Beijing Gas Blue Sky Holdings Limited
北京燃氣藍天控股有限公司

(Incorporated in Bermuda with limited liability)

Stock Code: 6828



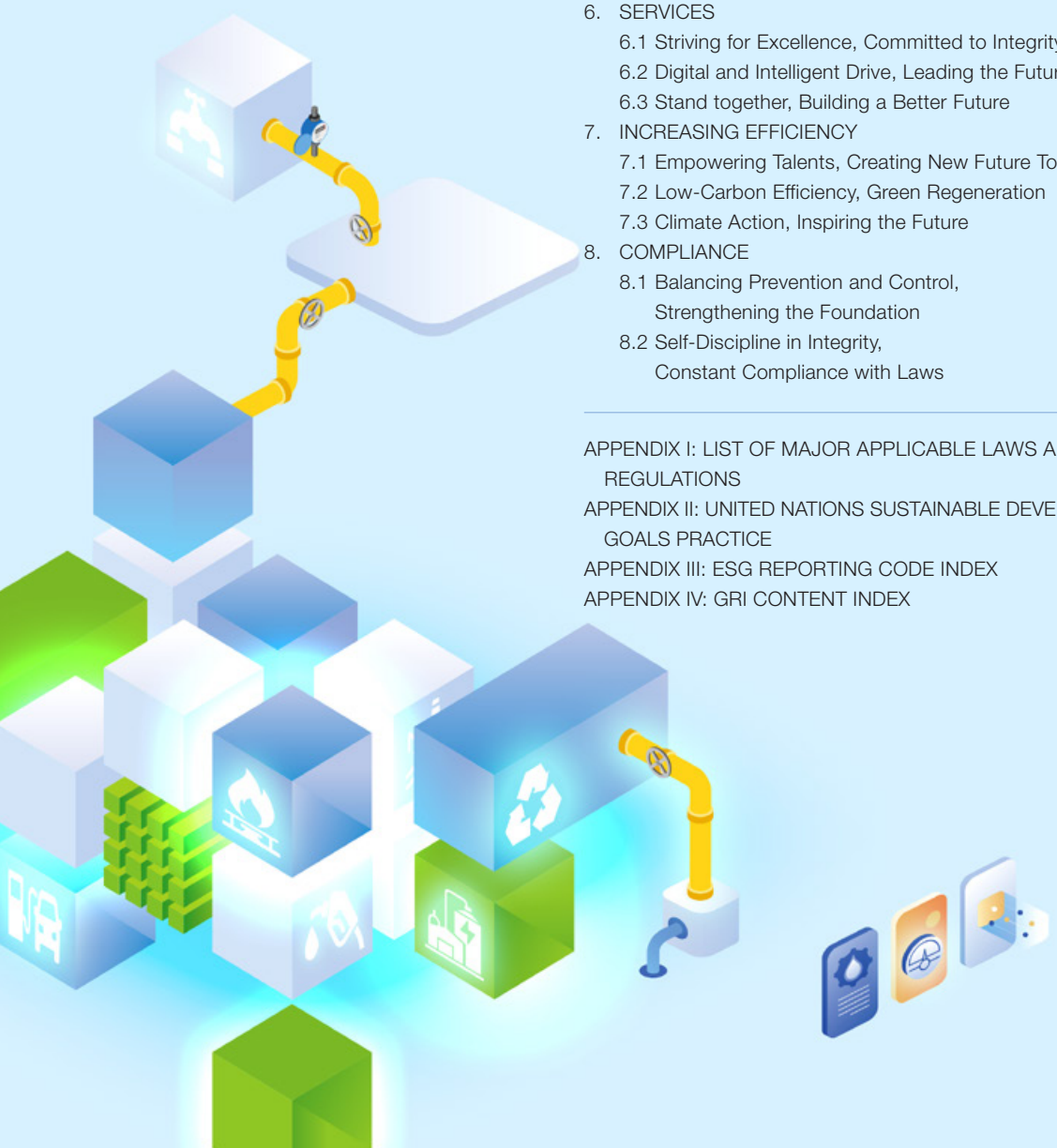
2025
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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1. ABOUT THIS REPORT

REPORT INTRODUCTION

We published this Environmental, Social and Governance ("ESG") Report (this "Report") to provide an overview of the initiatives, plans, results and performances of Beijing Gas Blue Sky Holdings Limited (stock code: 6828.HK) (the "Company") and its subsidiaries (together, "Beijing Gas Blue Sky", the "Group" or "we") in the ESG aspects.

REPORTING STANDARDS

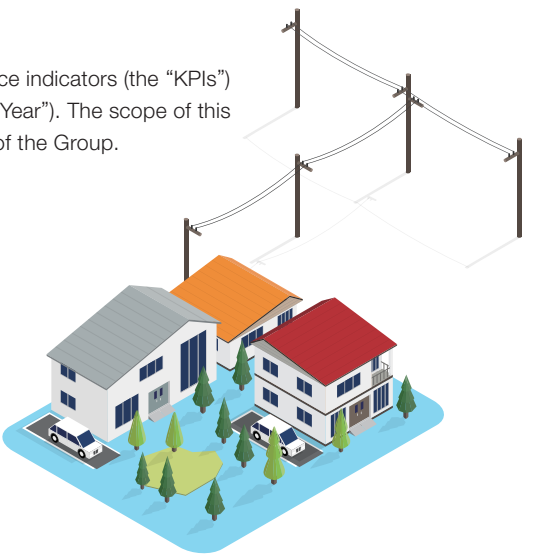
This Report is prepared in compliance with the Environmental, Social and Governance Reporting Code (the "Code") as set out in Appendix C2 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), with reference to the Sustainability Reporting Standards 2021 from Global Reporting Initiative ("GRI"). This Report has complied with the "Mandatory Disclosure" and the "Comply or Explain" provisions in the Code.

This Report is prepared on the basis of four reporting principles of materiality, quantitative, balance and consistency in the Code.

Materiality:	It has identified and disclosed the procedures and standards for selecting the material ESG factors, as well as the process and results of stakeholder engagement in the preparation of this Report.
Quantitative:	This Report has reported standards, methods, assumptions and/or calculation tools for the emission statistics, and the source of conversion factors.
Balance:	This Report provides a picture of the Company's performance during the reporting period in an objective, fair and unbiased manner and avoids selections, omissions, or presentation formats that may inappropriately influence the reader's decisions or judgments.
Consistency:	Unless otherwise stated, the statistical methods used in this Report are consistent with those of last year. Changes are clearly explained in this Report if any.

SCOPE OF REPORT

This Report focuses on the ESG-related efforts and key performance indicators (the "KPIs") of the Company from 1 January 2025 to 31 December 2025 (the "Year"). The scope of this Report covers the major operations of business and subsidiaries of the Group.



ACCESS TO THIS REPORT

This Report is published in Chinese and English. In case of any discrepancy, the Chinese version shall prevail. This Report can be viewed or downloaded from the websites indicated below. In case of any conflict or inconsistency between this Report and the annual report of the Group, the annual report shall prevail.

