a wealth of experience in the pipeline and natural gas industry, but also outstanding leadership capabilities in areas including management, strategic development, finance and accounting, which enables them to effectively promote the long-term development of the Company.

As at the end of the Reporting Period, the Board of Directors of the Group consisted of nine members, including two executive directors, four non-executive directors and three independent non-executive directors. Upholding the principles of integrity, diligence, and professionalism, the Board collectively steers the Company towards a brighter future.

2.2 RISK MANAGEMENT: WEAVING COMPREHENSIVE SAFETY NETS

To encourage all employees to proactively participate in risk management, the Group has incorporated risk management effectiveness into the core indicators of monthly and annual performance evaluations. Simultaneously, a scientific and standardised supervision and inspection mechanism, along with a risk management assessment system, has been established to regularly evaluate the risk management performance of each department. To ensure stable operations and sustainable development, the Group has formed a specialised risk identification management team. This team focuses on practical business operations, conducting systematic evaluation, rectification, and supervision of risk-related matters.



Graph: Risk monitoring and inspection mechanism

The Group has systematically organised and scientifically assessed potential risks in the internal and external environment, conducting in-depth exploration and precise positioning of daily operational risks through a concrete multi-dimensional analysis framework. This approach has enabled comprehensive identification and integrated rating of risk points. Based on the evaluation results, we conducted specialised assessments targeting the sources of risks and accordingly established a scientific emergency response system, effectively reducing the probability and impact of risks.

During the Reporting Period, the Group successfully identified and effectively responded to major risks and challenges, including operational risk, supply chain risk, price risk, compliance risk, health and safety risk, environmental risk and financial risk, to ensure business continuity and stability.

Table: Internal and External Risks Faced by the Group

Risk type	Risk point	Response
Operational risk	Water pressure testing risk	• Take safe and effective fixing and protection measures for the pressure testing pipeline and components before the hydrostatic test; • Conduct pressure tests on each pipeline circuit during the water pressure test, using each set of water distributors and collectors as a unit; • When there is a possibility of pipeline freezing in winter, reliable anti freezing measures should be taken. After the pressure test is completed, the water inside the pipeline should be blown clean and dried in a timely manner;
	CNG operations contraction risk	• Actively plan for and explore new energy businesses, including bus hydrogenation and charging station installation • In response to the current situation of the charging market in Jiaxing, analyse the operational status of existing sites and implement optimisation measures to enhance the operational capacity per charging pile. • For renewal projects, renegotiate commercial terms to reduce operational costs.
	Construction quality risk	• Improve and implement the engineering supervision system, attach importance to the supervision and management of the construction process, and strictly follow relevant quality and industry standards for construction
	Road pipeline crossing construction risk	• Conduct on-site surveys in advance to understand the geological conditions and distribution of underground pipelines in the construction area, and clarify construction plans, safety measures, and emergency plans
	Aging equipment operation risk	• Increase investment in safety, purchase advanced and practical technical equipment to improve the safe operation level of pipeline networks, and continuously improve emergency response technology in case of emergencies

Risk type	Risk point	Response
Supply chain risk	Gas supply shortage risk	• Expand diversified gas source channels to increase supply, develop emergency plans for group supply assurance, optimise supply and demand structure and management strategies, and fully guarantee natural gas supply
Price risk	Upstream gas price increase risk	• Actively communicating with the government to strive for gas source prices and forming a positive interactive model • Expanding the market and striving for users to increase gas consumption scale to reduce enterprise losses
Compliance Risk	Hazardous materials handling risk (LNG/LPG/CNG)	• Develop special risk emergency plans, strengthen personnel safety education and emergency response skills training, in order to master various emergency response measures
Environmental risks	Adverse weather transportation risk	• Pay close attention to weather trends, collect relevant information, and timely convey and remind relevant personnel • Carry out a comprehensive inspection before departure, and pay attention to observing various situations during the departure process • Develop special plans and strengthen emergency training to enhance the ability to respond quickly and handle various emergencies properly
	Equipment damage/ Hazardous material leakage risk	• Conduct pre-job training and safety operation procedure training for loading and unloading.

Risk type	Risk point	Response
Health and safety risks	Working at heights risk	• Strengthen safety education and strictly implement safety operating procedures for high-altitude operations • Wear high-altitude ropes, safety belts, and helmets according to regulations, and regularly inspect and replace safety protective tools • Implement the approval process and system for high-altitude operations, conduct warning and isolation in the area below high-altitude operations, and assign a dedicated person to be responsible for warning work to prevent accidents caused by falling objects from high altitude
	Equipment lifting risk	• Define the construction operation radius on site, set up warning tapes, and assign dedicated personnel to command the operation
	Electrical hazards during construction	• Carry out education and training on electrical safety for construction personnel, ensuring that all relevant personnel have the necessary knowledge • Arrange certified electricians on duty, strictly prohibit workers from connecting electricity without authorisation and using electricity in violation of regulations • Strengthen electricity inspection work on construction sites
	Traffic accident risk	• Strictly abide by the Road Traffic Safety Law, do not exceed the speed limit, do not run red lights, and conduct annual vehicle and driver's license inspections according to the prescribed time • Establish a pre-departure safety briefing system, with dispatchers providing safety briefings to drivers.
Financial risk	Exchange rate fluctuation risk	• Establish a sound exchange rate risk management policy and system for the Group, prudently arrange and optimise the monetary structure of assets and liabilities

In 2025, the Group did not experience any significant risk events.

Case: Hydrogen Tube Trailer Leak Drill at Jiaxing Gas

In April 2025, Jiaxing Gas conducted a hydrogen tube trailer leak drill, simulating a scenario where a leak occurred at the interface of a hydrogen tube trailer during unloading operations. Jie'an Transportation swiftly activated its emergency response plan, dispatching emergency personnel and vehicles to the scene. The company also contacted the hydrogen tube trailer manufacturer for technical support, towing the malfunctioning vehicle to a designated maintenance point for repairs according to protocol, and successfully addressed the hazard. The drill exposed weaknesses in on-site operations and personal protective measures, helping the company enhance safety awareness and facilitating targeted improvements through ongoing rectification efforts.








2.3 INTEGRITY: SAFEGUARDING OPERATIONS THROUGH TRANSPARENCY

The Group strictly adheres to the legal requirements concerning anti-money laundering, anti-monopoly, and anti-unfair competition as stipulated in the Criminal Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, and other relevant regulations. It also relies on internal systems such as the Anti-Corruption Management Regulations to continuously improve its anti-fraud and integrity management system. To enhance governance effectiveness, the Group has established a specialised anti-fraud task force for Jiaxing Gas, implemented a supervision, reporting, and control mechanism covering all levels, and set up multiple channels for complaints and whistleblowing.

The Group has integrated fraud risk assessment into its comprehensive risk identification and evaluation framework, while continuously strengthening internal audit oversight. Through multi-channel promotion of anti-fraud policies, procedures, and preventive measures, we ensure all business operations maintain full legal compliance and effectively mitigate fraud risks. The Group regularly organises training sessions on laws, regulations, and integrity awareness, requiring management to set an example by strictly adhering to rules while guiding employees to consciously resist unethical practices and uphold professional integrity through constant self-reflection and self-discipline. Procedurally, we prioritise enhancing process monitoring over critical production/operational procedures, key positions, and risk points, with timely rectification and optimisation of identified potential vulnerabilities.

Anti-corruption cultural activities

We insist on signing anti-money laundering agreements with all partners and actively demonstrate our firm stance and specific practices regarding integrity in professional conduct to various stakeholders. In our anti-corruption and anti-bribery efforts, Jiaxing Gas deeply integrates the concept of integrity and self-discipline into the corporate legal and disciplinary education system. Multiple measures are taken to strengthen defences: We actively advance the annual signing of integrity commitment letters. Integrity requirements are deeply integrated into the cultural and quality education of Party members and cadres, continuously reinforcing their awareness of integrity and self-discipline. Special Party meetings on integrity and anti-corruption are convened, conducting criticism and self-criticism based on relevant cases and practical work experience. Integrity and anti-corruption themed presentations are conducted irregularly during various safety production meetings. Regular thematic meetings on integrity development for key positions are held to effectively enhance employees' integrity awareness.

In 2025, all assistant-level and above employees (including all personnel in engineering, marketing, office directors, and procurement positions) signed integrity commitment letters.

Whistleblowing management

Jiaxing Gas has established and maintains accessible reporting channels for employees and external third parties, supporting both real-name and anonymous reporting of potentially unethical or dishonest conduct in the Group's operations through methods including dedicated email and physical mail. Upon receiving a report, the Group will complete the approval and case initiation process within three to five working days. Following thorough investigation and verification, feedback will be provided to the whistleblower within the stipulated timeframe based on factors such as the nature of the report and the severity of the content. The Group strictly fulfils its responsibility to protect whistleblowers. We maintain strict confidentiality regarding whistleblowers' information, limiting access strictly on a need-to-know basis, and expressly prohibit any obstruction, discrimination, or retaliation to effectively safeguard their legitimate rights and interests. Should a whistleblower face retaliation, the Group will promptly intervene to provide protection and impose strict penalties on the responsible parties in accordance with applicable laws, regulations, and disciplinary rules. For reports verified as valid that result in the recovery of economic losses for the Group, the whistleblower will receive an appropriate reward.

Party conduct

In 2025, Jiaxing Gas strengthened efforts to enhance Party conduct and integrity within the organisation. It instructed all Party branches across the organisation to conduct educational programs on Party discipline. Branches organised diverse learning activities – such as viewing warning education films and signing integrity pledges, among other initiatives – tailored to their specific conditions. These measures reinforced the foundation of ideals and convictions, deepened awareness of original aspirations and missions, and made compliance with rules and discipline both a distinct political hallmark and a conscious practice for Party members.

Party branches organised Party members and officials to study through activities like the First Priority Agenda, the Three Meetings and One Lecture, and themed Party days. They systematically organised the study of political theories on various topics according to plan, strengthened Party member management and supervision, and enforced strict work discipline and conduct. Additionally, the Group enhanced understanding of the latest political theories and policy priorities by organising Party members to watch online Red Boat Party Lectures.

Case: Secretary Delivers Lecture to Uphold Integrity Bottom Line

In June 2025, Jiaxing Gas's subsidiary, Jiaxing Port Natural Gas, organised a Party branch meeting for all Party members. The session focused on studying the introduction to General Secretary Xi Jinping's important thoughts on Party building, emphasising the adherence to and strengthening of the Party's overall leadership. During the meeting, the branch secretary delivered a lecture titled Upholding the Spirit of the Central Committee's Eight-Point Decision, using real cases to illustrate specific manifestations of violations. All attendees collectively watched an anti-corruption integrity education film, providing a warning to Party members to firmly uphold the bottom line of integrity.



2.4 GREEN PROCUREMENT: SHAPING SUSTAINABLE SUPPLY CHAINS

During the supplier screening and evaluation phase, the Group strictly adheres to the supplier admission and review processes stipulated in the Qualified Supplier Evaluation Method. It scientifically establishes a roster of qualified suppliers, committed to building long-term, stable partnerships with reputable and well-qualified premium partners. To ensure the sustainability and risk resilience of the supply chain, the Group has established a supply chain risk identification and assessment mechanism. This verifies key dimensions of supplier creditworthiness, including qualification certificates, commercial reputation, product quality, supply capacity, and litigation status. Certifications for Quality, Environmental, and Occupational Health & Safety Management Systems are prioritised as core assessment criteria. Through on-site inspections and in-depth interviews, the Group gains insights into suppliers' actual production effectiveness and operational management practices. Based on a comprehensive assessment of suppliers' financial health, operational stability, and overall ESG performance, the Group continuously optimises its relationships with suppliers, ensuring the high-quality and sustainable development of the supply chain.

2.4.1 Supplier System Updates

In 2025, the Group updated and refined its relevant procurement systems. It integrated the contents of the Material Supplier Management Standard, Bidding Management Rules and Implementation Procedures, Supplier Qualification Review Guidelines, and Supplier Performance Assessment Method into the Qualified Supplier Evaluation Method and the Project Contracting Implementation Method.

- Service project management: initial evaluation form for service project updated.
- Material procurement: initial evaluation form for qualified material suppliers updated.

2.4.2 Inspections of Suppliers

- Information review: The Procurement Department is responsible for collecting copies of the supplier's business license, relevant qualification certificates, product certification documents, quality assurance system certifications, a statement describing the supplier's company scale and after-sales services (including commitments), and performance records. These materials must be stamped with the official seal, and will be subject to strict review by the department.

On-site inspections	Content
Focus	Conducting a review of the supplier's production scale, production processes and quality control systems, especially testing of raw materials and finished products. In case of quality issues, we focus on identifying the causes and the implementation of improvement measures.
Applicability	On-site inspections are mainly conducted on suppliers which are being reviewed for the first time, suppliers for which serious quality issues have been identified during installation and operation, suppliers which have frequent quality issues, and suppliers of bulk or key materials.
Frequency	In principle, suppliers of metering equipment shall undergo on-site assessments at least once every two years, while suppliers of other key equipment and materials shall be assessed at least once every three years. The specific assessment timeline is determined by the review panel for qualified material suppliers.
Composition of inspectors	The inspection team is generally composed of three to five members. The team comprises members of the review team for qualified suppliers and representatives from departments using the materials purchased, as well as Party members who serve as supervisors. When the review team organises a review, a Party member should be selected to supervise the Group's supply chain officer's signing of the Letter of Commitment to Integrity.
Requirements on integrity and self-discipline	To ensure the fairness and compliance of on-site inspections, the Group has formulated the "Requirements for the Integrity and Self-discipline of Members of the Supplier Inspection Team" to regulate members of the inspection team to • exercise the rights of on-site inspection, perform inspectors' obligations, and safeguard the interests of the Group and suppliers in good faith. • Members of the inspection team are required to strictly observe inspection discipline and keep evaluations secret; they are not allowed to disclose information related to the inspection and evaluation. • They should strictly implement the avoidance system during evaluation to ensure there is no conflict of interest with suppliers. • They should not contact suppliers in private, or accept monetary or other benefits from suppliers, intermediaries or other interested parties. • The team should analyse, review and compare suppliers objectively and impartially, strictly in accordance with the evaluation standards, methods and procedures specified for on-site inspections. • Members of the inspection team in violation of the relevant national laws and regulations and the above provisions will be subject to punishments depending on the severity of violation.

- Material acceptance and supplier management: The Group should conduct comprehensive acceptance procedures for purchased materials and prepare detailed records, which should be properly maintained. Based on acceptance and usage, unqualified materials should be returned and replaced in a timely manner. Suppliers considered to be unqualified during the inspection should be disqualified to ensure the stability and sustainability of the supply chain. In addition, when purchasing materials, the Group should strike a balance and give priority to environmentally friendly materials.

- Bid evaluation and supplier assessment: During the bid evaluation process, explicit requirements are established regarding suppliers' business credibility and capabilities. These encompass certifications and qualifications in quality management, environmental management, occupational health and safety management systems, and other relevant areas. For on-site inspections, the delegated assessment team conducts interviews and field verifications, documenting all findings. For example: In the port area's natural gas supply sector, one qualified supplier is randomly selected annually for on-site evaluation, with specific assessment criteria including:

Stakeholder assessed	Focus
Supplier's leadership	The inspection team should focus on the supplier's corporate culture, business vision, goals and strategies, core competitiveness, competitive advantages in human resources and production technology, business philosophy and operating status, and after-sales services.
Heads of technology/ quality/HSE	The team should focus on the supplier's management policy, controls, the number of employees executing controls and their competence, as well as records of actions taken to address failures to meet the Group's requirements, in order to comprehensively evaluate suppliers and ensure high-quality and stable partnerships.

2.4.3 Partnerships with Suppliers

During the 2025 reporting period, Jiaxing Gas added partnerships with 18 new suppliers and terminated cooperation with 2 suppliers. The Group had 147 suppliers in the Chinese Mainland, comprising 83 suppliers from Jiaxing City, Zhejiang Province, and 64 suppliers from other provinces/cities. Periodic supplier performance evaluations covering ESG factors were conducted for 100% of these suppliers. To effectively control supply chain risks, enhance supply stability and efficiency, while simultaneously promoting the growth of local suppliers and the development of the industry and region, Jiaxing Gas sources its products and services exclusively from suppliers located within China.

During the Reporting Period, the Group's suppliers did not experience any accidents that caused serious injuries or deaths.

2.5 DIGITAL INNOVATION: ENABLING SMART ENERGY SERVICES

The Group strictly complies with the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and other relevant laws and regulations. To drive the implementation of innovation practices, the Group has also developed a detailed innovation project implementation and reward mechanism. This mechanism actively encourages employees to pursue innovation in areas such as management system optimisation and technology R&D, fostering a team culture that values collaboration, exploration, and innovation. Through establishing innovation incentive policies, including financial support for outstanding innovative achievements, the Group continuously promotes the transformation and application of innovation outcomes.