Website of the Stock Exchange

http://www.hkexnews.hk

Website of Beijing Gas Blue Sky Holdings Limited

http://www.bgbluesky.com

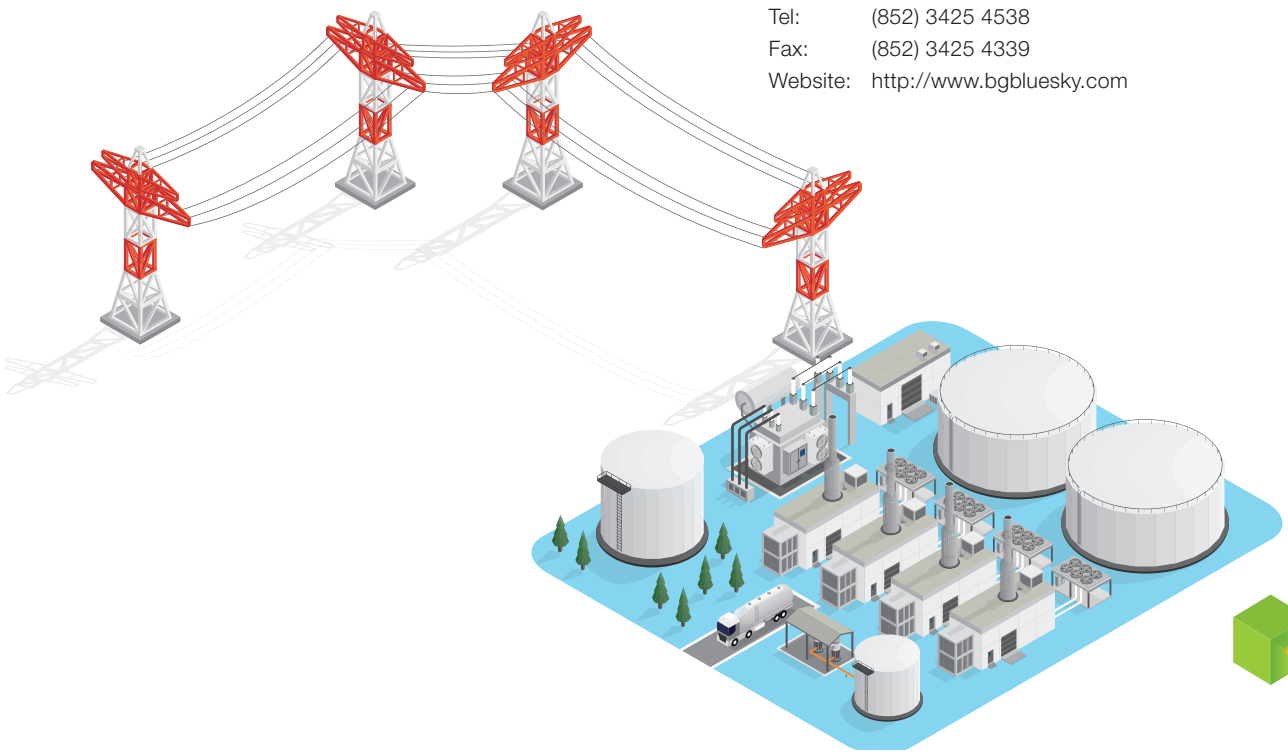
CONFIRMATION AND APPROVAL

The board of Directors of the Company (the "Board") assumes full responsibility for the contents of this Report and has approved and confirmed the contents of this Report on 25 March 2026.

FEEDBACK

The Group highly values stakeholders' constructive opinions and suggestions. If you have any feedback on this Report, please feel free to contact us by the following ways.

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2. MESSAGE FROM THE CHAIRMAN



On behalf of the Board, I would like to welcome you to the Beijing Gas Blue Sky's ESG Report 2025 and sincerely thank you for your continued attention and support to the Group.

2025 was a landmark year in the history of China's energy development. This year marked both the concluding year of the "14th Five-Year" Plan and the 11th anniversary of the "Four Revolutions and One Cooperation" new energy security strategy. The "Guiding Opinions on Energy Work for 2025" issued by the National Energy Administration anchored the direction for the entire year: the proportion of non-fossil energy consumption shall increase to approximately 20%, the share of installed power generation capacity shall rise to approximately 60%, and the newly added new energy installed capacity shall exceed 200 million kilowatts. This series of targets signifies that China's energy structural adjustment has moved from "incremental substitution" into the deep-water zone of "stock transformation", with the construction of a new energy system entering a period of full acceleration.

As a steadfast practitioner in the field of clean energy, the Group deeply recognizes that in the tide of energy transition, natural gas, as a "main force" of clean and low-carbon energy, forms a deep synergy with renewable energy, serving as a key path to ensuring energy security and achieving "dual carbon" targets. Over the past year, we have closely followed national policy guidance and integrated the concept of sustainable development throughout the entire process of strategic decision-making and operations. We are pleased to see that while the Group maintained steady growth in its natural gas business, our new energy layout achieved periodic breakthroughs and the ESG governance system has become increasingly refined. These achievements are inseparable from the dedication of every employee and the trust of our partners.

In 2025, national policies clearly proposed to vigorously promote the construction of wind and solar power capacity, accelerate the integrated development of large-scale bases in "desert-gobi-wasteland", and coordinate the construction of a new power system. The Group actively responded to the call for "actively and steadily promoting green and low-carbon energy transition" by increasing investment and layout in new energy while consolidating the foundation of its natural gas business. We focus on the "natural gas + new energy" integrated development model, carrying out technical reserves and project pilots in areas such as distributed photovoltaics, charging pile energy storage, and integrated energy services, while exploring integrated energy service solutions with multi-energy complementarity. At the same time, we continue to promote energy-saving and carbon-reduction transformation of traditional businesses, starting from the operational end to reduce carbon footprints, and responding to national requirements for "coordinated promotion of carbon reduction, pollution reduction, green expansion, and growth" through practical actions.

"Insisting on innovation leadership and continuously nurturing and developing new energy technologies, new industries, and new models" is one of the core principles of energy work in 2025. The Group regards technological innovation as the core engine driving high-quality development, increasing research and development investment during the Year, and co-building industry-university-research platforms with universities and scientific research institutions around key areas such as smart energy management and the construction of carbon emission data monitoring models. We actively explore new business formats such as "computing power + electric power" synergy and virtual power plant aggregation, promoting the evolution of energy systems towards smart, flexible, and efficient directions, and are committed to seizing the initiative in the energy technology revolution.

In the process of energy transition, "safety" is an insurmountable red line. The Guiding Opinions on Energy Work in 2025 repeatedly emphasized "adhering to bottom-line thinking and continuously enhancing energy security guarantee capabilities". We always prioritize gas safety and production operation safety. During the Year, we further improved the full-chain safety management system and strengthened risk-graded control and hidden danger investigation and rectification to ensure a balance between energy supply guarantee and green transition. We are deeply aware that only by grasping safety with a sense of responsibility of "always being concerned" can we consolidate the foundation for the sustainable development of the Group.

Looking ahead from the end of 2025, the Fourth Plenary Session of the 20th Central Committee has made deployments for accelerating the planning and construction of a new energy system during the "15th Five-Year" Plan period. In the future energy landscape, non-fossil energy will gradually move towards a dominant position, with fossil energy playing a foundational role in ensuring security, and the new power system becoming the key carrier. The Group will continue to shoulder the corporate mission to "develop clean energy, enhance customer value, create a beautiful blue sky together", seizing national energy transition opportunities, deepening strategic synergy with major shareholders, and demonstrating greater responsibility in ensuring energy security, promoting green and low-carbon development, and facilitating technological innovation.

As a key player in China's energy sector, the Group is acutely aware of the responsibilities and mission it carries. Guided by our corporate mission to "develop clean energy, enhance customer value, create a bright future for Beijing Gas Blue Sky", we harness our expertise in the natural gas + new energy industry to actively participate in the global shift toward green and low-carbon development, supporting the optimization and upgrade of the energy landscape. In 2025, we were honored the "ESG Outstanding Enterprise in Innovation Practice" in the GuruClub Awards sponsored by GuruClub, marking a testament to our ESG commitment and achievements over the past year and further motivating us to advance our ESG management and practices with unwavering dedication. The Board prioritizes ESG initiatives, embedding them into the core agenda of the Company's strategic decision-making. We established an ESG working group, directly led by members of the Board, responsible for formulating ESG strategies, supervising target implementation, and performance evaluation. The Compliance Committee under the Board holds regular meetings to review critical ESG matters, ensuring robust leadership and decision-making support. Under the Board's oversight and leadership, we have established a comprehensive internal ESG management framework, clearly delineating departmental responsibilities to embed ESG principles across all operational facets. We have developed an ESG work manual to standardize ESG processes and criteria, alongside an ESG disclosure system, to improve operation transparency and keep shareholders and the public informed of our ESG progress and achievements.

In the environmental domain, the Group is committed to the idea of "harmonious coexistence of energy and the environment", and steadfastly pursues the path of green development. We have deepened our focus on natural gas operations, streamlining processes and implementing robust energy-saving and emission-reduction measures to minimize our environmental footprint and expedite the implementation of new energy projects. On the other hand, we vigorously expanded our new energy business map and accelerate the implementation of new energy projects. Over the past year, we have established a cooperative entity with Xinao New Energy to accelerate the research and development of technologies such as energy storage + smart air-conditioning control + heating/cooling and their deployment in services, enhancing the Group's technical strength and market competitiveness in the new energy field. Meanwhile, green office practices have been promoted within the Group, starting from small steps such as saving water, electricity, and paper, as well as advocating for green travel among employees to improve the environmental awareness of all staff and safeguard our blue skies and clear waters through practical actions.

2. MESSAGE FROM THE CHAIRMAN

Talent is the core driving force behind the Group's development. We view our employees as our greatest treasure and are dedicated to fostering a fair, diverse and inclusive environment for their career development. To nurture talent, we continuously refine our training programs, designing courses tailored to the specific needs and career stages of our staff, which cover multiple dimensions including professional skill enhancement, management capability development and sharing of cutting-edge industry knowledge, and offer diverse training modes including internal mentorship, expert-led workshops and hands-on experiences, thus empowering our employees to grow and excel. In caring for our employees, we consistently improve our welfare and benefits system and, besides statutory benefits, offer additional perks such as supplementary commercial insurance, health check-ups, holiday gifts and support for those facing challenges, focusing on employees' physical and mental well-being, cultivating a warm and harmonious workplace and strengthening their sense of belonging and unity.