2.5.1 Breakthroughs in Research and Development and Innovation

Jiaxing Gas focuses on promoting new technologies, processes, and products that enhance safety, environmental protection, energy efficiency, and operational effectiveness. The Group continues to increase investments in safety facilities, comprehensively elevating the overall standard of its safety infrastructure and equipment. To achieve this, the Group has established and continually optimised a rigorous, standardised innovation incubation system covering the entire process. A leading selection panel composed of management, technical, and safety experts has been formed to thoroughly research and formulate implementation plans. This structure strictly standardises the innovation project initiation process, key milestone reviews, and project progress evaluation procedures.

IT innovation for gas pipeline network safety

The Group continues to drive the comprehensive upgrade of the GIS system, adding multiple licensed software features to enhance system application efficiency. Simultaneously, the Port Area Natural Gas business is advancing the research, development, and construction of the "Smart Gas" platform. It has now implemented block-based management and statistical analysis functions for work orders within the operational platform, as well as on-site material charging functions. The platform has also expanded value-added service work order types, providing efficient technical support for the coordinated development of other businesses.

The Information Centre focuses on the Group's strategic planning and business development needs, fully advancing informatisation construction and systematic optimisation, as follows:

- Digital System Construction and Optimisation: The Information Centre continuously promotes the construction and iterative optimisation of digital systems, comprehensively enhancing operational efficiency and service capabilities. Completed optimisations and upgrades include the business system, work order system, and digital electronic invoices. It launched the cylinder filling system for Nanhu LNG Station and the pipeline network maintenance module of the inspection system; advanced the upgrade of the safety inspection application and its integration with the provincial Housing and Urban and Rural Construction Department's safety inspection system; standardised Bluetooth communication for meters and alarms, ultrasonic meter communication, and procurement standards; officially deployed and optimised the *Business Environment Project Management System*; achieved integration with the provincial joint water-gas network application platform and the provincial Development and Reform Commission's energy monitoring system; completed the T5 remote data acquisition upgrade, meter archive data migration, and the launch of IoT statistical reports.

- Cross-Platform Data Collaboration and Interconnection: Focusing on data interoperability and business synergy, the Group deepened internal and external system integration to establish robust data links. The Group achieved integrations between Hangjiaxin Energy and the provincial emergency platform middleware, between the liquid product delivery system and the Dushan Port Park vehicle access management system, and with Shenergy's inventory management system. These integrations significantly enhanced the Group's cross-entity business collaboration and resource coordination capabilities.

- Information Security and Compliance: The Group strengthened information security and compliance management to solidify the digital security foundation; actively participated in provincial and municipal cyber defence drills and conducted information security and confidentiality training; completed the cybersecurity level protection assessment for Hangjiaxin Energy; advanced the implementation of the high-consequence area monitoring project for Hangjiaxin Energy's external pipelines; comprehensively enhanced information security protection and risk prevention capabilities.

2.5.2 Protection of Intellectual Property Rights

Jiaxing Gas strictly complies with the requirements of relevant laws and regulations, including the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, and the Measures on Utilising Intellectual Property Rights to Support the Innovative Development of Specialised and New SMEs. To maintain a high-quality supply of intellectual property resources, the Group actively cooperates with legally qualified suppliers and purchases genuine software. The Group installs drawing software on employees' dedicated computers. Through such practices, it safeguards the group's intellectual property and lays a solid resource foundation for the group's innovative development.

III. THE WARMTH WE PROVIDE: SAFETY-CENTRED, SERVICE-FOCUSED

Jiaxing Gas fully implements standardised production safety management requirements, reinforcing safety responsibilities at all levels to solidify the urban gas safety line of defence. By continually strengthening the reliability of community gas supply, the Group provides customers with convenient, efficient, and high-quality services, significantly enhancing the efficiency of livelihood services.

3.1 SECURITY MONITORING: ESTABLISHING ROBUST PROTECTION FOR URBAN GAS NETWORKS

Jiaxing Gas places standardised safety management at the core of its operations, strengthening accountability across all levels to systematically construct an urban gas safety protection network. Through implementing a grid-based inspection mechanism and intelligent monitoring platform, 24-hour dynamic surveillance of the gas pipeline network is achieved. Concurrently, community emergency response protocols are optimised to ensure stable and reliable gas supply. On the customer service front, an integrated "online and offline" service platform has been established. This provides round-the-clock public services covering gas-related enquiries, fault reporting, and safety consultations, demonstrably enhancing both the responsiveness and human touch of essential services.

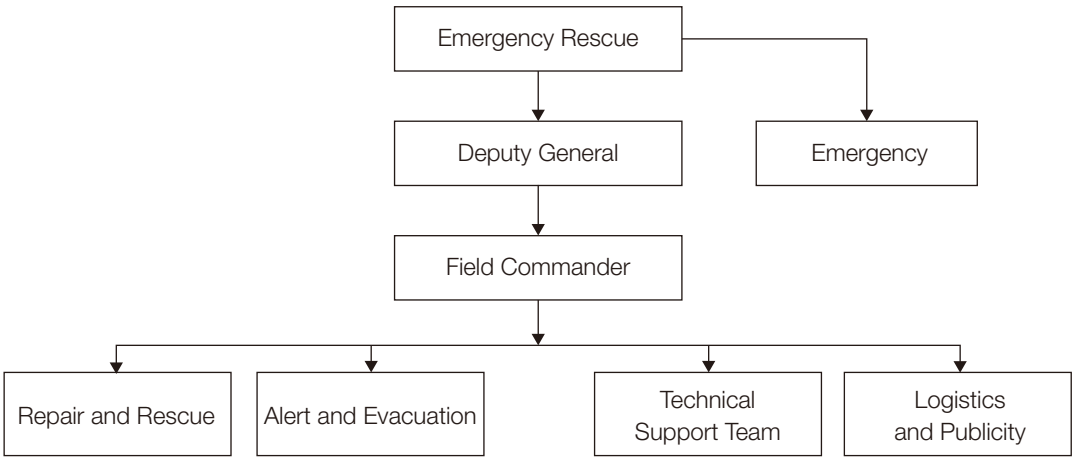
Case: Jiaxing Gas's Q1 2025 production safety review meeting

In April 2025, Jiaxing Gas convened its Q1 2025 production safety review meeting. The meeting reviewed the Group's performance against Q1 safety targets, results of safety inspections, progress on the targeted urban gas safety campaign, and the status of hazard identification and remediation initiatives. The Group's Safety and Quality Supervision Department delivered a comprehensive analysis of Q1 production safety performance. Safety operations across all business units were well-maintained, with all key safety indicators met on schedule. Core functions including operations, maintenance, emergency repairs, and customer service proceeded efficiently. Critical infrastructure upgrade projects – namely the replacement of corrugated pipes, rollout of smart meters, and rehabilitation of ageing pipeline networks – advanced according to plan. Moving forward, the Group remains committed to prioritising all safety initiatives. We will diligently fulfil our responsibilities to ensure the secure and stable supply of gas for the residents of Jiaxing.





To effectively respond to emergencies, Jiaxing Gas has built a sound emergency management system. It has also established a leading group for emergency rescue, which is led by the general manager and consists of department heads. The leading group is the primary organisation responsible for emergency rescue affairs. Under the leading group, we also established an emergency rescue headquarters and an emergency rescue office. The headquarters is further divided into dedicated teams such as the repair and rescue team, the alert and evacuation team, and the technical support team. These teams comprise heads of department from including deputy general managers, the general manager's office, administration, finance, human resources, engineering & technical services, safety & quality supervision, customer services, business development, pipeline operations, industrial & commercial services, asset integrity, and the information centre, delivering robust organisational and professional support for the effective handling of emergencies.



Graph: Emergency Rescue Organisation Structure

3.1.1 Enhancing Safety Operations

Jiaxing Gas, driven by a profound sense of responsibility and mission, strictly complies with the *Work Safety Law of the People's Republic of China*. Building upon this core principle, Jiaxing Gas has meticulously established a comprehensive work safety management system, encompassing the Work Safety Responsibility System and Target Assessment Management System, the Work Safety Supervision and Inspection Regulations, and the Dangerous Operation Site Management Regulations. In 2025, Jiaxing Gas further enhanced this framework by refining the Internal Safety Education and Training Regulations, the Appropriation and Utilisation Management Regulations, the Foot Patrol Operating Procedures, the Integrated Emergency Response Plan for Production Safety Incidents, and the On-site Handling Procedures for Natural Gas Leak Incidents, while also updating the Work Safety Cost Guarantee System.

Case: Pipeline Operations Department enhances training on work safety legislation

In August 2025, to comprehensively elevate front-line employees' awareness of safety legislation and ensure the secure operation of pipeline networks, the Group's Pipeline Operations Department conducted training for key operational personnel on the Work Safety Law and the Urban Gas Design Code, with a focus on recent amendments to the Work Safety Law. This training further enhanced staff understanding of both the Work Safety Law and the Urban Gas Design Code, thus laying a solid foundation for identifying potential hazards and safeguarding the secure, stable operation of gas pipeline networks in their daily work.



Organisational structure for safety management

Jiaxing Gas has developed a systematic organisational structure for safety management. This was achieved by establishing a Group Safe Production Committee, with its Office serving as the permanent executive body. Also, its subsidiaries established or adjusted their leading groups for safe production in a timely manner, so as to clarify the division of responsibilities for team members, and form a top-to-bottom safety management network covering responsibilities at all levels. Each leading group regularly reports to the Group's Safe Production Committee Office regarding production safety. Through production safety meetings on a quarterly and yearly basis, a comprehensive analysis and evaluation is conducted covering the completion of production safety indicators by various departments and subsidiaries, progress in the rectification of major hidden hazards, and supervision and assessment result, providing solid organisational safeguards for production safety.

Empowering safety management with digitalisation

Regarding digital empowerment for safety management, the Group has leveraged its OA digital platform to achieve a digital and intelligent transformation of safety management throughout the entire process. This enables real-time, comprehensive, and precise control over personnel, equipment, the environment, and operational processes, resulting in a significant reduction of potential safety hazards. The system provides integrated management of safety issues including safety supervision, issuance of labour protection equipment, equipment maintenance, rectification of hidden hazards, contingency management, and accident investigation. Simultaneously, it employs big data analytics to pinpoint security risk areas accurately, dynamically optimise safety control strategies, and furnish a scientific foundation for safety management decision-making.

Case: Jiaxing Gas' Pipeline Operations Department conducts emergency assessment to enhance staff emergency response capability

In April 2025, Jiaxing Gas Pipeline Department organised a practical assessment focused on emergency handling for its monitoring hotline positions. This assessment aimed to enhance the professional and emergency response skills of monitoring hotline personnel. The assessment content was closely aligned with the core functions of the monitoring hotline role, integrating the digital platform deeply with emergency safety management. It comprehensively evaluated participants' emergency handling proficiency and ability to use digital tools. The assessment comprised segments such as pipe burst analysis, determination of gas supply interruption scope, and acquisition of pipeline network gas supply data. Appraisees were required to utilise the Group's existing digital systems to accurately list valve closure identification numbers and affected gas supply interruption areas on-site. This assessment not only reinforced staff members' professional and emergency response skills, but also leveraged digital transformation to safeguard the security of the gas pipeline network, providing a robust safeguard for the safe and stable operation of the Group's pipeline network.



IT development and rectification

The information centre plays an essential role in promoting the Group's information construction. In 2024, we actively carried out a number of upgrades and rectifications in respect of our information technology and related systems:

1. Monitoring platform integration: The Group docked with the national hydrogenation acquisition platform, the provincial energy monitoring platform, and the provincial gas safety online platform. We also achieved in-depth integration with the municipal public data platform, the enterprise credit monitoring data platform, and the business environment system of the Zhejiang Provincial Development and Reform Commission, enabling real-time data sharing and interaction, and providing strong data support for our safety management and decision-making.

2. System installation and deployment: In 2025, the Group will conduct interface design and development work for the upgrade of its hotline system, enabling faster response to user calls; it will develop system integration for construction project welding data, integrating welding machine parameters into the system to implement electronic management. This will align facility safety operations with the system and enhance operational efficiency.

Standardisation of production safety

So far, the Group has obtained the ISO9001 quality management system certification and the second-level certificate for production safety standardisation. Jiaxing Gas has established a systematic safety assessment and evaluation mechanism, incorporating employees' awareness of safety and ensuring their ability to perform safety-related work into the core assessment criteria for employees. The Group implements a three-tier assessment system comprising monthly, quarterly, and annual assessments. Key indicators such as the number of safety accidents, leakage detection rate, hidden hazard rectification rate, and the frequency of company-level emergency plan drills are incorporated into the assessment framework. This enables precise accountability and differentiated responsibility assignment, effectively enhancing the engagement and proactivity of all employees in safety work.

Regarding the assessment methodology, a model combining monthly self-evaluations with spot checks by the Group is employed. Assessment objectives, content, procedures, and work rules are clearly defined. Concurrently, honorary awards such as "Annual Advanced Middle-Level Management", "Annual Advanced Worker", "Advanced Worker in Production Safety", and "Advanced Department in Production Safety" are established. Through both material rewards and commendations, safety role models are established, fostering the deep-rooted integration of production safety awareness.

Under the 10-year meter replacement initiative, the Group carried out quality supervision and spot check activities every month to ensure the safe and reliable operation of gas meters. In 2025, the head office of the Group completed the replacement of meters for 47,571 households. We have implemented a decade-long meter replacement programme. Prior to replacement, advance notice is provided to residents via telephone calls and SMS messages to schedule an appointment. Where contact cannot be established by phone, we reattempt contact through multiple channels including registered mail and liaising with community property management. During the Reporting Period, the Group actively carried out all-round multi-level inspections of key security areas, pipeline quality, sources of hazards, and facility safety, to reduce and rectify safety risks and hidden dangers in a timely manner and ensure production safety. During safety inspections and hazard investigations, 184 hazards were identified, achieving a 100% rectification rate.

The Group conducted special inspections for gas safety prior to the New Year and Spring Festival, May Day, and National Day holidays. During key festive periods, the Group arranged duty shifts for middle and senior management personnel to ensure gas safety.

Case: Pre-Spring Festival safety inspection – rigorous and meticulous focus on safety in production

On 21 January 2025, the Group's leadership accompanied an inspection team visiting key operational departments including the Group's city gate station, hydrogen refuelling station, and cylinder filling station. The inspection team conducted on-site reviews of equipment operations, safety management logs, staff duty rosters, and the protection of gas pipelines and facilities at concurrent construction sites. In response to the issues and deficiencies identified during this pre-festival safety inspection, all responsible departments have reinforced safety accountability awareness. They are implementing rectification within specified timeframes and conducting follow-up and supervision. Through this pre-festival inspection, the Group rigorously and meticulously strengthened safety in production during the year-end and year-beginning period, to ensure the safe and stable operation of gas production and supply.









Safety education training and safety culture

To promote safety education training and cultivate a culture that upholds safety, Jiaxing Gas has formulated the "Work Safety Training System", and organised various safety training and education activities according to the annual safety education and training plan, covering all in-service employees.

Based on the different job requirements of our staff at the decision-making level, executive level and operations level, and their various responsibilities, the Group carries out targeted training sessions to improve their safety management and execution abilities, such as training on "observing safety discipline" for operational personnel to enhance their skills and disciplinary awareness regarding operational safety. The specific training content covers accident warnings, safety laws, emergency plans, construction safety regulations, identification of operational risks, equipment safety management, fire safety, and other areas. For instance, the Group's commercial and industrial teams hold regular weekly group meetings; these involve studying industry laws and regulations, reviewing accident warnings, exchanging work skills, and other activities, thereby effectively enhancing the safety awareness and service skills of customer service personnel.

Case: 2025 "Work Safety Month" mobilisation conference and "Safety Perspectives from Middle Management" lecture event

On 3 June 2025, Jiaxing Gas Group convened the 2025 "Work Safety Month" mobilisation conference and the "Safety Perspectives from Middle Management" lecture event. Centred on the theme "Spotting Safety Hazards Around Us", the event comprehensively enhanced organisational safety awareness and responsibility consciousness through mobilisation and deployment arrangements, plan presentations, and specialised lectures. This facilitated the deepening of work safety principles throughout the grassroots level.





During the Reporting Period, Jiaxing Gas invested RMB22.76 million in work safety in order to ensure safe production. Thirty-four internal and external safety training sessions were organised, achieving 100% participation from management, middle management and general staff. Total attendance reached 1,751 participants, with accumulated hours amounting to 6,480, which has effectively enhanced employees' safety awareness and skill levels. In 2025, we held a number of company-level comprehensive emergency plan drills, which tested the feasibility and effectiveness of our emergency plans and improved our emergency handling abilities.

Patrol inspections for gas supply facilities and pipeline networks

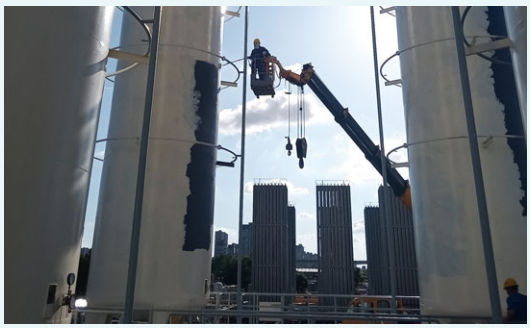
In terms of gas supply facilities and pipeline network inspections, we formulated the Operation Guide to Inspection of Gas Facilities in Use, the Operation Guide to Inspection for Simultaneous Construction and the Rules on Pipe Network Inspection. The Group effectively carried out risk and hazard detection and rectification measures.

Jiaxing Gas focuses on key areas, critical infrastructure, and vulnerabilities to conduct comprehensive and systematic risk assessments. Employing scientific methodologies, it precisely evaluates safety risk levels and efficiently advances the rectification of gas safety hazards and major issues. Concurrently, based on scientific justification, it establishes the scope and standards for renewal and retrofit initiatives. A designated supervision mechanism is implemented for identified critical risks, which ensures immediate corrective actions and closed-loop management throughout the remediation process.

During the Reporting Period, we newly developed the "Management System for the Operation of Gas Pipeline Network" to clarify the requirements for the notification of any planned gas shutdown 48 hours in advance, and timely notification to users for them to take precautionary measures in case of emergency gas shutdown.

Case: Protective coating for LNG storage tanks to enhance special equipment safety

On 1 July 2025, protective coating and lifting operations commenced on the storage tanks at Nanhu LNG Station. The Group Safety Director, Liu Meng, conducted rigorous on-site verification of personnel qualifications, vehicle conditions, and lifting points, strictly adhering to operational safety protocols. Throughout the project, staff maintained constant supervision despite ambient temperatures exceeding 35°C, ensuring both quality and progress. Work was suspended for two days due to typhoon-induced rainfall; despite this delay, the project concluded successfully on 16 July, with the overall duration largely aligning with the initial schedule. For LNG storage tanks approaching their 20th year of service, the Group will continue enhancing routine safety inspections and maintenance to guarantee the secure and stable operation of these critical assets.



Gas safety inspections and rectifications

In 2025, according to the implementation plan and requirements of Jiaxing City for urban gas safety inspections and rectifications, and in line with the Group's safety operations in practice, Jiaxing Gas continue to promote the special rectification initiative for urban gas safety. By carrying out key tasks including the detection and remediation of hidden hazards, the renovation of ageing pipeline networks, condition assessments of pipelines in older residential areas, and regular inspections of medium-pressure pipelines to ensure the safety and stability of gas supply, the Company actively supported townships in implementing the gas pipeline connectivity project for villages. This initiative facilitated the transition for users from bottled liquefied petroleum gas to natural gas, thereby reducing residents' energy consumption and safety risks. The following key tasks were accomplished:

1. The Group advanced its smart gas infrastructure development to enhance operational management efficiency and optimise human resource allocation;

2. The Group continued to strengthen efforts to reach users who had previously not been accessible for safety inspections, thereby improving the success rate of in-home safety checks;

3. The Group comprehensively completed the surveying and mapping of low-pressure pipelines in residential communities. Integration with the relevant systems was also achieved, enabling the rapid location of user information and precise quantification of affected users during emergencies, thereby enhancing emergency response efficiency and ensuring effective communication with customers.

Pipeline network safety management

The Group conducts scientific management of pipeline network safety, and continuously engages in intelligent transformation, comprehensive network inspections, safety inspections and other measures in respect of pipeline networks and pipeline construction. During 2025, significant achievements were made in pipeline network safety:

Pipeline network safety management	Specific measures
Pipeline inspection and hazard elimination	We investigated and counted potential corrosion hazards around indoor gas risers, as well as potential hazards concerning indoor risers and steel plastic converters. These efforts aim to eliminate safety risks for residents. In 2025, we: • renovated indoor risers in over 4,000 households; • upgraded 1.4 kilometres of horizontal pipelines; • replaced 190,000 residential smart gas meters; • decommissioned 12 saddle tees; • retired 34 outdated condensate pots; • refitted 4,845 steel-to-plastic transitions; • replaced 54 pressure regulating boxes; • replaced 35 pressure regulating cabinets;

Pipeline network safety management	Specific measures
Ongoing safety inspections	• The Group has been promoting safety inspections on a regular basis, including self-inspection of safety management and fire control, inspection of gas supply safety and gas pipeline network, and civilized construction management for comprehensive prevention of various risks and accidents. • In strict compliance with the requirements of safety technical specifications, we regularly perform the installation supervision and inspection, and regular inspection of the municipal gas pressure pipeline. The Group establishes and improves the platform for comprehensive management information of gas facilities, enriches the underlying information and data of gas facilities, ensures the mapping of low-pressure pipeline networks, updates the working map in real time and improves the operating efficiency and safety performance of gas pipelines and facilities. • We have focused on setting up a special group to carry out the inspection and rectification of leak hazards in pipelines in use. By replacing former gas leak detectors with digital leak detectors, we aim to detect hidden hazards more accurately and efficiently, accelerate the progress of hazard rectification for comprehensive and thorough elimination of pipeline safety hazards. • We have set up a company-level account of major hidden hazards. They are major hidden hazard identified during daily operations which should be rectified but are difficult to rectify. We have identified them as company-level major hidden hazards and are focusing our efforts to rectify them. • The Group has been strengthening the safety management and monitoring measures for third-party construction by actively summing up the previous experience and third-party construction, and adopting diverse methods to prevent damage by third parties, including increased on-site monitoring personnel, on-site image recording equipment, on-site inspection frequency, on-site temporary warning signs, on-site construction confirmation records and publicity materials for key posts.

Work Safety Month

The Group actively organised a series of activities related to Work Safety Month, including safety speech competitions, safety knowledge competitions, safety lectures, quarterly work safety summary meetings, employee photography competitions, and case studies on hazard investigation and control and accident warnings, creating a sound safety culture. During the Reporting Period, to uphold the theme of 2025 Work Safety Month, the Group organised a series of activities including firefighting and emergency evacuation drills, hydrogen tube trailer leakage drills, on-site emergency response exercises for gas poisoning and asphyxiation incidents, the 14th Jiaxing Gas Cup Firefighting Games, "Safety Management Perspectives from Middle Managers" lectures, and visits to fire safety education centres. These initiatives further enhanced all employees' safety awareness and emergency response capabilities, strengthening the Company's safety management standards.

Case: The 14th Jiaxing Gas Cup Firefighting Games

On 20 June 2025, Jiaxing Gas Group hosted the 14th Jiaxing Gas Cup Firefighting Games. The event featured four competitive modules: Dragon's Deluge, Blaze Warriors, Inferno Rescue, and Through Fire and Water. Through immersive firefighting skill challenges, the Games reinforced employees' comprehension of the "Four Understandings and Four Proficiencies" principle and their competence in emergency equipment deployment. This significantly elevated the team's collective fire safety proficiency, injecting practical impetus into the Work Safety Month agenda.









3.1.2 Guarding Occupational Health

Jiaxing Gas attaches great importance to the health and safety of its employees, and implements the local laws and regulations such as the Occupational Disease Prevention and Control Act of the People's Republic of China, the Regulations on the Administration of Occupational Health at Workplaces, and the Code of Practice for Selection of Personal Protective Equipment.

Occupational health management

Jiaxing Gas has established a dual-file management system for occupational health, creating and continuously improving occupational health archives and health monitoring records. This systematic approach safeguards employees' occupational health rights. Through its "basic medical care + specialised physical examinations" dual-track service model, the Company provides fundamental medical services while implementing annual health screenings for all employees alongside specialised physical examinations for female staff. These measures effectively enhance employees' health management awareness and self-protection capabilities, ensuring they maintain optimal health when performing work duties.

Employee safety and health education

The Group implements a three-dimensional education framework comprising "onboarding training + thematic activities + scenario-based awareness campaigns". New employees receive systematic occupational health training, where interactive programmes – including emergency rescue safety training and Red Cross first aid instruction – immerse participants in simulated occupational hazard scenarios. This methodology substantially improves occupational health literacy and emergency response capabilities. Complementing this approach, specialised awareness campaigns addressing production environment risks, such as summer heatstroke prevention and road dust protection, are deployed across multiple channels. These include on-site warning signage, safety manuals, and thematic training seminars, which collectively have significantly reduced occupational and work-related disease incidence rates.

Case: Emergency rescue safety training at Jiaxing Port Natural Gas (Subsidiary of Jiaxing Gas)

In November 2025, Jiaxing Port Natural Gas, a subsidiary of Jiaxing Gas, conducted emergency rescue safety training. The session deepened employees' understanding of daily emergency response techniques including cardiopulmonary resuscitation (CPR), the Heimlich manoeuvre, haemostasis, and bandaging procedures. This practical training further enhanced staff capabilities in handling routine emergency medical situations.







Daily work inspections

During the process of daily work inspections, leaders of operational teams are required to explain requirements for the use of labour protection equipment before commencing operations, examine the compliance of equipment in use and check the mental state of operators on duty, to ensure that our staff are performing their duties safely.

Standardised occupational health management

The Group provides a work environment and work conditions that meet national occupational health standards and hygiene requirements. Each year, we regularly test for possible harmful factors in the workplace and take effective control measures in a timely manner.

In 2025, Jiaxing Gas conducted an occupational health assessment of the working conditions at the Port Area natural gas facility. This evaluation identified noise as the primary occupational hazard across various production processes. Monitoring results confirmed compliance with GBZ2.2-2007 *Occupational Exposure Limits for Hazardous Agents in the Workplace Part 2: Physical Agents*, with all measurements remaining within prescribed limits and not meeting criteria for occupational disease classification. Meanwhile, Jiaxing Gas Construction carried out systematic identification of workplace occupational hazards, establishing the groundwork for standardised occupational health management.

Safety measures

To ensure the safety of our employees' lives, we provide a wide range of reliable protective measures. By implementing comprehensive measures including risk assessment, extreme weather operations management, personal protection, and health management, we effectively control occupational disease hazards while continuously improving our working environment and conditions, thereby safeguarding employees' health.

- In LNG filling operations, we provide our employees with uniform labour protection clothing, helmets, goggles, gloves and other protective gear and require employees to wear them in a compliant manner to safeguard their lives and health.

- In road and underground operations, we take necessary protective measures in areas such as dust control, noise prevention, poison prevention and ventilation to prevent the occurrence of occupational diseases.

- For road-related operations, we monitor the noise of typical road sections and pay attention to employees' hearing health.

- In terms of extreme weather protection, we monitor temperatures on construction sites to avoid health risks arising from high or low-temperature environments.

Case: Group leaders conducted high-temperature site visits to motivate frontline teams

In July 2025, executives of the Group visited various operational sites to deliver cooling supplies and personal greetings to employees labouring under extreme heat. This initiative demonstrated the Group's profound concern for its frontline workforce. The Chairman commended staff for their dedication in maintaining supply stability amidst scorching conditions, while urging everyone to prioritise heatstroke prevention and personal safety. He further reiterated that the Group would ensure timely and adequate distribution of heat-relief materials to every employee, thereby fostering a safe and healthy working environment.





Occupational safety

During the Reporting Period, the Group organised physical examinations for a total of 402 employees, with a coverage rate of 100%. In 2025, the Group did not experience any work-related fatalities; the number of work-related deaths over the past three years was 0; and the work-related death rate was 0%. During the Reporting Period, there were 4 work-related accidents, and the number of lost days due to work injury was 80.5.

3.2 COMMUNITY BRIDGE: CO-CREATING WARM LIVING CIRCLES WITH USERS

To ensure gas safety, Jiaxing Gas has formulated and strictly implemented a series of rules and documents, including the "Rules on Indoor Safety Inspection for Resident Users", so as to prevent various potential safety hazards. Jiaxing Gas prioritises public safety and property protection above all else, systematically addressing potential risks in gas pipeline networks by renewing and upgrading pipelines with safety hazards. Regular safety inspections for residential and commercial users' gas facilities are conducted to eliminate risks comprehensively, thereby supporting the long-term security of urban infrastructure.

Case: The "Gas Safety in Communities" Knowledge Campaign and in-home inspections

In April 2025, the Group collaborated with Xinjia Subdistrict's Electronic Community to launch gas safety initiatives. By establishing an end-to-end framework of "awareness education + hazard screening + long-term monitoring," these activities equipped residents with critical safety skills – enabling self-inspection and emergency response – while embedding gas safety awareness into every household.





Holiday safety inspections

Ahead of major holidays such as New Year's Day and Spring Festival, the Group's management personally led specialised inspection teams to conduct frontline safety sweeps. These efforts precisely identified operational vulnerabilities and risks, fortifying holiday safety protocols. For commercial users, regular gas safety workshops were held; residents received safety manuals during in-home checks alongside educational content via official social media – a multi-pronged approach to elevate public safety awareness and safeguard stable gas supply.

Equipping old residential communities with natural gas support facilities

The Group actively promotes the instalment of natural gas support facilities in old residential areas in various townships, which enables the replacement of bottled liquefied gas with natural gas. We continuously strengthen the quality management of engineering construction, improve the cleanliness of newly built pipelines, and actively rectify safety hazards.

Comprehensive safety inspections

Throughout 2025, the Company and its subsidiaries performed 62 safety audits, identifying 184 hazards. Residential safety inspections covered 386,525 households (100% completion), with in-home checks reaching 91.23% and infrared scans ensuring full coverage of remaining units. Jiaxing Gas also conducted 10,741 safety inspections for industrial and commercial users, achieving a coverage rate of 100%.

Safety publicity and education

The same year, Jiaxing Gas organised 12 specialised gas safety lectures for commercial users (10 offline, 2 online) and 311 community safety campaigns.

Case: Innovative gas safety outreach

In June 2025, the Group launched a “Spot Gas Hazards Around You” campaign at Nanhu District shopping centres. Through live demonstrations, displays, and posters, citizens gained essential safety knowledge and learned about subsidy policies for gas appliance replacements – enhancing public service delivery.





Additionally, gas safety education expanded to schools with tailored awareness activities.

Case: Gas safety in schools: safeguarding growth

During a June 2025 event at Experimental Primary School, the Group delivered engaging safety lectures using animated videos and presentations to strengthen students' awareness. All school kitchen staff completed specialised gas safety training, reinforcing operational safety standards and emergency response capabilities.





3.3 SERVICE CHAIN: FULL-CYCLE GUARANTEE FOR EFFICIENT GAS SUPPLY

Jiaxing Gas is committed to ensuring the safe and stable supply of gas, providing quality services with multiple measures to protect urban gas safety. We strictly comply with the *Regulations on the Administration of Urban Gas* and the *Technical Regulations on Safety of Operation, Maintenance and Emergency Repair of Urban Gas Facilities*.

Facing complex winter supply challenges and volatile upstream gas prices, the Company swiftly developed contingency plans, strictly adhering to pricing mechanisms approved by provincial and municipal development and reform authorities. Through strengthened coordination with upstream suppliers and downstream end-users, multi-dimensional resource allocation and emergency dispatch protocols ensured stable gas supply, underpinning robust contingency management.

Emergency response for gas pipeline accidents

Group strictly complies with relevant regulations and industry requirements and has formulated the Emergency Response and Rescue Management System and Gas Emergency Repair Management System. We have issued 1 comprehensive emergency plan, 6 special emergency plans, and 21 on-site disposal plans, including Comprehensive Emergency Plan for Sudden Accidents (Incidents), Emergency Plan for Counter Terrorism and Riot Prevention, Emergency Response Plan for Leakage of Low Temperature Valves in LNG Stations., etc. In 2025, we updated the "Emergency Response Plan for Major Quality Incidents involving Natural Gas", the "Emergency Response Plan for Sudden Failures of the NB Meter Information System" and other relevant plans, further improving the Group's emergency response system.

Jiaxing Gas has established a three-tiered emergency response system comprising "Comprehensive + Specialised + Site-specific" contingency plans. Serving as the cornerstone of the Group's emergency response system, the Comprehensive Plan outlines emergency management policies, organisational structures, responsibility allocation, risk classification criteria, and response procedures, thereby providing the guiding principles and overall framework for special plans. Tailored to specific contingencies including work safety accidents, natural disasters, public health incidents, and social security incidents, Specialised Plans detail emergency handling protocols with explicit provisions for early-warning responses, incident management workflows, and post-event recovery measures. This structured approach effectively mitigates operational risks at gas facilities and ensures sustained stability in production safety.

Comprehensive emergency drills

During the Reporting Period, we strictly implemented relevant management systems and operating procedures, and regularly conducted and organised comprehensive emergency drills, including the comprehensive emergency plan for production safety incidents, leak emergency response, gas emergency drills, as well as sudden road pipeline emergencies. After each drill, we optimised and upgraded emergency drill plans based on actual possible situations, so as to ensure the safety and stability of gas supplies and improve user satisfaction.

Case: 2025 Jiaxing pipeline gas emergency response drill

In June 2025, hosted by the Construction and Transport Bureau of Jiaxing Economic & Technological Development Zone and undertaken by the Group, the 2025 Jiaxing Pipeline Gas Emergency Response Drill was conducted. This exercise simulated an emergency scenario involving gas pipeline leakage and ignition caused by cross-construction damage. Upon detecting the hazard, inspection personnel immediately activated the "Three-Step Response Protocol": evacuating residents, establishing a cordoned-off area, and simultaneously notifying the fire brigade (119) and the Gas Emergency Repair Centre. The drill validated the operational practicality of "Jiaxing Gas Emergency Response Plan" and demonstrated multi-agency coordination capabilities. Such initiative provided invaluable experience for safeguarding peak gas consumption periods during summer months.