We will adopt a more open posture, joining hands with all partners to jointly explore new scenario applications such as zero-carbon industrial parks and direct green power supply, actively participating in the construction of the national unified power market, and striving to build the Group into a first-class integrated new energy service provider. We believe that when the development strategy of the enterprise aligns with the national energy revolution, and when commercial value and social responsibility are intertwined, Beijing Gas Blue Sky will surely leave its own brilliant stroke in the grand blueprint of building a beautiful China.

Beijing Gas Blue Sky Holdings Limited
Li Weiqi
Chairman

3. ABOUT BEIJING GAS BLUE SKY

BUSINESS PROFILE

As an energy service provider focusing on the entire natural gas industry chain, integrated clean energy, and new energy businesses, the Group leverages the resources and network advantages of its single major shareholder, Beijing Gas Group Co., Ltd., and is committed to building a diversified business system covering city gas operations, natural gas trading and distribution, and integrated clean energy development. We transport, distribute, and sell natural gas to residential, industrial, and commercial users through pipelines, provide gas equipment and connection services, and operate compressed natural gas ("CNG") and liquefied natural gas ("LNG") refilling stations for vehicles, continuously consolidating our service foundation in the traditional gas field. At the same time, we conduct trading and distribution business as a wholesaler, actively expanding direct LNG supply and oil-related distribution to further extend the service radius of the energy supply chain.

Driven by the national "dual carbon" targets, the Group actively responds to the green transition of energy structure and gradually promotes the layout of integrated clean energy and new energy businesses. Through autonomous construction, strategic acquisitions, and the formation of joint ventures with partners, we have participated in the investment and operation of energy storage projects, distributed energy, and multi-energy complementary systems, and held equity in associates engaged in gas and integrated energy technical services, gradually enhancing our professional capabilities and market participation in the clean energy field.

Currently, the Group's operational network spans seven provinces and autonomous region in China, including Zhejiang, Guangdong, Shanxi, Guangxi, Jilin, and Liaoning, and enhances gas source security and regional peak-shaving capabilities through equity participation in the PetroChina Jingtang LNG receiving terminal project. We consistently uphold the concept of sustainable development, integrating environmental, social, and governance factors into our business strategy, and are committed to promoting the coordinated development of natural gas and new energy as we move towards becoming a competitive integrated clean energy service provider.

CORPORATE PHILOSOPHY

Beijing Gas Blue Sky deeply embeds sustainable development into its corporate strategy and daily operations, firmly believing that fulfilling environmental and social responsibilities is the cornerstone of promoting long-term value creation. As a service provider focusing on the entire natural gas industry chain and actively expanding integrated clean energy, we respond to the national "dual carbon" targets through practical actions and are committed to achieving the coordinated development of economic performance, environmental protection, and social benefits, aiming to create shared value for shareholders, customers, employees, and communities as we move towards a more sustainable future.

We always uphold the following business philosophies and values in the course of our operations:

Corporate missions

Develop clean energy,
Enhance customer value,
Create bright future for Blue Sky.



3. ABOUT BEIJING GAS BLUE SKY

CORPORATE PHILOSOPHY

Business Philosophy	Management Philosophy	Services Philosophy	Safety Philosophy
Pursue the integration of economic, social and environmental benefits.	People and results oriented, driven by professionalism and efficiency.	Provide wholehearted services, and win customers with professional expertise, warmth and passion.	Create harmony and focus on details from inception to ensure a high degree of safety.



PROSPECTS

Against the background of accelerating global climate governance and the continuous deepening of the national "dual carbon" targets, the transition and upgrading of clean energy have become the core driving force for promoting high-quality development. The Group is deeply aware that natural gas, in its position as a "transitional energy" connecting fossil energy and renewable energy, is at a strategic pivot point in the transformation of the energy system. We will seize the strategic opportunities arising from the national energy structure optimization, actively extending into clean and low-carbon fields while consolidating the supply efficiency of the entire natural gas industry chain, always keeping in mind our core mission of energy security. Facing the new requirements of special rectification for city gas safety, we will accelerate the renewal and transformation of aging gas pipelines and strengthen smart gas operation and maintenance capabilities to ensure that the foundation of livelihood supply is stable, safe, and reliable. While optimizing and strengthening core businesses such as city gas and LNG trading and distribution, we are accelerating our layout in the new energy field, committing to transforming from a traditional gas distributor into a modern integrated clean energy and new energy service provider.

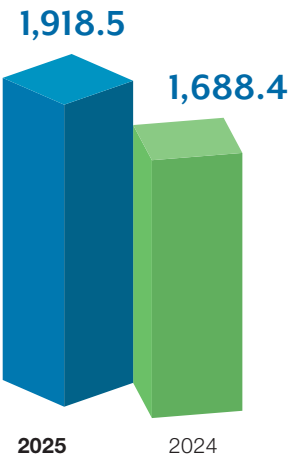
In the process of pursuing operational efficiency, the Group has deeply integrated the concept of "cost reduction and efficiency enhancement" and green development into its governance framework, continuously optimizing its financing structure and improving asset operational efficiency. We will continue to focus on substitution opportunities for non-fossil energy in fields such as power generation, construction, and transportation, enhancing the intelligence level of energy management systems through technological innovation and digital transformation. In the future, the Group will continue to uphold its vision for sustainable development. While enhancing the resilience of energy supply, we will actively fulfill our environmental and social responsibilities, deepen strategic collaboration with all parties in the industrial chain, and jointly compose a new chapter of green development to create longer-term value returns for shareholders and the public.

RESULTS PERFORMANCE

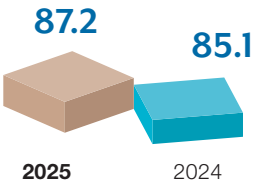
During the Year, Beijing Gas Blue Sky delivered impressive performance, with its core businesses recording strong growth, demonstrating the Group's solid operational resilience and market competitiveness:

3. ABOUT BEIJING GAS BLUE SKY

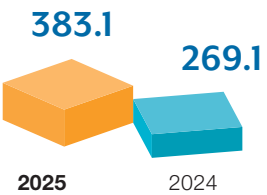
Turnover
(approximate million in RMB)



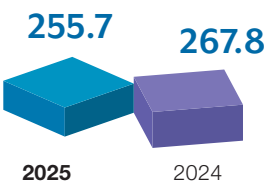
Profit attributable to shareholders
(approximate million in RMB)



Natural gas sales volume
(approximate million cubic meters)
in natural gas trading and
distribution business



Gas sales volume
(approximate million cubic meters)
in development and operation of
city gas business



RECOGNITION FROM THE MARKET

In addition, we have received positive reports and sound ratings from external parties including institutions engaged in professional services of green finance and responsible investment and professional organizations, demonstrating the endorsement and recognitions of the Group from the market:

Highlights of ESG Ratings



- The Group has been consistently awarded an "A-" ESG rating by SynTao Green Finance.



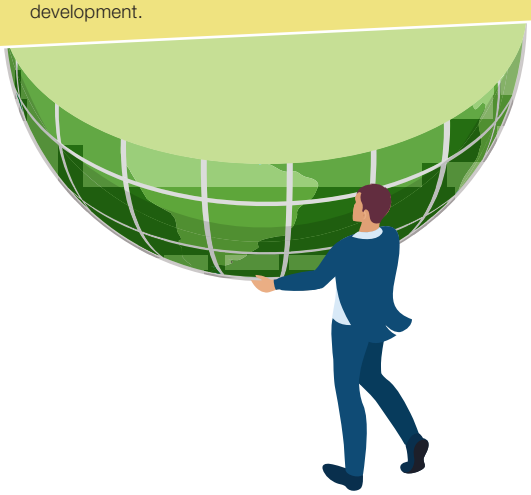
- Achieved an "A" rating in the 2025 Wind ESG assessment

- Beijing Gas Blue Sky has continuously maintained outstanding performance in the Quant Data's ESG comprehensive evaluation ratings

AWARDED THE "ESG OUTSTANDING ENTERPRISE IN INNOVATION PRACTICE" AWARD

At the 2025 GuruClub Interim Strategy Summit "GuruClub Golden Award" selection, Beijing Gas Blue Sky was awarded the "ESG Outstanding Enterprise In Innovation Practice" award by virtue of the outstanding innovative practices in the ESG field. The award aims to recognize enterprises that promote the practical implementation of ESG concepts through technological and model innovations in areas such as green financial products and digital carbon reduction solutions, and accelerate their transformation into commercial value. This award marks that the Group's innovative efforts on the path of green transformation and sustainable development have gained recognition from the market and professional institutions, fully reflecting the strategic effectiveness of achieving environmental and social benefit enhancement through innovation-driven development.