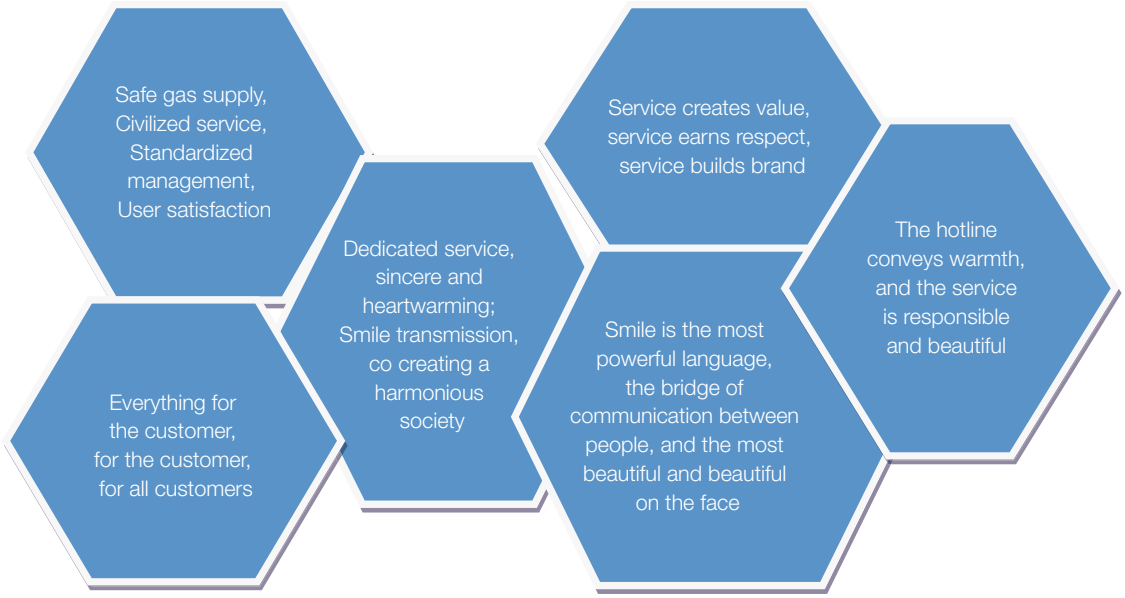
Gas quality improvement

To improve gas quality, the Group's Engineering and Technology Department has strengthened the environmental management of construction sites when handling steel pipes and PE pipes. The Group conducts regular monthly gas quality sampling and analysis. During the Reporting Period, we carried out the following measures to guarantee gas supplies:

Gas supply guarantee measures	Measure
Gas supply guarantee	✓ Addressing the sharp increase in demand from urban gas users during winter, we anticipate peak and valley gas consumption, coordinate upstream gas sources and promptly carry out LNG replenishment to ensure people have access to sufficient heating gas supplies. ✓ Control over pipeline purging time nodes during gas construction is enhanced, alongside management of temporary post-purging seals, reducing the ingress of moisture and impurities carried by gas during actual operations.
Emergency gas repair	✓ We closely monitor climate change and changes in the supply and demand situation, and prepare in advance for emergency situations, including in respect of personnel, materials, and vehicles. ✓ We are steadily strengthening emergency preparedness, and we have implemented a 24-hour on-call system to ensure that in the event of an emergency, we arrive at the fault site as soon as possible for repair and maintenance.
Gas safety supervision	✓ We intensify gas safety inspections in densely populated areas, such as those housing street-side restaurants and commercial complexes; and we focus on inspecting interface leaks, alarm devices, and ventilation conditions at a high frequency to identify and eliminate hidden dangers in a timely manner.
Gas leakage treatment	✓ Jiaxing Gas is committed to promoting the intelligent upgrading of urban gas pipeline networks. We fully install IoT meters for new users to achieve remote monitoring and control of urban gas pipeline networks. ✓ Active conversion of residential properties in older urban districts boosts natural gas saturation rates; progressive renewal of risers in communities aged over 20 years further mitigates gas leakage risks.

3.4 CLIENT NEEDS: PRIORITISING UNDERSTANDING TO CRAFT EXCEPTIONAL SERVICE EXPERIENCES

Leveraging its technical expertise, Jiaxing Gas continuously refines its customer service process system. Every piece of customer feedback receives high priority. Regular customer satisfaction surveys guide optimisation of the complaints handling closed-loop process, complemented by a systematic complaints follow-up mechanism to ensure user needs are addressed swiftly and effectively. The Group maintains its customer-centric approach in developing a high-quality, high-efficiency service system. Integration of digitalisation and operational refinement in service delivery is advanced, meticulously developing a full-channel communication platform encompassing an online service hall, 24-hour customer service hotline, and service counters to precisely meet diverse customer needs.



Jiaxing Gas's service principles

Interfacing with government platforms and systems

In the realm of technological innovation, we have fully integrated interfaces with platforms and systems of governments at different levels, including the provincial energy monitoring centre, the provincial development and reform commission's contactless business environment monitoring platform, and the provincial construction department's online safety platform. This establishes a cross-departmental data-sharing mechanism which provides strong support for the Group's business operations through precise data, substantially enhancing intrinsic safety standards. Driving profound digital and informational transformation of our services, we have successfully shaped the "Smart Gas" brand identity. By upgrading our comprehensive online service matrix – encompassing the public WeChat account "Jiaxing Gas", the "Zheliban" app, the government service website, and a customer service hotline for emergency repair – we enable customers to complete transactions with "zero-trip" requirements, thereby accelerating service efficiency.

The layout of in-person service outlets

In terms of the layout of offline service outlets, we have set up 28 service outlets, including "Jiaxing Gas" business halls and general service windows at the government service centre. These outlets have become a new growth driver for the Group, helping propel its business and addressing people's aspirations for a better life.

Assessment of customer service staff

To inject new vitality into the Group's high-quality development, we hire customer service staff in accordance with our internal management policy and regularly provide professional learning and development programmes for them. In 2025, we regularly held meetings on work safety and general operations for civil service teams (including the front-desk hotline team and the meter reading and inspection team) and industrial and commercial service teams to understand their work status and discuss issues they had encountered and the solutions to such issues. In addition, where necessary, we conducted professional training and assessment of our customer service staff, with the aim of helping them constantly improve their skills and abilities.

We always prioritise customer service experience and require our customer service staff to actively listen to customers' voices to understand their needs, and we carefully take into account their input in order to design and implement complete and effective solutions and ensure service quality.

3.4.1 Client Needs: Prioritising Understanding to Craft Exceptional Service Experiences

With the goal of enhancing customer satisfaction, we respond to user needs quickly and efficiently. We have established and improved our related policies, including the "Service Standards for Customer Service Staff", the "Residential Gas Supply Service Management Policy", the "Rules for Handling Customer Complaints Received from the Three Channels", and the "Rules for User Satisfaction Evaluation", with the aim of enhancing customer experience and truly resolving customers' issues.

The Group attaches great importance to customer feedback, suggestions and complaints. Regardless of how they are received, we respond quickly and assist customers in investigating and resolving related issues. For every complaint, we record the complainant's name and telephone number, and the details of what they are complaining about, and we then propose solutions, determine the results and inform them of the results. We handle complaints, resolve disputes, and provide feedback in accordance with the timeframe and requirements stipulated by the "Rules for Handling Customer Complaints Received from the Three Channels". In this way, we ensure that customer complaints are handled in an accurate and effective manner.

Complaint from someone	Complaint by phone	Letter of complaint
Receive complainants with enthusiasm and friendliness, understand their emotions, and carefully record their complaints.	**Receive complainants with enthusiasm and friendliness, understand their emotions, and carefully record their complaints.**	**Unpack, record, dispose of, recycle, and archive each item.**

Jiaxing Gas's standards for handling customer complaints received from the three channels

We conduct satisfaction surveys of different types of customers including residential users, industrial and commercial users and customers with projects under construction. In addition, we conduct satisfaction surveys for customers who previously sent complaints, and we implement rectification measures based on the survey results. With this approach, we can effectively solve problems encountered by customers and provide them with high-quality products and services.

Throughout 2025, we received a total of 1 valid complaint from a total of 516,171 pipeline gas users, and no customer-related emergency accidents were reported.

3.4.2 Innovative Service Models

Jiaxing Gas is aware of the importance of innovation as a core driving force for development and actively puts innovative service ideas into practice. We are continuously enhancing our technological strengths and accelerating our digital transformation by integrating new-generation information technology into gas-related management processes. In this way, we aim to cultivate our brand image as an "intelligent gas service provider" and fully demonstrate the value of our brand.

In 2025, we carried out a number of updates and upgrades to our key business processes, including the following:

New or enhanced meter management processes and systems

- As we promote the use of NB intelligent meters, we have concurrently created a new meter file system.
- In 2025, 0.23 million new IoT-enabled meters will be installed to replace existing mechanical meters. This transition will enable remote automated meter reading, thus reducing manual meter reading efforts and associated paper consumption for equipment. It will establish a system that can accurately maintain and manage information throughout the service lifecycle of these meters. Remote valve shutdowns via the backend system will further minimise the need for manual valve closure visits.
- Adding 47 pipeline pressure monitoring devices to enhance real-time risk monitoring and early warning capabilities across the network.
- Deploying small-diameter ultrasonic gas meters for industrial and commercial users, while trialling compact pressure differential power generation projects.

Port Area: Deepening Informatisation in Gas Safety Management

- Integrating the patrol inspection system with the provincial digital urban operational safety management platform, which enables real-time updates of pipeline patrol data and hazard records within the digital management system;
- Implementing dedicated software for cylinder station safety inspections via the provincial platform to elevate operational informatisation;

Port Area: Business System Expansion and Functional Upgrades

- We released new features in our online business hall, including electronic collection of prepayments;
- We enabled single sign-on for users accessing services on "Zheliban", making the app more user-friendly;
- Achieving real-time data collection and monitoring of pressure, flow rate, and temperature parameters across all gas supply stations (including high/medium-pressure regulating stations, emergency peak-shaving stations, and city gate stations). Real-time monitoring of odorant injection data is operational at select facilities. Interfacing with the Provincial Development and Reform Commission's energy monitoring platform to enable real-time monitoring and reporting for large-volume consumers. Upgrading the interface with the Provincial Department of Housing and Urban-Rural Development's integrated utility connection system (water, electricity, gas, broadband) to automate service request reception and processing.

Standardising customer services and providing easier access to them

With the goal of creating a provincial "red-banner service window", Jiaxing Gas's Customer Service Department has carried out programmes to handle service requests on site in local communities and in towns and villages, including a downstairs and at-home service for the elderly confined at home and other special groups. Inquiring whether cooking appliances have exceeded their service life or whether non-specialised gas hoses are being used, proactively advising on rectification measures. We are committed to standardising our gas window services and providing easier access to our services. Through such efforts, we can continue to identify and address any weaknesses, deficiencies, or gaps to improve our service quality.

Case: Bringing services home, warming hearts with gas connections

In December 2025, the Customer Service Department of Jiaxing Gas proactively relocated its service counter to elderly residents' homes. Staff patiently and meticulously assisted an elderly person with disabilities in completing the gas account opening procedure, effectively resolving the practical challenge of visiting a service centre. Moving forward, the Company will continue identifying other elderly individuals and families facing similar difficulties within the community. We remain committed to delivering this simple yet consistent companionship and assistance while continuously elevating service standards.



Subsidised replacement services

The Group has launched subsidised replacement programmes for stainless steel corrugated pipes and offers a 10% discount on replacement services for cookers without flame failure devices, strongly supporting users in upgrading their equipment.

Case: Fortifying safety barriers, safeguarding gas usage together

In August 2025, the Group collaborated with Changshui Community to conduct a specialised gas hazard rectification campaign at Longxing Apartment Complex. Activities included promoting awareness of risks associated with non-flame failure protection devices, demonstrating gas leak response procedures, and providing residents with cooker replacement services and gas safety inspections. Through this initiative, we enhanced residents' safety awareness regarding gas usage and effectively addressed immediate safety concerns within the community.





3.4.3 Protecting Information Security

To ensure the security of customer information, the Group has developed a series of policies, including the "Information Security Management Policy for Industrial Control System", the "Rules on the Use and Management of Office Computers", the "Management Measures for Public Data Sharing" and the "Information Security Management System", which establish specific requirements for equipment management, access management, password protection, and other key processes.

Jiaxing Gas carries out information security and privacy protection training for new hires to improve their awareness and skills in addressing security threats. The Group conducted information security training for all staff on a quarterly basis to ensure that all employees possessed the necessary knowledge about information security.

Strengthened customer privacy security

Jiaxing Gas adopts an array of measures and actions to strengthen the security of customer information and privacy, including hardware encryption and the regular releases of upgrades and updates. In addition, the Group signs confidentiality agreements with front-line service staff (including meter reading and inspection staff and customer service staff), and include in the "Employee Confidentiality Agreement" and the "Confidentiality Policy" the specific confidentiality requirements for user information. In this way, the Group can ensure the security of internal information and customer privacy.

Collection and storage of customer information

Jiaxing Gas is digitalising its process for collecting and storing customer information, with the aim of significantly reducing the need for paper files and shifting towards a digital management approach. Jiaxing Gas collects electronic user data through the provincial-level big data centre via data sharing and applies encryption techniques to private user information of the data received.

Responding to data leakages

We have established Information System Emergency Management System to respond to potential incidents of data leakage, damage, and loss. At the same time, the information security leadership team is composed of personnel from the manager's office, office, customer service department, information centre and other departments. After an emergency occurs, a business group will immediately arrive at the site according to the instruction and organizes the responding actions according to the emergency plan, and a technical group will fix technical faults and restore the system, continuously improving safety risk protection and emergency response capabilities.

Continuing to enhance information security protection

To continuously enhance its ability to protect information security, Jiaxing Gas has also taken the following measures:

- By regularly organising information security training – including Group confidentiality programmes delivered via the DingTalk online platform – awareness of security protocols is enhanced across the entire workforce;

- Conducting graded cybersecurity protection assessments comprehensively evaluates the Group's network infrastructure robustness, thereby eliminating potential security vulnerabilities;

- Participation in provincial and municipal cyber defence exercises strengthens the Company's incident response capabilities for safeguarding critical information assets.

Through these efforts, Jiaxing Gas is accelerating the construction of a sound information security system to ensure the safety of customer information.

IV. ECOLOGICAL COMMITMENTS: PAINTING A GREEN FUTURE WITH LOW-CARBON PRACTICES

Jiaxing Gas remains steadfast in aligning with China's national strategies for energy conservation and emission reduction, proactively exploring and establishing an innovative green and low-carbon development model. To this end, the Group, through the adoption of cutting-edge technologies and the enhancements to its management mechanisms, is comprehensively advancing energy efficiency and emission reduction initiatives, accelerating its green transformation, and steadily progressing toward a high-quality, sustainable growth model. In response to the severe challenges posed by climate change, the Group continuously strengthens its capabilities in climate risk identification and analysis, optimises its risk prevention and control systems, and adopts a rigorous and prudent approach to proactively address climate-related risks.

To follow an eco-centric approach, the Group gives equal emphasis on development and protection and acts with the guiding principle of "prioritising ecological progress and pursuing green development". We strictly adhere to green and low-carbon standards throughout the entire project lifecycle from project planning, construction, to project operation, ensuring environmental protection is prioritised in all business activities. Jiaxing Gas is committed to practising green and low-carbon operations through concrete actions, contributing to the construction of an environmentally friendly society by achieving win-win results for growth and nature.

4.1 CLIMATE COMMITMENTS: CARBON REDUCTION ACTIONS TO PROTECT THE BLUE SKIES OF JIAXING CITY

Jiaxing Gas is committed to a path of green, low-carbon, and high-quality development, aligning its operations with China's national dual carbon goals (carbon peaking and carbon neutrality). We are systematically greening all aspects of our operations and continuously reducing GHG emissions. Through strategic investments in emerging businesses such as integrated energy solutions, electric vehicle (EV) charging stations, and hydrogen refuelling infrastructure, we are accelerating the development and deployment of clean energy technologies to actively support the national strategy for carbon peaking and carbon neutrality.

As a key player in climate action, Jiaxing Gas recognises its dual role as both an industry practitioner and a vital bridge connecting government policy with market implementation. Through continuous technological innovation and business model exploration, we are leading the industry's transition toward low-carbon and clean energy solutions. Our efforts are laying a solid foundation for building a modern energy system that is safe, efficient, and sustainable. With concrete actions and industry expertise, we are contributing Chinese solutions and insights to global climate governance.

4.1.1 Climate Risk Management

As a pioneer in energy transition and climate change mitigation strategies, Jiaxing Gas places significant emphasis on climate risk management. We systematically report our new progress, results and achievements, and future directions in addressing climate challenges through four key pillars: Governance, Strategy, Risk Management, and Metrics and Targets.

Governance

Jiaxing Gas has in place an integrated, appropriate and adequate ESG management system, as well as an ESG task force composed of subject-matter specialists and senior executives. In this way, we can ensure efficiency and synergy between our responses to climate change and the Group's governance structure. Based on the principles and frameworks of the G20 Financial Stability Board's Task Force on Climate-Related Financial Disclosure (TCFD), we have assessed the potential impact of climate change on the urban gas industry. We have accurately identified and effectively responded to climate related risks, while exploring the opportunities and growth potential created by the green transition, so as to provide a solid foundation for the sustainable development of the Group.

Strategy

Leveraging our extensive experience operating in the clean energy sector for over 20 years, Jiaxing Gas has integrated climate change risk management measures into its overall business planning. As part of going green and low carbon, we are accelerating our energy mix optimisation and upgrading. We have created strategies for the green natural gas business, while expanding into new energy markets and investing in LNG terminals, comprehensive energy service projects, and distributed energy systems. In this way, we can keep abreast of the global energy transition trends and provide strong support for Jiaxing city and the Yangtze River Delta as a whole in adopting energy integration and clean energy strategies.

We refer to the TCFD framework when identifying, assessing and responding to climate-related risks and opportunities. We have disaggregated and performed a detailed analysis of transition risks and physical risks, with the aim of fully understanding the risk monitoring network, early warning mechanism, and emergency plans, in an effort to promptly and accurately identify and effectively prevent and control different types of climate-related risks and become acutely aware of the opportunities for green transition in terms of energy transition, technological innovation, and market expansion.

Risk type		Climate-related risks	Mitigation measures
Physical risk	**Acute risk**	▪ With the further intensification of global warming in the future, the frequency, intensity, and impact range of extreme weather events such as heavy rainfall and typhoons may increase. The operating pipeline network and gas supply equipment and facilities of the Group may be damaged, affecting the stability of gas supply, threatening the safety of employees and customers, and may lead to business interruption risks and increased costs of equipment replacement/maintenance. ▪ Major extreme weather events (such as extreme heat and cold weather) not only increase the operating costs of temperature control for the Group, but also easily increase the health and safety risks for employees, leading to employee safety accidents and affecting the productivity of the Group.	▪ Jiaxing Gas has gradually improved its emergency response plans for various extreme weather events, including typhoon emergency response plans, flood prevention emergency response plans, lightning protection emergency response plans, high-temperature emergency response plans, and cold prevention emergency response plans. It has established an emergency special team to proactively investigate and take measures to reduce related risks, enhance the Group's emergency supply capacity, and ensure the safe and stable supply of gas in extreme weather events; ▪ Jiaxing Gas continues to improve the construction of smart pipeline networks, enhance the level of digitalisation, improve the safety risk control system, conduct regular risk assessments, cover pipeline monitoring, pipeline operation and maintenance, and safety risk detection, in order to achieve stable operation of relevant gas supply equipment in extreme weather conditions; ▪ Jiaxing Gas has implemented disaster prevention measures in key areas such as gas storage facilities and pipelines, using stronger facilities and pipes, preparing fixed cables, fixed piles and other materials in advance, and raising flood control and flood prevention steps to improve its ability to resist natural disasters, effectively prevent and reduce disasters, and ensure the continuity of gas supply operation;

Risk type	Climate-related risks	Mitigation measures
		▪ Jiaxing Gas conducts occupational health examinations for frontline employees, strengthens high – temperature protection, prepares heatstroke prevention and cooling equipment, conducts employee heatstroke prevention safety training, improves working conditions and working environment, adds necessary ventilation or cooling equipment in high-temperature workplaces, scientifically and reasonably arranges outdoor work hours, and ensures personnel safety.
Chronic risk	▪ Long term climate pattern changes such as rising sea levels or sustained high temperatures may cause floods, damage existing operating pipelines and equipment facilities, or increase summer cooling demand, leading to increased operating and maintenance costs for gas stations.	▪ Jiaxing Gas carries out relevant prevention and emergency research, plans to introduce and use more disaster resistant gas supply facilities, effectively utilise digital technology, combine geographic information, meteorological conditions, and equipment characteristics, through comprehensive, multi-level, and multi time scale early warning, timely display safety hazards, achieve real-time online monitoring of the pipeline network, do a good job in resource matching, and fully guarantee the gas demand of people's livelihood users.

Risk type		Climate-related risks	Mitigation measures
Transition risk	**Policy and legal risks**	▪ With the continuous introduction of carbon emission related policies and the tightening of regulation, regulatory authorities will strengthen GHG emission disclosure requirements, which may increase disclosure costs and compliance risks for enterprises. There may be risks of being held accountable and taking regulatory measures due to non-compliance with policies or laws. ▪ The changes in government or industry support and subsidy policies will affect the natural gas distributed energy system projects operated by the Group, bring new challenges to the development of new energy projects, and affect the Group's daily operations. If the government reduces or cancels subsidies for promoting urban gas business in the future, the Group's cost expenditures will increase.	▪ Jiaxing Gas plans to actively promote the implementation of energy-saving and carbon reduction measures by the Group, accelerate low-carbon transformation, build a smart gas pipeline network, reduce traditional operations, further optimise the Group's carbon emissions situation, and improve the accuracy of disclosed information to ensure compliance with laws and regulations; ▪ Jiaxing Gas seizes the opportunity of national low – carbon energy transition, develops the clean energy industry, accelerates the layout of comprehensive energy business, continuously deepens and expands the application of distributed and renewable energy, and promotes the optimisation and transformation of energy structure.

Risk type	Climate-related risks	Mitigation measures
Technical risk	▪ In the process of achieving green and low-carbon transformation, green technologies are constantly innovating and iterating, and R&D innovation requires additional technological costs, leading to risks of increased capital investment and R&D expenses. ▪ The continuous improvement of technology provides more development possibilities for other low emission environmentally friendly energy sources, gradually phasing out existing natural gas, leading to a decrease in demand for the Group's existing products and services, affecting the Group's revenue, and fierce market competition. If the Group cannot timely follow up on the adoption of new energy sources or technologies, it may be affected.	▪ Jiaxing Gas carries out new technology research and application with higher requirements, continuously promotes technological innovation and upgrading, continuously optimises and upgrades existing processes and equipment, converts innovation capabilities into development momentum, improves operational strategies around key technologies of smart gas and gas safety, enhances the ability to respond to technological risks, and enhances market competitiveness; ▪ In response to the trend of low-carbon energy development, the Group actively explores the comprehensive operation mode of clean energy, empowers through intelligent transformation, innovates project development models and advanced technologies to cope with fierce market competition, and helps promote the low-carbon and energy-saving process of the industry.
Market risk	▪ With the guidance of policies and the market, the supply and demand structure of the market and customer behaviour may change, and natural gas may not meet market demand, thereby reducing the enthusiasm for natural gas selection, leading to the Group's business facing related market production and operation risks.	▪ Jiaxing Gas regards climate change as a key issue, communicates and exchanges with stakeholders through diverse means, actively responds to the expectations and demands of various stakeholders, pays attention to terminal demand, enhances service quality, expands value-added business, actively develops green and low-carbon technologies and products, meets market demand, provides energy-saving and low-carbon energy supply solutions for customers, and improves social and environmental benefits.

Risk type	Climate-related risks	Mitigation measures
Reputational risk	▪ Stakeholders are increasingly concerned about sustainable development and climate change. If the Group fails to effectively carry out low-carbon transformation work to meet stakeholder expectations, or engages in related violations or insufficient information disclosure, it may damage the Group's reputation and have a negative impact, resulting in customer loss and revenue decline.	▪ Jiaxing Gas adheres to the concept of green development, practices low-carbon production, implements the energy-saving and environmental protection regulations formulated by the Group, achieves annual self-inspection and review of relevant performance, continuously closely tracks the sustainable development trend of the industry, adjusts the Group's goals and plans in combination with industry trends and policy guidance, continuously improves the disclosure of environmental information of the Group, enhances the confidence of stakeholders in the Group, promotes high-quality development and low-carbon transformation of the Group, and creates a sustainable and strong enterprise with strong climate change response capabilities.

Risk management

In the face of complex and evolving climate conditions, the Group continues to strengthen its operational resilience and market competitiveness through a series of forward-looking strategies and coordinated planning. The Group conducts comprehensive identification and precise assessment of various physical and transition risks, proactively seizes green development opportunities, and confidently addresses the challenges and opportunities arising from climate change. To reinforce the strategic role of climate risk management, the Group has fully integrated relevant control requirements into its overarching strategic framework, ensuring seamless alignment with ESG governance and the comprehensive risk management system. Throughout this process, the Group has consistently deepened its full lifecycle energy management, strictly controlled pollutant and GHG emissions, and steadily advanced its green and low-carbon transition.

To further enhance its climate risk controls and target management systems, the Group leverages its technical expertise to actively invest in low-carbon technology R&D and innovative business models, driving the development of a new energy ecosystem characterised by multi-energy complementation and integration.

Metrics and targets

The Group identifies and monitors key metrics related to climate-related risks, including GHG emissions (Scope I) and GHG emissions (Scope II), etc., conducting overall statistics and disclosures of such data on an annual basis, and ensuring their accuracy and transparency to provide data support in addressing climate change.

Table: Greenhouse Gas Emissions Performance[1,2,3]

Metric	Unit	2025	2024
Scope 1: Direct GHG emissions	Tonnes of carbon dioxide equivalent (tCO_2e)	**748**	710
Scope 2: Indirect GHG emissions	Tonnes of carbon dioxide equivalent (tCO_2e)	**1,485**	1,546
Total GHG emissions	Tonnes of carbon dioxide equivalent (tCO_2e)	**2,233**	2,256
GHG emission intensity	Tonnes of CO_2e per hundred million cubic metres of gas sold	**254.28**	320.40

1 Direct GHG emissions are based on Appendix 4 of the China Energy Statistics Yearbook 2020, GHG Protocol, IPCC, 2014: Climate Change 2014: Synthesis Report, Intergovernmental Panel on Climate Change Fifth Assessment Report Working Group I, Working Group II and Working Group III Reports, Guidelines for Provincial Greenhouse Gas Inventories (Trial, May 2011) and the Energy Statistics Workbook (Department of Energy, National Bureau of Statistics, 2010). Indirect GHG emissions were calculated using the national grid emission factor specified in the *Notice on the Reporting and Verification of Greenhouse Gas Emissions for Key Industries (2023–2025)* issued by the Ministry of Ecology and Environment of the People's Republic of China.

2 The reported GHG emissions exclude emissions generated by the steam sales business (natural gas integrated energy operations). In 2025, the GHG emissions from this business amounted to 17,856 tonnes of carbon dioxide equivalent (tCO_2e), with an emission intensity of 0.51 tCO_2e per megawatt-hour (MWh) of steam production. The increase in emission intensity in 2025 was primarily attributed to the reduction in new energy operations. In 2024, the GHG emissions from this business totalled 19,659 tCO_2e, with an emission intensity of 0.31 tCO_2e per MWh of steam production.

3 Emissions data have been adjusted by converting 9,189 standard cubic metres (Sm^3) of methane emissions caused by third-party damage in 2025 using the global warming potential (GWP) value of methane.

4.1.2 Green Operations Initiatives

Green operations represent both a crucial practice in advancing ecological civilisation and an inherent requirement for implementing green development principles. Jiaxing Gas has consistently adhered to this strategic direction, continuously enhancing its energy-saving and environmental policies and procedures while innovating green office operation mechanisms. The Group actively cultivates employees' low-carbon environmental awareness, promotes the concept of simplicity and moderation, and through diversified green office initiatives, encourages employees to integrate green and low-carbon practices into their daily work and life, ensuring these principles are deeply embedded into every stage of our development.

In advancing eco-friendly daily operations, we have implemented multiple emission reduction measures, including:

Eco-friendly operation strategies	Specific emission reduction actions
Cultivate energy-saving awareness	We implemented targeted operational training programmes tailored to different business units to enhance employees' awareness of energy efficiency and environmental conservation, thereby preventing energy losses caused by improper operational practices.
Implement an energy conservation policy	To strengthen energy conservation management, we actively promoted responsible electricity usage practices, including "switch on only when needed" and "turn off promptly when unoccupied". We optimised HVAC operation schedules to ensure temperature settings comply with regulatory standards. In paper conservation efforts, we continued advancing paperless office initiatives by fully leveraging digital office systems for electronic document transmission and storage. We also enforced duplex printing protocols through enhanced printer management to minimise paper waste.
Promote green travel	We actively promoted the adoption and utilisation of electric vehicles (EVs). In 2025, we decommissioned two internal combustion engine vehicles (ICEVs) and replaced them with electric vehicles (EVs), resulting in a reduction of approximately 4,000 litres of gasoline-derived emissions.
Improve gas usage efficiency	We actively promoted and applied advanced energy technologies. Through the use of gas internal combustion engines, our new energy subsidiary generates electricity which is fed into the grid. The waste heat produced during the power generation process is recovered and utilised, achieving a comprehensive energy utilisation rate of over 75%.
Mitigate the environmental impact of production activities	We actively engaged in energy conservation, emission reduction and environmental protection technological upgrades. Notably, the Qingchi Hotel Energy Station Project's roof-top photovoltaic power station generated 335,000 kilowatt-hours of renewable energy, effectively replacing traditional energy sources and contributing significantly to our sustainable development initiatives. Through these efforts, we achieved condensate recovery amounting to 25,400 tonnes and natural gas savings of 177,800 cubic metres.

4.1.3 Methane Emissions Management

Jiaxing Gas strictly controls methane emissions and attaches great importance to issues regarding methane leakage and escape. It strictly complies with and carries out the requirements of multiple national gas inspection and test standards such as the Stationary Source Emission – Determination of Total Hydrocarbons, Methane and Non-methane Hydrocarbons and the Ambient Air – Determination of Total Hydrocarbons, Methane and Non-methane Hydrocarbons, to promote the smooth implementation of methane emission management in an all-around manner.

We have adopted a combination of measures as follows to effectively promote methane emissions management in an all-around manner from multiple aspects:

Methane emissions management	Specific measures
Standardised measurement of methane concentrations	We actively promote the standardised measurement of methane concentrations for relevant operating parts to ensure the accuracy of methane emissions data. We also strengthen the optimisation, upgrading, management and supervision of the liquid unloading and gas storage processes, and prevent methane leakages or reduce the leakage frequency through technical and management means.
Transportation and storage management	We have improved relevant management processes and systems to ensure effective monitoring and management of every link involving methane emissions. We have also formulated various emergency plans to enhance our emergence management and response capabilities.
Monitoring of methane emissions and leakage	To monitor methane emissions and leakage in an all-round way, we have adopted advanced monitoring technologies and equipment, which enable real-time monitoring and data analysis, so that we can timely detect and deal with potential methane leakage problems. In addition, we continue to improve relevant measures and enhance facilities and equipment to curb methane leakages and lower gas loss rates and escape rates, so as to achieve compliance management of methane emissions.

Through the implementation of these initiatives, the Group has successfully mitigated GHG emissions, making a positive role in promoting ecological balance and the harmonious coexistence between humans and nature. Meanwhile, Jiaxing Gas is steadily advancing its carbon peaking and carbon neutrality efforts, delivering practical actions to support the achievement of Sustainable Development Goals (SDGs) and ensure their tangible impact.

Methane emission management process:

1. Methane emission management process, for liquefied natural gas (LNG) of different sources, we follow relevant guidelines to carry out liquid inflow and outflow operations, and control the liquid level to prevent excessive liquid inflow;

2. We empty storage tanks to regularly check the tank vacuity, and maintain proper temperature and sufficient space above the liquid surface to ensure safety.

3. We improve and refine project plans, and try to use the existing valve heads at the access points or near the opening, to minimise the existing pipelines controlled by the existing main control valves and by-pass valves.

4. All storage tanks of the LNG station are equipped with field instruments and SCADA (Supervisory Control and Data Acquisition) systems, i.e., data acquisition and monitoring control systems, which inspect and check field and system data every two hours.

5. Meanwhile, they are equipped with automatic pressure regulators for BOG (Boil-off Gas, referred to as BOG), safety valves and last manual discharge valve.

6. Design according to the vehicle structure, and slightly elevate the front end of the vehicle storage tank to facilitate the unloading of liquid and reduce the methane loss.

7. Regularly test the pressure of methane emission pipes to ensure the stability of the pressure in the pipes.

8. In construction operations involving natural gas displacement emissions, the optimal number and location of release points are selected based on pipeline distribution drawings and site conditions, and emissions are carried out strictly in accordance with operating regulations and testing requirements. The gas concentration at the discharge outlet is standardised and tested to ensure the safety of natural gas emissions operations.

Table: Energy Use Performance[4]

Metric	Unit	2025	2024
Gasoline consumption[5]	Litre	**240,007**	195,122
Diesel oil consumption	Litre	**60,429**	70,665
Natural gas consumption	Standard m^3	**4,347**	12,992
Purchased electricity	kWh '000	**2,603,793**	2,710,891
Total comprehensive energy consumption	kWh '000	**5,364,586**	5,277,327
Comprehensive energy consumption density	kWh/100 million m^3 of gas sold	**611,001**	749,570

4.1.4 Integrated Energy Transition

Building upon our urban gas business, Jiaxing Gas proactively aligns with the evolving trends of integrated energy transition. We are committed to optimising the energy industry structure and establishing ourselves as an industry benchmark for achieving the dual carbon goals. The Group has strategically seized opportunities in energy transition, positioning hydrogen energy as a critical component of our green growth corridor, and is fully dedicated to advancing high-quality development in the hydrogen sector.