ACHIEVEMENT HIGHLIGHTS IN SUSTAINABLE DEVELOPMENT

Environmental protection

- Greenhouse gas emissions of 857.82 tCO_2e
- Water consumption intensity of 0.0273 m^3/ten thousand RMB revenue
- No significant incident of non-compliance in relation to environmental pollution

Occupational safety and health

- 0% of work-related fatalities in the past three years
- 100% of production safety education and training for employees
- No work day lost due to work-related injuries

Production safety

- Signing rate of the production safety responsibility statement for all staff amounting to 100%
- Organized 35 monthly safety inspections by the general manager throughout the Year
- Organized 174 safety committee/production safety meetings throughout the Year
- Organized a total of 55 emergency drills throughout the Year

Human resources management

- Percentage of female employees of 34.5%
- Training coverage rate of 100%
- Total number of training hours of 9,708



Safety inspection

- Conducted safety inspections on 5 project companies throughout the Year
- Completion rate of rectification of potential hazards reaching 100%
- Overall household safety inspection rate for residents reaching 90.48%
- Household safety inspection rate for non-residents reaching 100%
- 4 safety regulation systems added, amended and promulgated

Governance

- 0 case of corruption or bribery
- Independent non-executive Directors representing 37.5% of the number of the Directors



04

SUSTAINABLE DEVELOPMENT GOVERNANCE



4. SUSTAINABLE DEVELOPMENT GOVERNANCE

4.1 STATEMENT OF THE BOARD

The Group positions sustainable development as a core pillar of its corporate strategy, actively assuming corporate social responsibility and committing to fully integrating this concept into its daily operations and management framework. In this process, the Board, as the leading force for ESG work, assumes full responsibility for formulating relevant strategies, policies, and reports. It not only reviews and makes decisions on the management principles, strategies, and targets of ESG issues but also supervises the overall work, including the assessment, prioritization, and management of material ESG matters, risks, and opportunities.

To effectively manage and promote ESG matters, the Board of Directors authorizes the Compliance Committee under its umbrella to perform management functions and establish an ESG working group responsible for supervising various departments in executing ESG policies and tasks. The Compliance Committee incorporates ESG issues into regular meeting discussions and conducts periodic reviews to ensure that ESG strategies and targets are deeply implemented in the daily operations and business activities of the Group, and to promote the implementation of relevant work. At the same time, the Board of Directors continuously pays attention to the progress of achieving ESG targets, and periodically reviews and monitors the performance and target realization of ESG issues to maintain expected progress and good performance. The Board of Directors is also responsible for approving the content of the annual ESG report and reviewing the effectiveness of ESG practices, thereby promoting the sustainable development of the Group and building a sustainable development culture from the top down.

4.2 SUSTAINABILITY MANAGEMENT SYSTEM

The Group always adheres to the concept of green and low-carbon development, firmly practices the core value of long-term sustainable development, and embeds the ESG concepts into management approaches, strategic plans, business operations and policy framework. To reinforce this commitment, we have formally introduced and implemented the “Beijing Gas Blue Sky Holdings Limited Environmental, Social, and Governance (ESG) Reporting Management System (Trial)”, with which we establish a stricter and well-structured framework for sustainable development, covering the decision-making level, the management level, the organizational level and the executive level in the top-down manner, and clearly defining the roles and responsibilities at each level of the ESG management hierarchy, for the purpose of ensuring seamless collaboration and efficient coordination across all tiers and thus driving the thorough integration and effective execution of ESG initiatives throughout the organization.

4. SUSTAINABLE DEVELOPMENT GOVERNANCE

The Group's ESG governance structure and the responsibilities at each level are as follows:

ESG GOVERNANCE STRUCTURE



Level	Responsibilities
Decision-making level: The Board	• Resolve and approve the Group's ESG management approaches, strategies, objectives and annual work, including the assessment, priorities and management of material ESG issues, risks and opportunities; • Establish and oversee the ESG risk management and internal control system; and • Regularly review and monitor the performance of ESG-related issues and the progress towards target achievement.
Management level: Compliance Committee	• Identify, assess, review and manage material ESG-related risks and opportunities; • Formulate ESG's management approach, strategy, planning, annual work and objectives for the Board's approval and promote the implementation of such work; and • Responsible for reviewing and monitoring the Group's ESG policies and practices to ensure compliance with relevant statutory and regulatory requirements.
Organizational level: ESG Working Group – representatives from relevant departments of the Group	• Collect, understand and respond to stakeholders' views on material ESG issues through appropriate channels; • Continuously track and review ESG performance and progress against targets to ensure that all ESG issues are properly managed and implemented; and • Convene regular meetings with relevant departments to coordinate and promote the implementation of various ESG-related policies in each department and monitor the ESG-related efforts of each functional department.
Execution level: Relevant departments and subordinate units of the Group	• Organize, promote and execute various ESG-related work in accordance with the Group's ESG management policy, strategy, planning, annual work and target deployment, requirements and division of labor; and • Collect and report internal ESG policies, systems and ESG-related performance indicators.

4.3 COMMUNICATION WITH STAKEHOLDERS

Major Stakeholders	Issues of Concern	Communication Channels	Communication Frequency
The Board and senior management 	• Operation compliance	• Board meetings • Daily communication and reporting • Various seminars and forums	Periodic Periodic Periodic
Employees 	• Protection of employees' rights and interests • Occupational health and safety • Training and development • Compliance management	• Employee performance appraisal • Employee suggestion box/ interview • Various seminars and training • Team sharing sessions	Periodic Periodic Periodic Periodic
Customers 	• Protection of customers' rights and interests • Protection of customers' privacy • High-quality products and services • Responsible marketing • Protection of intellectual property rights • Compliance management	• Conducting business return visit • Satisfaction survey • Company website • Customer service hotline • Social media	Periodic Periodic Year-round Year-round Year-round

Major Stakeholders	Issues of Concern	Communication Channels	Communication Frequency
Suppliers and partners 	• Fair and public sourcing • Sustainable supply chain management	• On-site visit to suppliers' plants to conduct investigation, on-spot check and evaluation • Meetings and activities • On-site audit of the management system of suppliers	Periodic Periodic Periodic
Government and regulators 	• Compliance management • Tax payment	• Participating in improvement programs organized by the industry and local government regulators • Actively cooperating with the government for spot check arrangements	Periodic Year-round
Investors and shareholders 	• Compliance management • Governance	• General meetings • Interim report, annual report and results announcement • Corporate communications, such as meeting notices • Company website • Information disclosure • Investor meetings • Timely handling of investor enquiries by investor relations mailboxes	Periodic Periodic Periodic Year-round Periodic Periodic Year-round
Community 	• Safe and stable gas supply • Community relations • Community public welfare and poverty alleviation	• Charitable activities and community service activities • Community investment program • Seminars/lectures/ workshops	Periodic Periodic Periodic

4.4 MATERIALITY ASSESSMENT

The Group firmly believes that the opinions and expectations of stakeholders are an important foundation for promoting sustainable development. To this end, we continue to strengthen two-way communication with various stakeholders, gain an in-depth understanding of the ESG issues they are concerned about, and formulate response strategies based on this. To ensure the precision and efficiency of resource allocation, we have commissioned an independent professional consulting agency to assist in conducting a comprehensive materiality assessment. While referring to international frameworks such as the disclosure requirements contained in the Code and the Materiality Map issued by the Sustainability Accounting Standards Board (SASB), this assessment also integrates the business characteristics, operating environment, and leading industry practices of the Group to systematically construct an ESG issues list applicable to the Group.

During the Year, we further collected the views and expectations of internal and external stakeholders through questionnaires, summarizing the material ESG issues that currently hold the most strategic significance for the Group. The relevant results will serve as the core axis for promoting sustainability work, guiding us to effectively allocate resources and focus on key areas to ensure that various action plans can respond to stakeholder concerns and lead the Group to steadily implement its sustainable development vision.

The main steps of the materiality assessment are as follows:

ASSESSMENT STEPS

Establish a list of material issues

Referencing authoritative industry guidelines such as the Code, the Materiality Map issued by the Sustainability Accounting Standards Board (SASB), and the industry materiality matrix of S&P Global, as well as issues concerned by peer enterprises, to identify and compile the list of material issues for Beijing Gas Blue Sky for 2025.

Materiality assessment

Based on the development trends of the natural gas industry and the internal development strategy of the Group, conduct materiality assessments and prioritization of various issues to form the materiality matrix for 2025.

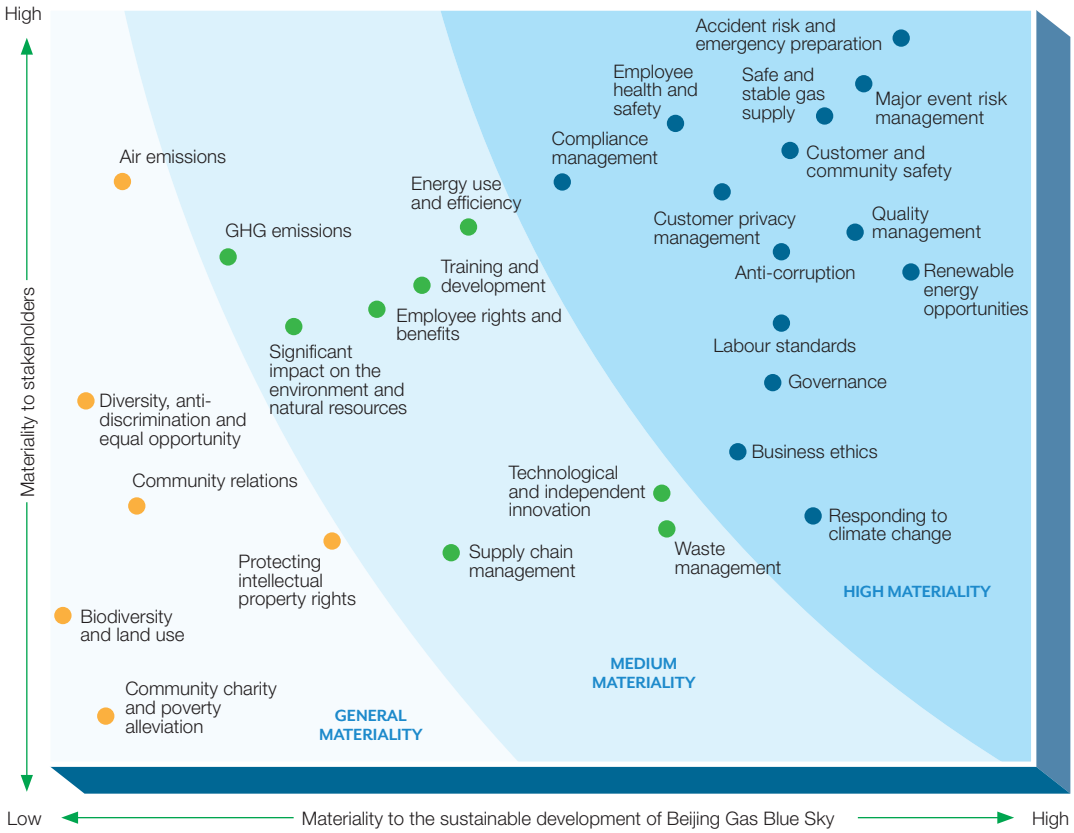
Verification and disclosure of material issues

The materiality matrix is submitted to the management of the Group for review and validation to establish the disclosure framework of this report. Based on the assessment results, the Group conducts comprehensive information disclosure for each material issue.

The Group reviews the applicability of the assessment results of material ESG issues in the previous year. Taking into account the business development during the Year, the management adjusts and revises the materiality ranking of the ESG issues. The highly important issues newly introduced during the Year are "Major Event Risk Management" and "Business Ethics", and the newly added general important issue is "Diversity, Anti-discrimination and Equal Opportunity"; the priority of "Renewable Energy Opportunities" has been revised.

During the Year, we have identified a total of 28 material ESG issues after materiality ranking adjustments, and assessed and prioritized these issues systematically with analysis of benchmarking ESG practices and consideration of industry-wide study of material issues. Among these issues, 14 are of high materiality, 8 of medium materiality and 6 of general materiality, which have been approved and adopted by the Board. The results of the materiality assessment for the Year are as follows:

MATERIALITY MATRIX OF BEIJING GAS BLUE SKY





4. SUSTAINABLE DEVELOPMENT GOVERNANCE



We have responded to stakeholders in this Report on issues of high importance. The corresponding sections of this Report are as follows:

Issues of high materiality	Related sections
Accident risk and emergency preparation	5. Safety
Major event risk management	5. Safety
Safe and stable gas supply	5. Safety
Customer and community safety	5. Safety
Employee health and safety	5. Safety
Quality management	5. Safety
Renewable energy opportunities	6. Services 7. Increasing Efficiency
Customer privacy management	6. Services
Anti-corruption	8. Compliance
Compliance management	8. Compliance
Labor standards	7. Increasing Efficiency
Governance	4. Sustainable Development Governance
Business ethics	8. Compliance
Responding to climate change	7. Increasing Efficiency



05
SAFETY



5. SAFETY

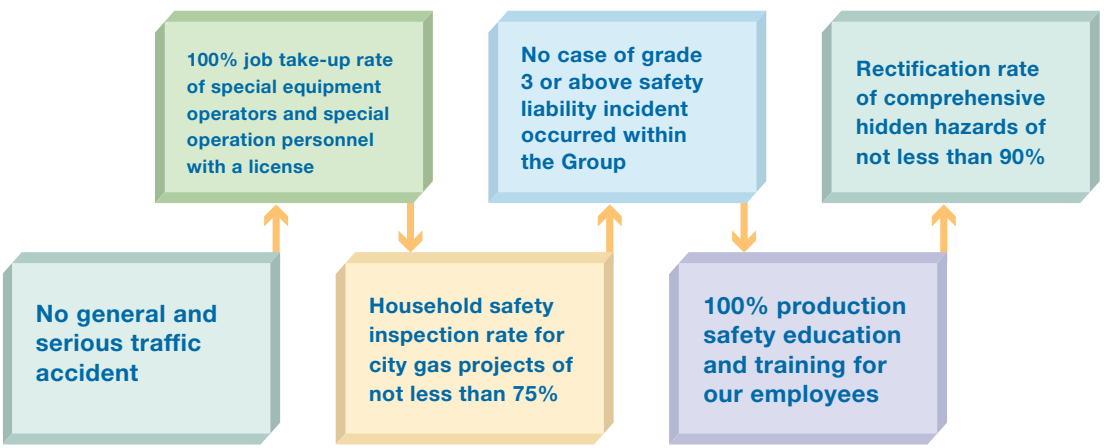
5.1 SECURING PRODUCTION, PREEMPTING RISKS

Beijing Gas Blue Sky always prioritizes safe and high-quality production, continuously committing to providing customers with safe, stable, and high-quality gas supply services. The Group has long adhered to the safety philosophy of "creating harmony from the source, ensuring safety through attention to detail", and implements the safety policy of "safety first, prevention as the priority, and comprehensive management". We strive to reduce potential risks throughout the entire operational process, strictly abide by the safety standards of various operations, and pursue a long-term goal of zero accidents, proactively eliminating various safety hazards in gas supply, usage, and related supporting services.

Building safety awareness is an important link in risk prevention and control. Through systematic educational promotion and professional skills training, the Group continuously enhances the safety alertness and emergency response capabilities of employees, contractors, and other related parties. We have formulated comprehensive safety management targets, covering multiple dimensions such as safe production, personnel training, professional qualification certification, hidden danger investigation and rectification, and road safety, deeply integrating safety management concepts into daily operational links to provide all-around protection for the safety and well-being of employees, customers, and all related personnel.

During the Year, we have successfully achieved various preset safety targets, fully reflecting the Group's high level of emphasis on safety management work and its firm determination to continuously optimize the safety control system.

Safety indicators for the Group's main controls



Improvement in Safety Management Systems

We consistently uphold the safety management philosophy, strictly complying with relevant laws and regulations such as the "Work Safety Law of the People's Republic of China", the "Fire Protection Law of the People's Republic of China", the "Road Traffic Safety Law of the People's Republic of China", the "Special Equipment Safety Law of the People's Republic of China", and the "Regulations on the Reporting, Investigation and Handling of Work Safety Accidents", while continuously optimizing internal control documents such as the "Safety Management Manual" and the "Work Safety Responsibility System". The Group has established multiple specialized safety management systems through the safety and technology department, with relevant norms covering various areas including safe production, facility control, pipeline network operations, engineering construction, and engineering inspections, providing complete operational guidelines for various businesses.

During the Year, we focused on the centralized revision of 41 safety management systems, including emergency plans, accident management, and dangerous operations. During the revision process, we not only emphasized the standardization of upward alignment but also strove to enhance the applicability and compliance of the systems. This revision not only further improved the Group's safety management system but also established unified standards and bases for each subsidiary project company, effectively promoting the improvement of the overall safety management level.

We have long advocated that employees are the primary responsible persons for safe production, guiding all personnel to abide by safe production principles, actively participate in safety control work, and fulfill their respective safety responsibilities. The complete institutional system constructed by Beijing Gas Blue Sky not only clarifies the Group's overall safety management program, organizational structure, responsibility mechanism, and process control requirements but also clearly defines the functional positioning of the Safety Production Committee, each project company, functional departments, as well as management personnel at all levels and frontline employees in the safe operation of gas filling stations and gasification stations. At the same time, the Group has formulated standardized procedures for links such as dangerous operation management, investigation and rectification of accident hazards, routine safety inspections, and safety regulation study and training, ensuring that the core principles of safe production are fully implemented.