We actively strengthen collaboration with government authorities and industry-leading enterprises, proactively seeking policy support and technical resources. Leveraging our presence in Jiaxing city and its surrounding areas, we continuously expand high-level, multidimensional cooperation platforms, and are deeply engaged in the coordinated planning, construction, and operations of local hydrogen refuelling stations. In addition, we consistently enhance multi-source supply system to comprehensively strengthen energy security and supply capabilities. Guided by innovation and efficiency improvement, we are persistently reinforcing our investment in the hydrogen industry, fostering its standardised, sustainable, and long-term development.

[4] The data does not include the steam sales business (natural gas integrated energy operations). In 2025, the business consumed 8,147,037 standard cubic metres of natural gas and 7,167 kilowatt-hours of purchased electricity, resulting in a total energy consumption of 10,847 tonnes of standard coal. The energy consumption intensity was 0.31 tonnes of standard coal per megawatt-hour of steam production. The increase in energy consumption intensity in 2025 was due to the reduction in new energy business activities. In 2024, the business consumed 8,895,158 standard cubic metres of natural gas and 304,798 kilowatt-hours of purchased electricity, with a total energy consumption of 11,868 tonnes of standard coal and an energy consumption intensity of 0.19 tonnes of standard coal per megawatt-hour of steam production.

[5] The increase in gasoline consumption in 2025 was primarily attributed to the expansion of trading operations and an increase in business travel frequency.

Jiaran Ganghua has successfully completed the construction of multiple charging stations equipped with a total of 168 charging piles – including 102 fast-charging piles and 66 slow-charging piles. With these charging stations commencing operations, we not only enhance accessibility and efficiency for electric vehicle users, but also contribute positively to energy transition and sustainability initiatives in Jiaxing city.



4.2 ENVIRONMENTAL STEWARDSHIP: GREEN OPERATIONS AS THE FOUNDATION OF URBAN SUSTAINABILITY

Adhering steadfastly to Xi Jinping Thought on Ecological Civilisation as its guide, the Group remains unwaveringly committed to the goal of high-quality energy development. Across all stages of production, operation, and development initiatives, we prioritise environmental protection as a core objective. We continuously advance cutting-edge green and low-carbon technologies, achieving significant reductions in pollutant emissions across the entire operational lifecycle. Through these efforts, we are building an industry-leading benchmark for green operations and accelerating the transition to a green and low-carbon future with enhanced commitment and strategic initiatives.

4.2.1 Emissions Management

To firmly implement a green and low-carbon development strategy, Jiaxing Gas actively advocates for sustainable ways of working and living, contributing to advancing ecological civilisation and the transition toward a low-carbon economy. We strictly comply with national laws and regulations, including *the Law on Environmental Protection, the Law on Air Pollution Prevention and Control, the Law on Water Pollution Prevention and Control, the Law on Prevention and Control of Environmental Pollution by Solid Wastes,* and the *Law on Environmental Noise Pollution Prevention and Control*, and implement emergency preparedness and response control procedures, as well as other relevant regulatory requirements such as the National Catalogue of Hazardous Wastes, to uphold the baseline of compliant operations.

With the goal of in-depth pollution treatment, the Group has in place specific action plans. We have accelerated the upgrading of pollution control facilities and energy efficiency improvements to advance our ongoing emission reduction and efficiency enhancement initiatives. Furthermore, a robust responsible environmental protection policy, an environmental monitoring programme (including routine monitoring, emergency monitoring, and end-to-end process controls), and a solid waste management policy have in place to strictly control total pollutant emissions. To prioritise preventing pollution at the source, we have rigorously implemented the key requirements for designing, constructing, and commissioning environmental protection facilities at the same time as the main project for every construction project, in accordance with relevant environmental impact assessment requirements. For key areas such as wastewater, exhaust gas, solid waste, and noise, upgrades have been made to existing emergency response systems and controls to enhance our environmental risk prevention and emergency response capabilities.

With these measures, Jiaxing Gas has set a benchmark for emissions control in the gas industry. We remain steadfast in our commitment to environmental sustainability and have continuously strengthened source emission control measures, achieving significant results. In 2025, the Group did not experience any major environmental incidents and was not faced with any material claims arising from violations of environmental regulations. These achievements have effectively enhanced the Group's reputation and influence, solidifying the realisation of our green development strategy.

The Group is committed to establishing an accurate, adequate and appropriate ecological and environmental management system. To this end, we have made enhancements to our environmental risk identification and assessment policies and processes and our end-to-end compliance control over hazardous waste to minimise our impacts on soil, water bodies, the atmosphere, and public health. Through green operations, we safeguard ecological security.

Table: The Group's Emissions Statistics

Emission Type	Specific Measures
Waste water	➢ We fully implement the low-emission initiative by adopting low nitrogen transformation technology to reduce nitrogen oxide emissions, avoiding environmental contamination caused by wastewater. ➢ We strive to honour the bottom line of compliance and promote a highly efficient sewage management mechanism. We strictly comply with the wastewater discharge standards by recycling condensate water in factories to reduce the energy consumption of boilers while mitigating noise and air pollution. By improving the quality of boiler feed water and decreasing the amount of boiler blowdown, we can reduce the heat loss of boilers and refill water in a timely manner, so as to reduce the discharge of waste water.
Exhaust gas	➢ During operations, we take exhaust gas collection measures to improve collection efficiency and minimise the amount of residual exhaust gas discharged into the atmosphere by the dispenser, so as to minimise the impact of exhaust gases on the surrounding atmospheric environment. ➢ For the nitrogen oxides from combustion in boilers, we replace burners with low nitrogen ones, promote the low nitrogen combustion transformation, and optimise boiler operation to control the combustion temperature in boilers, so as to meet the relevant emission requirements before discharging exhaust gas.
Solid waste	➢ We engage qualified hazardous waste collectors for professional collection, transportation and treatment of odorant waste bins and other hazardous waste, and maintain relevant records. ➢ We have implemented a mandatory waste segregation policy across all departments. Non-hazardous waste is centrally collected by designated janitorial staff, with the Group's waste streams limited to municipal solid waste and organic waste. These materials are regularly transported and processed by certified third-party waste management providers to ensure environmentally responsible disposal. ➢ Obsolete equipment such as air conditioning units and computers is systematically recycled through licensed third-party partners. End-of-life vehicles are disposed of in accordance with national regulations and industry standards for scrapping. ➢ Construction waste is collaboratively managed with nearby large-scale construction contractors. A centralised sorting and transportation system has been established, significantly reducing the cost and environmental impact of surplus soil and debris removal. ➢ We sign solid waste and garbage removal agreements with offices to regularly clean up all kinds of harmless waste.
Noise	➢ Noise reduction facilities are installed to prevent noise pollution during construction.

In 2025, the Group's Engineering Department avoided water resource areas for gas pipeline construction and strengthened the management of pipeline jacking construction for long-distance gas pipeline network. We also took multiple measures to reduce environmental impact:

Table: Environmental Impact Mitigation Measures in Engineering Management

Engineering Management	Specific Measures
During the construction phase	We reduced excavation activities and established fully enclosed fencing around construction sites to effectively control the scope of work. When loose soil was generated in large quantities during construction, protective mesh covers were used to prevent dust emissions. For slurry pits, comprehensive environmental protection measures were applied throughout the entire process. Specialised slurry trucks were employed for safe transportation, ensuring no leakage or spillage occurred during transit, thereby safeguarding the surrounding environment.
Construction Project Management	We improve quality and safety during the construction process to minimise re-work and re-transfer of materials, and lower the utilisation rate of gasoline generators and air compressors to reduce energy consumption and carbon emissions.
Emissions Management	We are gradually establishing and improving a management system to clarify and control emissions reduction targets and minimise the environmental impact of construction activities.

Table: Waste Emissions Performance

Metric	Unit	2025	2024	2024
Waste water	Total sewage discharge	Tonnes	**9,930.02**	14486.72
Exhaust gas[6]	Total nitrogen oxide emissions	Tonnes	**14.34**	18.67
	Total sulphur dioxide emissions	Tonnes	**1.47**	1.76
	Total emissions of smoke and dust	Tonnes	**1.93**	2.39
Solid waste	Total hazardous waste discharge	Tonnes	**–**	–
	Hazardous waste discharge intensity	Tonnes per 100 million m^3 of gas sold	**–**	–
	Total non-hazardous waste discharge	Tonnes	**60.11**	60.11
	Office and domestic waste	Tonnes	**43.61**	46.86
	Food waste	Tonnes	**13**	13
	Waste polyethylene (PE) pipes	Tonnes	**–**	–
	Harmless waste discharge density	Tonnes per 100 million m^3 of gas sold	**6.85**	8.54

[6] Emissions in 2025 are limited to air emissions generated from energy consumption. Emissions resulting from company vehicle operations are relatively minor in volume and therefore excluded from the calculation scope.

4.2.2 Environmental Impact Mitigation

Jiaxing Gas strictly adheres to relevant laws and regulations, including *the Environmental Protection Law* and *the Environmental Impact Assessment* of China. We have in place effective oversight controls across all stages of project operations to ensure biodiversity conservation is integrated throughout the entire project lifecycle.

During the site selection phase, Jiaxing Gas prioritises biodiversity conservation as a core consideration, significantly enhancing environmental impact assessment (EIA) processes. The Group proactively minimises disturbances to land resources, wildlife, and their habitats throughout the construction and operational phases. We actively explore synergistic win-win approaches to align ecological protection with corporate sustainable development.

Jiaxing Gas has in place a "six-in-one" environmental management system covering the full project lifecycle. This system focuses on green and low-carbon requirements across site selection, design, construction, and operational stages. We strictly implement relevant environmental requirements, uphold people-centred principles, and demonstrate deep respect for local community preferences, regional cultural heritage, and traditional customs.

To mitigate project impacts on surrounding communities and ecosystems, the Group has developed a routine communication feedback mechanism. This enables us to obtain and review residents' opinions and requests through regular surveys and on-site visits and promptly implement optimisation measures. Continuous professional health and safety awareness campaigns include specialised training on gas safety knowledge, protective skills, and emergency response. Through innovative outreach programmes like the "Children's Classroom", we have deepened public engagement and maintained harmonious relationships with local stakeholders.

During the planning and site selection phase

- The Group adheres to an eco-centric approach throughout the project planning and construction process, emphasising stakeholder engagement and compliance management. During the site selection phase, we proactively communicate with government authorities, conduct preliminary research, promptly disclose project information, and solicit community feedback. In the design stage, we strictly align with urban development plans, optimise the thermal pipeline network layout to shorten supply distances and reduce pipeline losses. Rigorous environmental impact assessments are conducted to accurately identify environmental impacts and pollutant emissions, with corresponding mitigation measures implemented. We proactively avoid ecologically sensitive areas such as water sources and wetlands during site selection. We employ non-intrusive trenchless technologies like pipe jacking to minimise ground disturbance, while ensuring the protection of site vegetation and maintaining the existing ecological balance.

During the construction phase

- Environmental compliance and construction controls
  The Group strictly fulfils its primary responsibility for ecological protection, ensuring full compliance with environmental impact assessment (EIA) requirements and other relevant regulations throughout the construction process. Key environmental factors such as noise, dust, exhaust emissions, and wastewater are subject to precise controls. Construction schedules are optimised to avoid night-time operations, and professional institutions are commissioned to conduct environmental and safety assessments. Upon project completion, pipeline testing and EIA acceptance are rigorously conducted in accordance with established standards to ensure engineering safety and effective control of environmental risks.

- Green construction and ecological protection
  Construction cycles are appropriately planned in alignment with local climatic conditions. Measures such as green barriers and soil cover are implemented to suppress dust and protect regional vegetation and ecosystems. Work zones are strictly controlled on-site. Trenchless technologies like pipe jacking and directional drilling are promoted, pipeline burial depths are optimised, and low-disturbance construction equipment is utilised to minimise impacts on land, flora, fauna, and water bodies. Work pits and slurry pits are managed under full-enclosure systems, with specialised vehicles ensuring standardised material transportation.

- Low-carbon technologies and waste management
  Green construction technologies are actively advanced, including upgrading PE pipe welding equipment to fully automatic welders to enhance construction quality and traceability. On-site operations prioritise grid electricity to reduce reliance on diesel generators. Waste materials are classified and processed systematically, with material ratios optimised to minimise waste. Post-construction activities include timely soil backfilling, site clearance, and ecological restoration to significantly mitigate the project's environmental footprint.

In 2025, Jiaxing Gas and its subsidiaries implemented a series of gas infrastructure improvement initiatives, including medium-pressure system upgrades, steel pipe replacements, relocation and modification of gas pipelines under tunnels, and renovation of farmers' self-built housing facilities. The Group conducted appropriate design and planning based on the surrounding natural and geological conditions, as well as residents' gas usage needs. During construction, close collaboration was maintained with transportation authorities to minimise disruptions. Proactive communication with local communities ensured timely responses to concerns, while prioritising the safety and convenience of gas services for residents.

4.3 RESOURCE STEWARDSHIP: CIRCULAR ECONOMY STRATEGIES FOR SUSTAINABLE EFFICIENCY

Jiaxing Gas Group has consistently adhered to the principles of resource conservation and environmental stewardship, implementing a comprehensive set of strategic initiatives to advance sustainable development. These include actively aligning with national energy conservation and emission reduction policies by establishing a robust system of energy efficiency and carbon management frameworks, while ensuring strict compliance with all relevant regulatory requirements. The Group prioritises the appropriate and efficient utilisation of energy resources through continuous optimisation of operational processes, significantly enhancing resource utilisation efficiency and implementing rigorous full-cycle water resource management protocols. In addition, Jiaxing Gas Group is actively promoting the adoption of digital office practices across its operations, effectively reducing both resource consumption and carbon emissions. We strictly abide by laws and regulations, such as the *Energy Law and the Energy Conservation Law* of China. Through these measures, we are committed to cultivating a corporate image centred on environmental sustainability and energy efficiency.

4.3.1 Water Resource Utilisation

Jiaxing Gas places sustainable water resource management at the core of its corporate strategy, strictly adhering to relevant laws and regulations such as the *Water Law of the People's Republic of China*. Through focused R&D efforts in water-saving technologies, we are committed to enhancing the efficiency and intensity of water resource utilisation. This strategic approach enables us to advance sustainable water management practices. As an industry leader, Jiaxing Gas is actively building itself into a water-saving gas enterprise, and effectively reducing water consumption by optimising office and boiler operating processes.

The Group places high priority on the conservation and efficient utilisation of water resources, continuously improving its water-saving management and supervision mechanisms. We implement a dual control management system for total water consumption and intensity, strengthen routine inspections, and promptly identify and rectify issues such as leaks and drips to ensure the effective implementation of water conservation measures. The Group actively promotes condensate recovery technology, continuously enhancing the circular utilisation efficiency of water resources to support green and low-carbon development.

We are continuously refining our water management system, setting detailed water conservation targets, and reinforcing rigid constraints on key indicators to steadily advance the implementation of our water-saving strategy. Water-saving devices have been universally adopted across all water usage scenarios to improve hardware capabilities for conservation. Simultaneously, we conduct regular water conservation awareness campaigns, install water conservation signage in office and operational premises, and implement routine inspections, performance evaluations, and competitions to cultivate employees' water conservation consciousness. These initiatives have fostered a positive organisational culture of collective water conservation.

Table: Water Use Performance

Metric	Unit	2025	2024
Total water consumption	Tonnes	68,853	89,084
Water use intensity	Tonnes per CNY1 million of revenue	22.06	33.06

4.3.2 Digital Office Practices

Leveraging digital office platforms as a core enabler, the Group is committed to advancing digital transformation and management upgrading. We actively promote digital management practices, gradually replacing traditional paper-based documentation with digital files, steadily progressing toward our vision of achieving a "paperless" office environment.

In 2025, the Group's Information Technology Centre implemented the following measures to optimise and elevate our digitalisation capabilities:

- Development of a Comprehensive Business Environment Management System: A full-cycle management system was established, spanning from market development to engineering construction management. This system streamlines internal business processes, reduces reliance on paper-based documentation, and enables end-to-end visibility and seamless information sharing across operations.

- Automation Upgrade in Financial Operations: The Group advanced the automation of payment and invoicing processes, significantly enhancing the efficiency and accuracy of financial operations.

The Group remains committed to continuously optimising and upgrading its digital office systems through a multifaceted approach, establishing strategic objectives and specific measures. We are dedicated to advancing digital transformation in office operations by broadly implementing electronic and paperless processes and practices, significantly reducing the consumption of single-use office supplies. These initiatives are designed to comprehensively accelerate the Group's journey toward sustainable, low-carbon development.