5. SAFETY



Safe Work Principles

One Position with Two Responsibilities	Department heads and team leaders shall undertake corresponding responsibilities for safe production within the scope of their duties.
Safety Comes First for Production Management	Skilled workers and the production head shall take the initiative to assume responsibility for safe production during the implementation of production technology.
Everyone is Responsible for Safe Production	All employees hold responsibility for safe production, which involves every aspect of the gas supply.
One-vote Veto	All advanced appraisal qualifications will be revoked as long as a major and serious safety responsibility incident occurs.
Three Simultaneities	Labor safety and health facilities must be designed, constructed and put into use in production simultaneously with the main body of the project.
Four Prohibitions	In dealing with accidents, the negligence of the accident causes and the responsible persons shall be prohibited, and the negligence of employee education and preventive measures shall be prohibited.
Five Simultaneities	Safety work must also be taken into account when planning, arranging, inspecting, summarizing and evaluating production work.



2025 Annual Safety Work Meeting —– Strengthening Safety Responsibilities, Fortifying the Foundation of Gas Defense Line.

Beijing Gas Blue Sky attaches great importance to the construction of the safety governance system. In 2025, a specialized annual safety work meeting was convened to officially launch the signing of annual safety responsibility statements. A total of 616 safety responsibility statements at all levels were signed throughout the Year, with 78 completed at the headquarters level, clarifying safety responsibilities at each level in an institutionalized form. During the mid-year stage, the safety performance and implementation status of each unit were fully publicized through diversified methods such as regular safety inspections, specialized work meetings, and the issuance of safety reports and bulletins, strengthening process supervision and continuous improvement. At the end of the Year, the Group coordinated safety excellence recognition activities, conducting a comprehensive evaluation of the annual safety work effectiveness of each unit in combination with annual performance indicators to establish safety management benchmarks. Through the above measures, the Group has constructed a complete closed-loop management system from the "signing of responsibility statements at the beginning of the year and mid-year evaluation to year-end summary and excellence recognition", effectively strengthening safety responsibilities at all levels and continuously consolidating the gas safety defense line.



Safety management has become one of the core principles for us in carrying out various businesses. To further strengthen the overall planning and organizational management of safety work, the Group has established the Beijing Gas Blue Sky Safety and Environmental Protection Committee, integrating the functions of the Production Safety Committee, the Fire Safety Committee, and the Traffic Safety Committee to construct a "three-in-one" management structure, effectively coordinating, supervising, and promoting the orderly commencement of various safety management tasks.



5. SAFETY



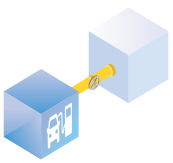
The Safety and Environmental Protection Committee and its subordinate executive units strictly follow the provisions of the Group's internal "Safety Management Manual (Trial) of Beijing Gas Blue Sky Holdings Limited" and "Work Safety Responsibility System (Trial) of Beijing Gas Blue Sky Holdings Limited", systematically promoting a series of closed-loop management tasks such as system implementation, risk identification, and process monitoring. The new committee upholds the safety management policy of "creating harmony from the source, ensuring safety through attention to detail", fully performing its safety and environmental protection duties, continuously strengthening cross-departmental collaboration mechanisms, and constantly improving safety and environmental management performance. It is committed to creating an intrinsically safe system for gas enterprises with industry demonstration significance, providing a solid guarantee for the Group to achieve high-quality development.

Effectively Respond to Safety Incidents

Beijing Gas Blue Sky has constructed a standardized and closed-loop safety accident handling mechanism. Based on the "Work Safety Law of the People's Republic of China", the "Regulations on the Reporting, Investigation and Handling of Work Safety Accidents", as well as the Group's internal safety management manual, responsibility target management, and assessment methods, the Group has formulated and implemented the "Beijing Gas Blue Sky Holdings Limited Work Safety Accident Management System (Trial)". Through this system, the definition of accidents, classification and grading standards, handling procedures, and responsible subjects are clarified, establishing an accident management framework that covers the entire process.

The Group adheres to the core principle of "putting people first and prioritizing safety". In response to various types of safety emergencies such as gas leaks, fires, explosions, and poisonings, we strictly initiate corresponding handling procedures based on the "Comprehensive Emergency Plan for Work Safety Accidents". A field emergency command center is established to coordinate rescue dispatch and cross-departmental coordination, strictly following the principle of "saving people first, then property", and employing professional technical means to carry out standardized emergency rescue to minimize the impact caused by accidents.

After an accident occurs, the Group strictly implements the requirements for immediate information reporting to prevent non-compliant behaviors such as withholding or misreporting. A specialized investigation body is established to carry out accident cause verification, responsibility determination, and work injury assessment, fully implementing the "Four Prohibitions" management requirements. Professional departments conduct technical verification and risk traceability, and each project unit establishes complete accident archives to form a closed-loop management system of "Investigation-Rectification-Education-Archiving", preventing similar safety accidents from recurring.



In the aspect of accident follow-up and management, we have constructed a comprehensive work safety information reporting system, clearly stipulating that each project company must submit the "Beijing Gas Blue Sky Monthly Safety Information Report" on a monthly basis. The specialized safety and technology department performs rigorous auditing, verification, archiving, and in-depth analysis of the report data, forming professional opinions to be submitted to the Group's management, thereby ensuring that work safety information statistics are standardized and the reporting process is timely and efficient. At the same time, we implement an annual safety performance appraisal system to conduct systematic effectiveness evaluations of the safety management of each project company. The Group has long adhered to the zero-tolerance principle for safety accidents, strictly executing the responsibility traceability mechanism, continuously improving the accident prevention system, firmly promoting the construction of intrinsic safety, and constantly optimizing the overall effectiveness of work safety management.

To enhance practical emergency response capabilities, during the Year, we organized 55 emergency drills for accidents with 825 participants. Among these activities, specialized fire emergency response drills covering escape drills and training sessions for improving employees' skills in self-rescue and mutual aid, focused on 80 practical training sessions on "fire extinguishers to put out real fires and fire hydrants to dispense real water", with 50 participants.

Gas Safety Assurance Action for the National Day and Mid-Autumn Festival Holidays

During the 2025 National Day and Mid-Autumn Festival period, Guangxi Teng County Company closely focused on the main theme of gas safety and implemented a series of systematic and pre-planned safeguard measures. In addition to deploying and fully implementing specialized gas work safety inspections before the festival, focusing on investigating safety hazards in pipeline network equipment and at the user end, the Company further utilized institutionalized and normalized supervision of dangerous operations and a closed-loop rectification mechanism for hidden dangers to effectively improve the overall level of intrinsic safety. To meet service demands during the holiday period, the Company appropriately adjusted its business hours and maintained a 24-hour emergency repair hotline. By strengthening the emergency response system and information reporting mechanism, it effectively improved the timeliness and handling efficiency of emergency rescue.







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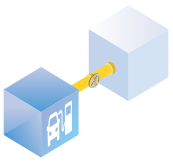


Comprehensive Identification of Safety Risks

Beijing Gas Blue Sky regards safety risk identification as a core link in accident prevention, strengthening potential risk prevention through institutionalized control and continuously optimizing the work safety management system. To this end, the Group has formulated and implemented the "Management Measures for Safety Evaluation (Trial)", establishing standardized guidelines for the evaluation of safety status, with a focus on strengthening risk identification and hierarchical control capabilities throughout the entire production process.

The safety evaluation work carried out by the Group covers multiple dimensions, including organizational structure, institutional systems, site operations, personnel training, accident management, and emergency mechanisms. It involves the systematic identification and analysis of hazardous and harmful factors in production and operations, verifying the compliance of various management measures with national work safety laws and regulations, scientifically evaluating the probability and impact of accidents and occupational hazards, and proposing professional, reasonable, and executable safety optimization suggestions accordingly.

The Group clearly stipulates the evaluation execution requirements for each project company, commissioning a third-party organization with professional qualifications to conduct an external current safety evaluation at least once every three years, and independently conducting an internal current safety evaluation at least once a year. For workplaces with occupational hazards, we strictly implement specialized protection measures against hazardous factors such as productive poisons, dust, noise, vibration, high temperature, and radiation in accordance with relevant national regulations. At the same time, we commission organizations with corresponding qualifications to conduct occupational hazard factor testing at least once a year and implement an occupational hazard status evaluation at least once every three years to effectively protect the occupational health of employees and the safety of the working environment. Furthermore, before conducting on-site operations, we strictly follow the "Job Safety Analysis Management Guidelines" to guide project companies and contractors in systematically executing job safety analysis procedures. This procedure aims to pre-identify potential hazard factors according to the sequence of the operation process and formulate corresponding elimination or control measures to establish safe operation standards. This move not only effectively improves work efficiency and operational quality but also significantly reduces the risk of accidents occurring.



The Group has formulated the "Management Guidelines for Major Hazard Sources (Trial)" to effectively manage potential risks brought by major hazard sources, establishing a full-process management framework covering identification, assessment, hierarchical management, continuous monitoring, and emergency response. Through a systematic mechanism, we conduct regular assessments and classified management of various high-risk facilities and operational links, ensuring that major hazard sources are strictly supervised and properly controlled throughout their entire operation cycle.

In terms of daily management, the Group utilizes intelligent monitoring equipment to conduct real-time collection and analysis of key operational indicators such as pressure, temperature, and gas leak concentration, while coordinating with routine inspections by on-site personnel to form a dual protection mechanism of "intelligence + manpower". For key operational areas such as storage and distribution stations and pressure regulation stations, the Group also sets up specialized emergency material reserve points and regularly organizes pressure tests and safety inspections to ensure that facilities and equipment always maintain good operational status, thereby comprehensively strengthening the overall control capability from general risks to major risks.

During the Year, the products and services provided by us performed stably in terms of health and safety-related impacts, and no major matters identified as requiring prioritized rectification occurred. In the future, Beijing Gas Blue Sky will continue to strengthen the construction of safety risk management capabilities, further consolidate the foundation of safety management by continuously optimizing management systems and improving monitoring technology levels, and strive to construct a more resilient operational safety system, providing a reliable guarantee for the safety of urban energy supply and sustainable development.

Routine Safety Inspections

Beijing Gas Blue Sky has always regarded safety as the important cornerstone of the stable operation and long-term development of the enterprise, and takes "safety first, prevention as the priority, and comprehensive governance" as the core principle of safety management, gradually establishing a safety management system covering the overall business process. Through the implementation of the "Safety Inspection Guidelines", the Group has formed a normalized supervision mechanism of "annual inspections by the Group + monthly inspections by the General Manager", conducting systematic troubleshooting of potential risks such as the rationality of the design of gas facilities, the operating status of equipment, and the operation specifications of employees. These guidelines provide personnel at all levels with unified inspection standards and checklist tools, and especially strengthen the identification capability for hidden and potential risks to ensure that the risks of gas facilities in all links from design and construction to daily operation remain in a controllable state.

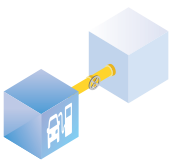


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On this basis, the Group has further formulated the "Guidelines for the Establishment of the Safety Hazard Investigation and Rectification Mechanism", clearly establishing a hierarchical and periodic safety inspection system. This includes weekly, monthly, and seasonal inspections, as well as specialized inspection arrangements for specific risks, to continuously strengthen the supervision and management of accident hazards. To enhance the standardization and pertinence of inspection work, relevant personnel must formulate detailed inspection plans before conducting safety inspections based on factors such as the operation status of gas supply facilities, key operational processes, the working environment and equipment status, the progress of engineering projects, and the gas appliances of customers. The inspection plan covers daily and regular inspections, while also including pre-festival safety inspections and other irregular specialized inspections. After completing the inspection, the person in charge must conduct a complete record and analysis of the results and follow up on the rectification of problems to ensure that all safety hazards can be identified in a timely manner and handled effectively.

To ensure the intrinsic safety of projects, the Group has also formulated and implemented the "Project Inspection System (Trial)", establishing a supervision and management framework covering the entire life cycle of projects, which is applicable to various types of conventional and unconventional gas projects. Through a combination of annual routine inspections and specialized surprise inspections, the Engineering Management Department conducts comprehensive supervision of key nodes such as project budget preparation, design scheme review, and construction quality control. At the same time, we have formulated and implemented the "Annual Safety Inspection Scoring System" in accordance with national laws and regulations such as the "Work Safety Law of the People's Republic of China" and the "Interim Provisions on the Identification and Rectification of Work Safety Accident Hazards". This system sets multi-dimensional evaluation standards to conduct comprehensive compliance reviews and risk ratings for various businesses such as urban gas projects, LNG gasification stations, filling stations, and LNG transportation. The scoring results are directly linked to the performance appraisal of project companies to strengthen the implementation of safety responsibilities. In response to problems discovered during inspections, project companies must strictly follow a progressive management process consisting of rectification plan filing, monthly progress reporting, and rectification effectiveness verification, forming a closed management loop of "problem discovery - supervised rectification - effectiveness consolidation" to continuously improve the overall level of safety operations. During the Year, we promulgated the new "Reward Mechanism for Accident Hazard Investigation and Reporting of Beijing Gas Blue Sky Holdings Limited", encouraging employees to take the initiative to report and eliminate various safety hazards, forming an internal supervision culture with full participation. This mechanism complements the project inspection system to jointly build a more rigorous safety management network.



During the Year, Beijing Gas Blue Sky constructed a new three-dimensional safety supervision and inspection pattern characterized by "comprehensive online coverage, precise offline targeting, and internal and external collaborative linkage". Online supervision focuses on efficient coverage, with 12 sessions conducted throughout the Year, deeply reviewing 377 items of various systems, records, and implementation documents, forming 8 specialized inspection reports, and systematically proposing 56 improvement suggestions focusing on core modules such as duty shifting and emergency protection. Offline, "targeted" on-site supervision was carried out, with 6 in-depth inspections conducted on key projects such as the Songyuan Company and Hainan Company, identifying 72 hidden dangers. Furthermore, the Group actively strengthened external synergy, conducting on-site supervision of multiple project companies in conjunction with relevant departments, discovering and urging the rectification of 63 hidden dangers. Through this innovative model, 100% rectification of all identified problems and hidden dangers was achieved by the end of the Year, effectively promoting the dynamic clearing of hidden dangers and the continuous improvement of safety management.



In 2025, Beijing Gas Blue Sky totaled:

Conducted on-site self-inspection and rectification	Deployed inspection personnel	Identified potential hazards	Year-end rectification completion rate
310 times	**1,800** persons	**191** items	**95.2%**

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The Group's management visited Songyuan Beijing Gas Blue Sky to conduct specialized work safety inspections.

Beijing Gas Blue Sky attaches great importance to work safety and risk control, adhering to the "Four-Noes and Two-Directs" (no prior notice, no greeting, no briefing, no accompaniment; direct to the site, direct to the frontline) approach to conduct in-depth specialized inspections at the frontline. On 27 November 2025, Li Weiqi, Chairman of the Board and Executive Director of the Company, went to Songyuan Beijing Gas Blue Sky Company to conduct an on-site specialized safety inspection. He visited important locations such as the call center, dispatch center, residential users, large complexes, and outdoor pipeline networks, performing detailed verifications of equipment operating parameters, patrol records, emergency response plans, and indoor safety inspections. At the subsequent specialized work meeting, Li Weiqi listened to the report on the current status of safety management and the next work plan of Songyuan Beijing Gas Blue Sky Company, affirming the achievements made in safety. He provided specific guidance on aspects such as pipeline patrol supervision, the quality of indoor safety inspections, winter supply guarantee, and the updating of safety management systems, requiring continuous improvement in the level of hazard rectification and the safety risk awareness of all employees. This action reflects that Beijing Gas Blue Sky regards safety as the core of its operations, continuously consolidating the foundation of work safety and ensuring the safe and stable supply of gas for people's livelihoods through a combination of high-level supervision and on-site inspections.





Beijing Gas Blue Sky is committed to constructing a complete and rigorous safety management system, comprehensively ensuring the stability and safe operation of the gas supply system by simultaneously implementing multi-level management measures at the user end and the facility and equipment end. Relevant mechanisms start from multiple aspects such as system construction, operation specifications, and risk control to continuously improve the level of gas operation safety.

In terms of user safety management, the Group strictly abides by the "Regulations on the Administration of Town Gas" and local gas supervision requirements, formulating targeted management systems based on different gas consumption scenarios. For residential customers and industrial and commercial users, the "Operation Manual for Safety Inspection of Residential Users" and the "Guidelines for Safety Inspection of Industrial and Commercial Users" have been compiled respectively, establishing standardized operating procedures for key links such as indoor gas pipeline airtightness testing, gas meter operation inspection, and interlocking protection device testing for gas equipment. During the Year, we promulgated the new "Management Measures for Indoor Inspection Services of Residential Users of Beijing Gas Blue Sky Holdings Limited (Trial)" and the new "Management Measures for Indoor Inspection Services of Non-residential Users of Beijing Gas Blue Sky Holdings Limited (Trial)", strengthening full-process closed-loop control from planning and execution to hazard rectification, clarifying hierarchical responsibilities, and effectively improving the early warning and prevention capabilities for terminal gas consumption risks. At the same time, the Group implements a checklist-based safety inspection model, performing detailed and standardized management of the safety inspection process, and establishing a closed-loop rectification mechanism for identified safety hazards to ensure that the terminal gas consumption environment remains in a safe state that is monitorable, preventable, and controllable.