Digital office initiatives	• Automated Business Management: Leveraging DingTalk (a collaboration platform), we have automated daily business record-keeping through real-time data synchronisation. This ensures efficient and error-free documentation of operational processes. • Automated Attendance Management: Utilising DingTalk, we have in place an integrated system for attendance tracking, personnel records, and training management. This system is seamlessly synchronised with our performance evaluation framework, enabling streamlined, data-driven workforce administration. • Digitalisation of Meeting Materials: Through the Office Automation (OA) system, all meeting-related documents are converted into electronic formats. Presentations are displayed via digital projection (e.g., PPT), achieving near-complete paperless operations. This initiative significantly reduces paper usage and energy consumption, aligning with our environmental sustainability goals. • Standardisation of Business Documentation: We have implemented a centralised electronic archive management system to digitise operational records, incoming/outgoing documents, policies, multimedia data, and technical drawings. Key business reports are now generated, processed, and submitted through dedicated reporting software, ensuring compliance with digital documentation standards while enhancing storage efficiency and accuracy. • Virtual Meetings and Training: To minimise resource consumption and promote carbon reduction, we have actively adopted virtual video conferencing and online training platforms. This approach eliminates the need for in-person gatherings, reduces business travel, and lowers energy demand.
Smart services initiatives	• Core Business Platformisation: We actively promote digital service channels, including our online service hall and telephone application system. Leveraging the WeChat platform, the online service hall enables customers to complete gas-related services such as service inquiries, account openings, meter inspections, safety checks, and complaint submissions online. This digital transformation streamlines intermediate processes, resolves customer challenges efficiently, and improves operational efficiency while reducing resource consumption. • Digitalisation of Billing and Communication: We notify customers of meter-reading results via SMS or WeChat, replacing traditional paper bills. This approach ensures timely access to billing information and enables long-term data preservation, aligning with our environmental sustainability goals. • Information-Driven Service Tracking: We have replaced conventional paper-based service records with mobile meter-reading and inspection devices. This transition enhances the accuracy and efficiency of service documentation.

V. TALENT AS THE FOUNDATION: GROWTH-DRIVEN, COHESION-ORIENTED JOINT EFFORTS FOR A BETTER FUTURE

We adhere to the principle of standardised employment and fully protect the legitimate rights and interests of employees. We attach great importance to the establishment and improvement of the talent training and management system and are committed to creating a broad stage to help employees realise their personal values and professional growth. By promoting mutual growth and synergistic development between employees and the enterprise, we continuously propel the Group towards a new journey of high-quality development, jointly creating a brighter future.

5.1 TALENT DEVELOPMENT: MULTI-PATH CAREER EMPOWERMENT

5.1.1 Equal Employment Opportunities

Jiaxing Gas strictly abides by national and local laws and regulations as well as labour policies and employment requirements, including the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, etc. Building upon this foundation, we consistently formulate and refine internal regulations. Jiaxing Gas formulated and improved internal rules, including the "Rules on Recognition of Qualifications of Employees", the "Rules on Employee Training Management", the "Rules on Management of Employees Attendance", which stipulate clear rules on employment, separation, qualification assessment, training, working hours, and leave entitlements. In 2025, the Group will further refine the Employee Leave Management Regulations, protecting employee rights and interests to stimulate the staff's creative vitality and promote the healthy development of the enterprise.

Recruitment management

Regarding talent recruitment and management, we have established a systematic and standardised recruitment management system. Aligning with the Group's development strategy and departmental staffing needs, the Human Resources department centrally formulates phased recruitment plans. We attract outstanding talent through multiple channels including campus recruitment, internal referrals, online platforms, and specialised job fairs. The Group steadfastly upholds the principles of fairness, impartiality, and transparency in recruitment. We have no restrictions on gender or the household registration of candidates to ensure fairness, justice and openness in our recruitment, fully adopting the principle of equal opportunity throughout the recruitment process.

Simultaneously, the Group continuously enhances its compensation incentive system and career progression pathways. We actively cultivate a united, progressive, harmonious, and stable team atmosphere, persistently building harmonious labour relations to provide a solid talent foundation for the enterprise's robust development.

In the recruitment process, we focus on the comprehensiveness and accuracy of interview evaluations, and continuously improve the recruitment and hiring process. We respect differences, encourage diversity, and enhance inclusiveness, firmly opposing any forms of restriction and discrimination on the grounds of gender, age, educational background and religious belief, etc., so as to ensure that the Group is full of vitality and is committed to a diverse, inclusive, and equitable work environment.

Employment rules

The Group strictly prohibits the employment of child labour and abides by the Law of the People's Republic of China on the Protection of Minors, Provisions on Prohibition of Child Labour and other relevant laws and regulations to eliminate the practice of employing child labour. The Group strongly forbids the practice of forced labour.

During the course of recruitment, we specify the age requirements of each post, and candidates are required to show their valid ID documents and academic certificates. We perform age screening and identification, verify documents and certificates through the identity recognition system (connected to the public security system) and CSSD China Credential Verification system. Jiaxing Gas consistently adheres to the principle of voluntary employee choice. Candidates are considered for recruitment only if we have received their feedback on accepting our job offer after interview and will not be considered if no feedback is received.

Protection of human rights

The Group strictly complies with all relevant labour laws and regulations. During the onboarding process, c rigorously verifies employee identity information through standardised information registration forms and employment approval procedures. This ensures prevention of illegal employment practices at the source, firmly eradicates child labour, and effectively guarantees the implementation of social security systems.

In preventing forced labour, the Group strictly adheres to a zero-tolerance principle. It strictly prohibits any form of restriction on employees' personal freedom or coercion to work, including demanding deposits, confiscating documents, or using threats or intimidation. When employees resign, the Group fully respects their career choices and does not impose restrictions for any reason. The Group steadfastly maintains the baseline of compliant employment, vigorously safeguards the legitimate rights and interests of employees, and fosters a standardised, equal, and respectful working environment. In 2025, the Group did not identify any illegal incidents involving the employment of child labour or forced labour.

Rights to holidays and leave

The Group places high importance on safeguarding employees' lawful rights to leave, strictly implementing statutory holiday arrangements in accordance with relevant national regulations. Policies including the Employee Leave Management Regulations have been established to standardise leave procedures and approval mechanisms. The Group ensures all employees fully enjoy various types of rest and leave entitlements – such as statutory holidays, paid annual leave, maternity leave, and marriage leave – in compliance with the law. This demonstrates our respect and humanistic care for employees, building a solid foundation for sustainable corporate development through a compliant and comprehensive welfare system.

We actively promote a balanced male-to-female ratio and provide equal employment opportunities for employees of different ages. As at the end of the Reporting Period, we had a total of 402 employees, a decrease of 0 employees compared to the previous year. The overall employee turnover rate was 2.49%, a decrease of 3.48% compared to 2024, indicating a further enhancement in the stability of the Group's workforce. Summaries of the Group's employees by gender, age, region, and position level are as follows:

Category	Metric	Unit	2025	2024
	Total headcount	Persons	**402**	402
By gender	Male	Persons	**282**	287
	Female	Persons	**120**	115
By age group	Below 25	Persons	**3**	3
	25 to 30 (including 25)	Persons	**36**	54
	30 to 40 (including 30)	Persons	**165**	159
	Above 40 (including 40)	Persons	**198**	186
By region	Jiaxing, Zhejiang Province	Persons	**401**	401
	Outside Jiaxing, Zhejiang Province	Persons	**1**	1
By position level	Senior management	Persons	**11**	8
	Middle management	Persons	**57**	59
	General staff	Persons	**334**	335

Summaries of the Group's turnover rate by gender, age and region are as follows:

Category	Metric	Unit	2025	2024
Employee turnover rate by gender	Turnover rate of female employees	%	**2.84**	2.43
	Turnover rate of female employees	%	**1.67**	3.48
Employee turnover rate by age group	Below 25	%	**0.00**	0.00
	25 to 30 (including 25)	%	**2.78**	5.56
	30 to 40 (including 30)	%	**1.21**	1.26
	Above 40 (including 40)	%	**3.54**	3.23
Employee turnover rate by region	Jiaxing, Zhejiang Province	%	**2.49**	2.74
	Outside Jiaxing, Zhejiang Province	%	**0.00**	0.00

5.1.2 Compensation and Benefits

We rigorously adhere to the Group's performance appraisal and compensation distribution systems, while making timely contributions to employees' five social insurances and one housing fund (endowment, medical, unemployment, work-related injury, maternity insurances, and housing provident fund). The Group provides employees with various forms of benefits, including:

Employee benefits	Practices
Care at special times	Deliver heatstroke prevention materials to front-line employees during the hot summer and other special working periods.
Health care	Annually, the Group distributes personal protective equipment based on operational needs and conducts comprehensive health check-ups for all staff, including specialised examinations for female employees. Dedicated personnel and reporting lines are assigned for daily safety inspections, with mandatory checks conducted daily, weekly, quarterly, and annually. Jiaxing Gas Construction purchases Critical Illness Insurance for its employees.
Mental health support	We conduct lectures on psychological stress counselling for employees to help them relieve work pressure.
Care for female employees	We care about female employees and organise various activities to timely deliver welfare and care in women's holidays.
Holiday benefits	We also provide holiday-related benefits, such as festival allowances and in-kind benefits (including agricultural products, fruit, holiday gifts.
Birthday parties	We hold employee birthday parties every quarter to create a warm team atmosphere.
Care for retired employees and veteran party members	We visit and distribute benefits to retired staff representatives and veteran party representatives

"Women of Resilience, Women in Bloom" themed activity

On 7 March 2025, the Group Labour Union Committee organised the "Women of Resilience, Women in Bloom" themed activity, conveying warmth and care to female employees across the Group. Following a comprehensive evaluation by the Labour Union Committee, 10 female employees from the frontline were awarded the honorary title of "2024 Group Women's Role Model". After the activity, the female employees participated in a strawberry picking event, and the Group Labour Union prepared exquisite gifts for each participant. Moving forward, the Group will continue to further support the development of female employees, enabling them to contribute their strength to the advancement of the city's gas industry.









5.2 PATHWAY OF PLANNING: PAVING THE WAY FOR TALENT GROWTH

Jiaxing Gas continuously refines its talent cultivation system, strengthens incentive and safeguard mechanisms, and unblocks career development pathways. The Group coordinates and optimises the entire talent management chain, encompassing training implementation, performance appraisal, promotion management, and professional title appraisal, thereby constantly solidifying the foundation for talent development. The Group precisely builds development platforms centred on job requirements and employee growth needs. Systematic talent development empowers organisational growth, injecting robust momentum into the Group's high-quality and sustainable development.

5.2.1 Integrated Training System

The Group continuously refines its talent development system, streamlines incentive and restraint mechanisms alongside career progression pathways, and advances integrated management of the entire employee lifecycle encompassing training, performance appraisal, career advancement, and professional title appraisal, thereby constantly fortifying its talent pool. We adopt a precision and personalisation-oriented approach, tailoring development plans for employees based on their role characteristics and growth aspirations. Through talent empowerment and mechanism innovation, the Group provides a solid talent foundation to underpin its high-quality development.

Regarding training delivery, we employ a diversified model blending online and offline methods, integrating instruction with experiential learning. Systematic training is conducted across five key dimensions: workplace safety, professional competence, team building, healthy living, and foundational literacy. Utilising a combination of batch organisation and self-registration, we ensure full coverage for all employees, empowering them to leverage their expertise in their respective roles and continuously enhance their comprehensive literacy and operational effectiveness.

The Group's Human Resources Department identifies, discusses and analyses training needs according to the Annual Training Requirements Form, and lays down and implements the Annual Training Plan each year. The Plan specifies the departments responsible for training, training modules, posts, content, attendance, time, form, standards, and estimated funds to fully promote employees' professional development and build the cornerstone of high-quality development. In order to evaluate employee training, utilise the positive incentive role of talent evaluation, and guarantee training quality, we have also developed nine documents to record training quality, including the Training Report and Training Evaluation Form to ensure continuous improvement of training content and quality of training.

The Group regularly organises staff to study typical indoor accident cases and attend training on security inspection skills. Such training includes training on basics for security inspection in resident buildings and training on hydrogen refuelling station process and operational safety management. Such training activities are designed to equip employees with the necessary knowledge and skills to perform their daily duties under higher standards and stricter requirements with more practical measures, and to further improve their safety awareness and duty performance.

Training on major hidden hazard identification criteria for natural gas operations safety by Jiaxing Port Natural Gas

In May 2025, to thoroughly implement the Major Hidden Hazard Identification Criteria for Urban Gas Operations Safety, meticulously implement its requirements, and rigorously advance workplace safety, the Safety and Quality Supervision Department of Jiaxing Port Natural Gas conducted training on the Major Hidden Hazard Identification Criteria for Urban Gas Operations Safety. The session provided analysis and interpretation of the Notice Issued by the Ministry of Housing and Urban-Rural Development on the Major Hidden Hazard Identification Criteria for Urban Gas Operations Safety and the specific requirements of the criteria clauses. This ensured all production departments, safety management departments, and others were thoroughly acquainted with the current government stipulations. Through the interpretation, employees at all levels gained a clear understanding of the priorities in safety production work. This provided the Group with the criteria for identifying major hidden hazards, enabling us to implement risk classification and control alongside hazard investigation and management more effectively and scientifically, in meticulous detail.



As at the end of the Reporting Period, all employees of Jiaxing Gas had received training provided by the Group, a total of 15,294 hours with an average of 38.04 hours per employee were spent on training.

Category	Metric	Unit	2025	2024
Average training duration by gender	Male	Hours	**38.05**	39.24
	Female	Hours	**38.04**	39.25
Average training duration by position level	Senior management	Hours	**38.09**	39.27
	Middle management	Hours	**36.30**	39.25
	General staff	Hours	**38.34**	39.24

Category	Metric	Unit	2025
Percentage of employees trained by gender	Male	%	**70.15**
	Female	%	**54.73**
Percentage of employees trained by position level	Senior management	%	**2.74**
	Middle management	%	**14.18**
	General staff	%	**83.08**

Figure: Percentage of trained employees of Jiaxing Gas in 2025

5.2.2 Fair Performance Appraisal

The Group leverages scientific evaluations to enhance training quality, establishing a multi-dimensional learning assessment system. Through semi-annual and annual cyclical assessments, it tracks learning effectiveness, provides timely feedback to optimise courses, and continuously refines the evaluation mechanism to comprehensively assess employees' professional competence. Assessment results are regularly reported to management, providing data support for departmental strategy formulation and training planning.

The Group adheres to the core requirements of safety in production and standardised management, delivering customised employee training focused on key areas. Combined with annual performance appraisals, it comprehensively evaluates employees' integrity, competence, diligence, and achievements, guided by job responsibilities and quality objectives. Assessment results provide the basis for employee promotion, salary adjustments, and rewards/disciplinary actions. Positive incentives are used to fully mobilise work enthusiasm and enhance organisational effectiveness. During the Reporting Period, 100% of the Group's employees were covered by the performance evaluation system, ensuring fair and transparent opportunities for growth and competition.

5.2.3 Smooth Career Path

The Group consistently upholds the strategy of strengthening the enterprise through talent, continuously improving career development and promotion mechanisms, and focusing on building a rationally structured talent team. We have constructed dual-track career advancement pathways for professional/technical and administrative/managerial roles, breaking the limitations of a single administrative hierarchy. Standardising promotion procedures fosters a multi-generational talent echelon with orderly succession, ensuring clear development paths and equitable promotion opportunities. The Group regularly organises open position competitions and salary progression assessments. This clears growth channels for grassroots key personnel, strengthens incentive safeguards, fully mobilises employee initiative, continuously optimises the talent structure, enhances core competitiveness, and provides solid talent support for the enterprise's high-quality development.

Simultaneously, by regularly organising skills competitions, priority incentives are given to award-winning employees in areas such as commendations, conversion from temporary employment to permanent employment, and position promotion. This continuously stimulates employees' enthusiasm for undertaking tasks and driving innovation, and fosters the growth of skilled talent into industry professionals. Through regularly conducting open competitions, internal training, job rotation, and various other methods, the Group provides employees with broad development space and promotion channels, stimulating their work enthusiasm and creativity.

2025 competitive recruitment activities

In February 2025, to further optimise the allocation of talent resources and establish a fair, just, and transparent competitive mechanism, the Group held a large-scale competitive recruitment activity covering positions such as engineering and technology, marketing, and customer service. This activity fostered a healthy competitive atmosphere within the Group, motivating more employees to continuously improve themselves and strive together towards achieving the Group's strategic goals.



5.2.4 Improving Professional Competence

The Group has comprehensively implemented a professional grading certification system, encouraging employees to obtain professional technical titles and granting annual professional title subsidies to certified employees to enhance their professional skills. Internal practical assessments are conducted around core positions, and employees are supported to participate in industry competitions, with commendations and rewards used to reinforce positive guidance. Through precise cultivation and effective incentives, the Group promotes better person-position alignment, allows employees to utilise their expertise, enhances talent retention and work efficiency, and solidifies the Group's talent advantage for development.

- The Group currently has eight registered safety engineers.
- Group employees hold professional titles totalling 90 individuals and possess 167 skill certificates; among these, there are 5 junior titles, 65 intermediate titles, 19 associate senior titles, and 1 full senior title.
- Group employees completed continuing education for professional title applications (administered by departments such as the Economy and Information Technology Department of Zhejiang and the Department of Housing and Urban-Rural Development of Zhejiang, covering economic and information technology fields) for nearly 59 person-times, and completed backend course hour certification.

In 2025, Group employees submitted a total of 7 applications for professional titles at the level of senior title and above; of which, 1 was for intermediate title, 3 for junior title, and 3 individuals have already passed the assessment for senior titles.

The Group's Youth Skills Competition

In April 2025, the Group held the "Torch Cup" Youth Employee Skills Competition. This initiative aimed to provide a platform for young employees to enhance and showcase their skills, ignite their passion for and pursuit of professional expertise, and infuse the Group's development with youthful vitality. This Torch Cup edition also conducted two independent evaluations. Maintenance Technician teams secured first place, as did Operations Technician teams; furthermore, six contestants were honoured with the "Outstanding Individual" title. Moving forward, the Group will further encourage young employees to continue deepening their professional skills, contributing more youthful energy to the Group's high-quality development.







5.3 THE WARMTH OF BELONGING: CULTURAL COHESION, BUILDING OUR CORPORATE HOME

The Group focuses on building an open and diverse communication and development system, extensively incorporating employee insights and suggestions, and fostering consensus among all staff to jointly promote the Group's high-quality development. The Group has consistently prioritised both employee care and talent cultivation, establishing diverse growth platforms and organising rich cultural and sports activities to effectively fulfil the varied developmental needs of its workforce. The Group actively advocates the philosophy of "healthy work and joyful life," striving to safeguard employees' physical and mental wellbeing, and guiding all staff to engage in their roles with high morale and a positive mindset.

5.3.1 Diverse and Liberal Communication

The Group is committed to maintaining diverse communication channels, attentively listening to employees' needs, and establishing an open and inclusive communication mechanism. The Group regularly organises exchange forums for new and experienced employees, with management directly participating in dialogues to gain in-depth understanding of frontline perspectives; the Human Resources department conducts routine interviews with staff across all positions, utilising formats such as young employee salons and departmental team-building events to accurately gauge employee sentiment. A "Direct-to-General-Manager" mailbox is maintained, with quarterly meetings inviting employee representatives to discuss development strategies. Subsidiary units actively implement employee communication initiatives according to their practical circumstances; for instance, Jiaxing Port Natural Gas (嘉興港區公司) has established an "Employee Voice Room", organised team-building activities and young executives forums, providing employees with a favourable environment to speak freely and exchange ideas for growth. The Group maintains suggestion boxes to actively solicit employee feedback and convened a young employee representative forum in December 2025.

We conduct annual staff opinion solicitation and satisfaction surveys. Annual employee satisfaction surveys achieved a 100% satisfaction rate in 2025. The Group has set up an effective labour union system as a robust advocate for employee rights to ensure effective functioning of its governance framework.

5.3.2 Multifarious Recreational Activities

The Group consistently prioritises corporate culture development and employee care, continuously enriching staff cultural and recreational life while fostering a positive, harmonious, and collaborative working atmosphere. By regularly conducting employee appreciation events, team-building activities, birthday celebrations, and similar initiatives, we effectively enhance team cohesion and staff belonging. Simultaneously, the Group places high importance on employees' physical and mental wellbeing as well as holistic development. We organise participation in cultural and sporting events such as the Jiaxing Badminton Friendship Tournament, helping employees alleviate work pressure, improve physical fitness, and return to work in a reinvigorated state – thereby strengthening their sense of responsibility and collective cohesion.

Jiaxing Gas Holds a Badminton Friendship Match within the Group

In May 2025, Jiaxing Gas partnered with its subsidiary Hangjiaxin Energy to host the "Shuttlecock Showdown" Badminton Friendship Tournament, with over 20 enthusiasts participating. This event not only ignited employees' passion for badminton but also further promoted exchanges and cooperation between the Group and its subsidiaries.



Photo: Badminton friendship match

VI. COMMITMENT TO RESPONSIBILITY: GUIDED BY PARTY BUILDING, MANIFESTED IN PUBLIC WELFARE

The Group strictly implements volunteer service management standards in accordance with the "the Norms of JiaXing Gas Group Company Limited on the 'Devotion and Care' Volunteer Services Management", focusing on building a professional, efficient, and proactive volunteer team. During the Reporting Period, the Group actively collaborated with community co-building partners and various social stakeholders to conduct diverse public welfare initiatives addressing public concerns. These initiatives covered themed activities such as gas safety education, elderly care support, anti-fraud awareness campaigns, and voluntary blood donation. In the future, the Group will continue to promote the spirit of volunteerism, constantly improve service mechanisms, expand service scenarios, and enhance service effectiveness. We are committed to fulfilling our social responsibilities through concrete actions, injecting sustained momentum into high-quality social development.

6.1 THE BANNER OF PARTY BUILDING: RED LEADERSHIP, UNITING DEVELOPMENT MOMENTUM

The General Party Branch of Jiaxing Gas is a young, dynamic, and highly competent vanguard team. It empowers the Group's high-quality development through Party building leadership and has made active contributions to building a safe Jiaxing, creating a beautiful ecological environment, and embracing a life under blue skies.

Honouring revolutionary martyrs, inheriting the Red Spirit

In April 2025, the Party Branch of Jiaxing Port Natural Gas organised representatives of Party members and Youth League members to visit the Zhapu Jiulongshan Cemetery Revolutionary Martyrs' Memorial for a tomb-sweeping activity. Through paying respects to the heroes and recalling history, the participants strengthened their resolve to inherit the martyrs' legacy and perform their duties loyally. They pledged to dedicate themselves to their work with renewed fervour, actively carry forward the revolutionary spirit of the martyrs, pass on the 'red gene', and ignite the motivation to strive forward.







6.2 WARMTH OF THE COMMUNITY: PEOPLE-CENTRIC APPROACH, CONVEYING URBAN WARMTH

In 2025, Jiaxing Gas continued to focus on initiatives centred around public welfare, meticulously planning and organising a series of activities to prioritise the well-being of citizens and convey the Group's commitment. Through these efforts, the Group actively fulfilled its social responsibilities, fostering mutual growth between the enterprise and the community.

Warming the cold, spreading warmth

From January 2025, the Group launched multi-pronged New Year greetings campaigns, delivering corporate care and warmth directly to the public, fully demonstrating the exemplary role of a national civilised organisation as a "model" and "benchmark". The Party General Branch visited partner households in Datong Village, Xiuzhou District, gifting essential items such as rice and oil, along with consolation funds, while engaging in warm exchanges with families. Concurrently, the Group also visited Xinmin Village, Fengqiao Town, Nanhu District, distributing Spring Festival couplets, "Fu" characters, and other festive packages to villagers, consistently upholding its mission and commitment to care.





In 2025, Jiaxing Gas received a community flag from the Muhe Community for its Party-Building Collaboration in practical initiatives, jointly striving to benefit the public.

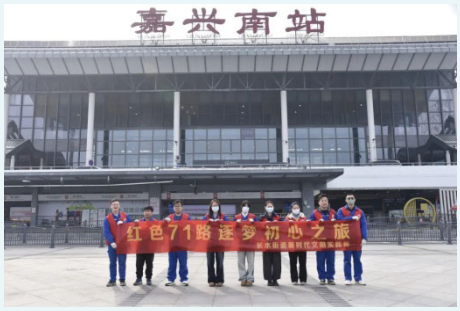


6.3 LIGHT OF PHILANTHROPY: RELAY OF LOVE, ILLUMINATING HOPE

The Group always adheres to its social responsibilities and carries a deep emotional attachment to the people. In 2025, it is not only committed to the sustainable and healthy development of the enterprise itself, but also to the wider participation of the Group in social welfare and charity donations.

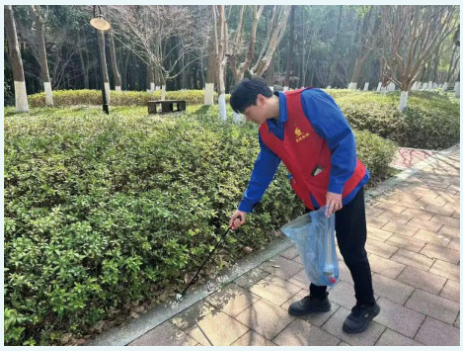
Chasing the spirit of Lei Feng – series of volunteer activities

In March 2025, the Group organised a series of volunteer activities, encouraging youth to actively participate in volunteer work, contributing youthful energy to building a civilised society. Volunteers visited the Jiaxing South Railway Station bus stop, undertaking tasks such as ground cleaning and wiping seats and signposts. Along the marathon race routes of Nanhu Avenue and Yuquan Road, they collected litter and promoted environmental awareness, demonstrating practical contributions to fostering a civilised enterprise and a civilised Jiaxing.







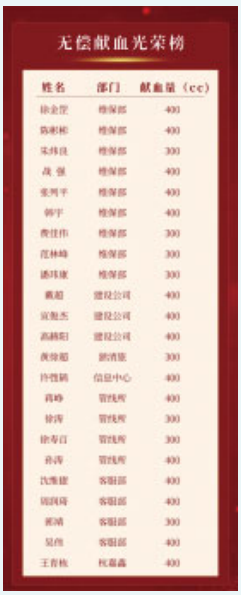


Blood donation to spread love, Jiaxing Gas in action

In July 2025, the Group encouraged all staff to participate in voluntary blood donation, aiming to promote the selfless spirit of “blood donation for life”. The Group’s blood donation team included both long-time contributors and new volunteers making their first donations. As the crimson blood flowed into donation bags, it represented not just a bag of blood, but the substantial social responsibility of the Group’s employees. Looking ahead, we will further motivate staff to participate in voluntary blood donation, using their lifeblood to convey warmth and embodying compassion through action.











6.4 NATURE COMMITMENT: GREENING CAMPAIGN, JOINTLY CREATING AN ECOLOGICAL LANDSCAPE

In 2025, the Group continued its annual spring voluntary tree-planting initiative, steadfastly fulfilling its responsibility to reforest lands and green communities. We sow greenery and spread hope through concrete actions, actively mobilising public participation in ecological development to jointly safeguard the natural environment upon which we depend.

Jiaxing Port Natural Gas' "Joining Hands for a Greener Future" tree-planting event

On 12 March 2025, Party member representatives from Jiaxing Port Natural Gas participated in the Zhongshan Community Tree-Planting Festival event themed "Party Building Collaboration, Tripartite Synergy: Joining Hands for a Greener Future" in Zhapu's Zhongshan Community. At the event, volunteer Party members worked with great enthusiasm – digging, planting, backfilling, and watering saplings. Their seamless cooperation added fresh vitality to the land. This initiative fully demonstrated the exemplary role of Party members in advancing ecological conservation. Through tangible actions, we protect the ecological environment.



APPENDIX: HKEX APPENDIX C2 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

Aspect	Content	Content
Part B: Mandatory Disclosure Requirements		
	Directors' Statement	Directors' Statement
	Reporting Principles	ABOUT THE REPORT
	Reporting Boundary	ABOUT THE REPORT
Part C: "Comply or explain" Provisions		
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City 4.2 Environmental Stewardship: Green Operations as the Foundation of Urban Sustainability
	A1.1 The types of emissions and respective emissions data.	4.2 Environmental Stewardship: Green Operations as the Foundation of Urban Sustainability
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.2 Environmental Stewardship: Green Operations as the Foundation of Urban Sustainability
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	4.2 Environmental Stewardship: Green Operations as the Foundation of Urban Sustainability

Aspect	Content	Content
	A1.5 Description of emission target(s) set and steps taken to achieve them.	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City 4.2 Environmental Stewardship: Green Operations as the Foundation of Urban Sustainability
	A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City 4.2 Environmental Stewardship: Green Operations as the Foundation of Urban Sustainability
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City 4.3 Resource Stewardship: Circular Economy Strategies for Sustainable Efficiency
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	4.3 Resource Stewardship: Circular Economy Strategies for Sustainable Efficiency
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	4.3 Resource Stewardship: Circular Economy Strategies for Sustainable Efficiency

Aspect	Content	Content
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City 4.3 Resource Stewardship: Circular Economy Strategies for Sustainable Efficiency
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	4.3 Resource Stewardship: Circular Economy Strategies for Sustainable Efficiency
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Group's business does not involve the use of finished product packaging materials
A3 The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	4.2 Environmental Stewardship: Green Operations as the Foundation of Urban Sustainability 4.3 Resource Stewardship: Circular Economy Strategies for Sustainable Efficiency
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	4.2 Environmental Stewardship: Green Operations as the Foundation of Urban Sustainability 4.3 Resource Stewardship: Circular Economy Strategies for Sustainable Efficiency

Aspect	Content	Content
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination as well as other benefits and welfare.	5.1 Talent Development: Multi-Path Career Empowerment
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	5.1 Talent Development: Multi-Path Career Empowerment
	B1.2 Employee turnover rate by gender, age group and geographical region.	5.1 Talent Development: Multi-Path Career Empowerment
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	3.1 Security Monitoring: Establishing Robust Protection for Urban Gas Networks
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3.1 Security Monitoring: Establishing Robust Protection for Urban Gas Networks
	B2.2 Lost days due to work injury.	3.1 Security Monitoring: Establishing Robust Protection for Urban Gas Networks

Aspect	Content	Content
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	3.1 Security Monitoring: Establishing Robust Protection for Urban Gas Networks
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training, which may include internal and external courses paid for by employers.	5.2 Pathway of Planning: Paving the Way for Talent Growth
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	5.2 Pathway of Planning: Paving the Way for Talent Growth
	B3.2 The average training hours completed per employee by gender and employee category.	5.2 Pathway of Planning: Paving the Way for Talent Growth
B4 Labour standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	5.1 Talent Development: Multi-Path Career Empowerment
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	5.1 Talent Development: Multi-Path Career Empowerment
	B4.2 Description of steps taken to eliminate such practices when discovered.	5.1 Talent Development: Multi-Path Career Empowerment

Aspect	Content	Content
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	2.4 Green Procurement: Shaping Sustainable Supply Chain
	B5.1 Number of suppliers by geographical region.	2.4 Green Procurement: Shaping Sustainable Supply Chain
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	2.4 Green Procurement: Shaping Sustainable Supply Chain
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	2.4 Green Procurement: Shaping Sustainable Supply Chain
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	2.4 Green Procurement: Shaping Sustainable Supply Chain
B6 Product responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	3.1 Security Monitoring: Establishing Robust Protection for Urban Gas Networks 3.3 Service Chain: Full-Cycle Guarantee for Efficient Gas Supply 3.4 Client Needs: Prioritising Understanding to Craft Exceptional Service Experiences
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
	B6.2 Number of products and service related complaints received and how they are dealt with.	3.4 Client Needs: Prioritising Understanding to Craft Exceptional Service Experiences

Aspect	Content	Content
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Digital Innovation: Enabling Smart Energy Services
	B6.4 Description of quality assurance process and recall procedures.	Not applicable
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	3.4 Client Needs: Prioritising Understanding to Craft Exceptional Service Experiences
B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	2.3 Integrity: Safeguarding Operations Through Transparency
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees During the Reporting Period and the outcomes of the cases.	2.3 Integrity: Safeguarding Operations Through Transparency
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	2.3 Integrity: Safeguarding Operations Through Transparency
	B7.3 Description of anti-corruption training provided to directors and staff.	2.3 Integrity: Safeguarding Operations Through Transparency

Aspect	Content	Content
B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	3.2 Community Bridge: Co-creating Warm Living Circles with Users
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	6.2 Warmth of the Community: People-Centric Approach, Conveying Urban Warmth 6.3 Light of Philanthropy: Relay of Love, Illuminating Hope 6.4 Nature Commitment: Greening Campaign, Jointly Creating an Ecological Landscape
	B8.2 Resources contributed (e.g. money or time) to the focus area.	3.2 Community Bridge: Co-creating Warm Living Circles with Users
Part D: Climate-related Disclosures		
D-I Governance	The governance body(s) responsible for oversight of climate-related risks and opportunities	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City
	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City

Aspect	Content	Content
D-II Strategy	Climate-related risks and opportunities	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City
	Business model and value chain	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City
	Strategy and decision-making	Note 1
	Financial position, financial performance and cash flows	Note 2
	Climate resilience	Note 2
D-III Risk Management	The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City
	The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City
	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City

Aspect	Content	Content
D-IV Metrics and Targets	Greenhouse gas emissions	4.1 Climate Commitments: Carbon Reduction Actions to Protect the Blue Skies of Jiaxing City Note 3
	Climate-related transition risks	Note 2
	Climate-related physical risks	Note 2
	Climate-related opportunities	Note 2
	Capital deployment	Note 3
	Internal carbon prices	
	Remuneration	
	Climate-related targets	

Note 1: The natural gas supply business operated by the Group constitutes an integral part of assisting society in addressing the energy needs arising from climate change. We have not yet established a transition plan or emissions reduction targets and will develop these when conditions permit.

Note 2: The Group has preliminarily assessed the qualitative financial impacts of climate change. Quantitative financial impact assessment and scenario analysis regarding climate change response have not yet been conducted. These will be undertaken in due course when conditions permit and subsequently incorporated into disclosures.

Note 3: The Group has not yet undertaken Scope 3 greenhouse gas emissions accounting, capital allocation for climate-related risks and opportunities, internal carbon pricing, integration of climate-related factors into remuneration policies, or the setting of climate-related targets. These activities will be initiated when conditions permit and disclosed in subsequent reports.