In terms of equipment safety management, the Group strictly follows national work safety laws, regulations, and relevant technical standards to carry out equipment management work. We have formulated the "Regulations on the Management of Safety Facilities (Trial)" in accordance with the "Work Safety Law of the People's Republic of China", making clear specifications for the maintenance, inspection, and updating of key facilities such as safety protection devices and detection and alarm systems. At the same time, we have established the "Management System for Production and Operation Equipment" based on the "Technical Code for Operation, Maintenance, and Emergency Repair of Town Gas Facilities", implementing systematic management of the inspection frequency, maintenance standards, and emergency response processes for important facilities such as pressure regulation stations and gas storage tanks. Furthermore, the Group has also formulated the "Safety Management Guidance for Special Equipment", establishing specialized safety management mechanisms for key devices such as pressure vessels and explosion-proof electrical equipment, including measures such as regular non-destructive testing of pressure vessels and quarterly insulation performance testing of explosion-proof electrical equipment. For facilities in explosive gas environments, the Group implements a double-person operation confirmation system combined with real-time monitoring of operational data to strengthen safety control during the operation process. Through hierarchical and classified management and continuous monitoring mechanisms, early identification and precise intervention of equipment operational risks are achieved, providing a strong guarantee for the long-term safe and stable operation of gas infrastructure.



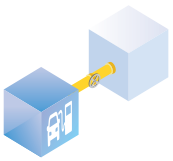
5. SAFETY



Strengthening Safety Training for All Employees

Beijing Gas Blue Sky is well aware that the safe and stable operation of the gas industry depends on the continuous improvement of employee safety awareness and the long-term cultivation of a good safety culture. Therefore, the Group attaches great importance to safety education and training work and actively carries out diversified training activities to enhance the safety awareness and professional capabilities of employees in actual operations. To further improve the institutionalization and standardization level of training work, the Group has formulated and implemented the "Safety Training Management System", systematically planning safety training content and management requirements. This system covers daily safety training for operators, professional skills training for special operation personnel, the three-level safety education system for new employees, and the "Four-New" safety education required when introducing new technologies, new processes, new materials, and new equipment. It also includes specialized training for safety management and technical capabilities, thereby comprehensively improving the safety management and risk prevention and control capabilities of employees.

In terms of the implementation of the training system, the Group clearly stipulates that all newly recruited production post employees must complete and pass the three-level safety education assessment before they can formally take up their posts, while in-service operators are required to receive no less than 20 hours of safety retraining every year to continuously strengthen safety operation awareness and reduce accident risks. To ensure that the training achieves practical results, we require participants to keep complete records of the training process and participate in relevant assessments to ensure they fully master the safety technical specifications and operation requirements needed for their positions. We organize and carry out online safety training centered on relevant laws and regulations such as the "Work Safety Law of the People's Republic of China" and the "Fire Protection Law of the People's Republic of China", as well as industry standards such as the "Code for Gas Engineering Projects" and the "Technical Code for Operation, Maintenance, and Emergency Repair of Town Gas Facilities", combined with the internal safety management system of the Group and typical accident case studies in the gas industry. Through the continuous promotion of systematic and diversified training mechanisms, the Group further improves the capabilities of employees in safety management and emergency response, laying a good foundation for creating a positive and solid corporate safety culture.



Three-level safety education for new employees

1 COMPANY LEVEL SAFETY EDUCATION

- New employees will be briefed on safety education by the Company's safety management department before work.
- The "Work Safety Law of the People's Republic of China" (《中華人民共和國安全生產法》), the "Labor Law of the People's Republic of China" (《中華人民共和國勞動法》) and other laws and regulations related to production safety;
- Introduction to the Company's business related to production safety;
- General knowledge of safety technology, etc.

2 DEPARTMENT LEVEL SAFETY EDUCATION

- New employees will further receive safety education from their respective departments after their assignment to the department.
- The production overview and process flow of the department;
- The production safety situation of the department and positive and negative cases;
- The operation practice of the department and safety concerns.

3 TEAM-LEVEL SAFETY EDUCATION

- New employees will further receive safety education from their respective teams after their assignment to the team.
- The production safety status, work nature, scope of duties and safety rules and regulations of the post;
- The use and management of machinery and equipment and safety protection facilities;
- Safety operating procedures for posts;
- Accident review, emergency measures and safe evacuation routes.

Strengthening Education and Training to Improve Safety Literacy of All Employees

In 2025, Beijing Gas Blue Sky adopted a combined "online + offline" model to systematically carry out education and training covering 4 major modules, including safety management, emergency management, fire safety and traffic safety. Through the "Beijing Gas Smart Learning" platform, a total of 12 sessions of learning material distribution and centralized on-site training were organized, with cumulative training exceeding 2,500 person-times, ensuring that each employee in relevant posts received no less than 23.5 hours of professional safety education. At the same time, the Group relied on important milestones such as "Work Safety Month" and "Fire Safety Publicity Month" to carry out in-depth safety culture activities. Various units held a total of 14 kick-off deployment meetings, conducted 33 "Five-Entering" safety publicity activities, organized 22 screenings of warning education films, and conducted 12 emergency drills. These multi-level and subtle activities effectively created a strong atmosphere of compliance with rules and regulations for all employees, laying a solid foundation for building a resilient corporate safety culture.





5. SAFETY



Building a Solid Terminal Safety Defense Line

Gas safety is the core of the unremitting pursuit of Beijing Gas Blue Sky. During the Year, we continued to deepen user safety education and promoted key points of gas safety through multiple channels, including basic measures such as ensuring good ventilation, providing full supervision during cooking, and immediately closing valves after use. We actively promoted indoor safety inspections, calling on users to cooperate with regular inspections and promptly install intrinsic safety accessories such as gas self-closing valves and metal-clad hoses to improve home safety protection. At the same time, we encouraged users to master the "look, smell, apply, and ask" self-inspection formula to regularly check gas facilities and discover hidden dangers early. Facing the risk of gas leakage, we formulated detailed emergency guidelines to teach users to respond calmly, quickly close the valve before the meter, open windows for ventilation, and call the customer service hotline for repairs after staying away from the scene, strictly prohibiting any behavior that might trigger sparks.

To ensure the safe and stable operation of gas facilities, the Group strictly abides by relevant regulations such as the "Regulations on the Administration of Town Gas" and expressly prohibits any unauthorized private dismantling or modification of gas pipelines or equipment. We continue to strengthen supervision and inspection efforts, holding those responsible for any illegal modification behaviors accountable in accordance with the law to eliminate safety risks caused by improper construction and protect the public safety of the vast number of users. For users with legitimate modification needs, we provide professional and compliant service channels, with technical teams that have undergone strict training responsible for on-site assessment and construction to ensure that the entire modification process complies with safety technical specifications. Furthermore, we pay particular attention to the installation compliance of gas wall-hung boilers, clearly opposing installation in poorly ventilated or unsuitable places such as basements, bathrooms, sealed garages, and public corridors to prevent serious safety accidents such as carbon monoxide poisoning. Targeting the problem of improper laying of exhaust pipes for wall-hung boilers, we continue to increase the intensity of investigation and rectification to ensure that every installation project meets relevant safety standards and eliminates hidden dangers from the source.

Regarding the illegal act of gas theft, the Group maintains a firm stance of zero tolerance. We have established a comprehensive monitoring and accountability mechanism, utilizing means such as data analysis and on-site verification to strictly prevent and crack down on gas theft. Once discovered, we will handle the matter seriously in accordance with the law and refer the case to judicial authorities for criminal prosecution based on the severity of the circumstances. At the same time, we also remind the public to remain vigilant and guard against criminals posing as employees of the Group to conduct fraud, protecting personal property and information security.

We firmly believe that gas safety depends on the joint participation of all sectors of society. To this end, we actively encourage every user to become a guardian of safety, consciously abide by gas safety regulations, and have the courage to report any illegal or non-compliant behavior, including the theft of gas or the destruction of gas facilities. For whistleblowers who provide valuable clues, we will keep their personal information strictly confidential and provide appropriate rewards based on the actual situation. This move is not only an expression of gratitude for public supervision but also a concrete manifestation of our practice of safety commitments and the joint construction of a safety protection network with the community.



Strictly Controlling Gas Supply Quality

Beijing Gas Blue Sky deeply understands that providing safe, stable, and high-quality natural gas is our fundamental commitment to customers and an important manifestation of corporate social responsibility. To this end, we have established a rigorous product quality management system to ensure that every link from source procurement to terminal distribution meets or even exceeds the requirements of relevant regulations and standards. The Group strictly abides by the various provisions of the "Regulations on the Administration of Town Gas" and the national standard GB17820 "Natural Gas" to ensure that the quality of the supplied natural gas reaches the standard. To effectively monitor gas quality, the Group's headquarters has a Safety Technology Department specifically responsible for coordinating natural gas quality supervision work; the Production and Operation Departments of various subordinate project companies specifically execute daily quality inspections and supervision.

At the supply chain management level, we require all upstream suppliers to provide detailed gas quality analysis reports. For piped natural gas projects, we stipulate that gas quality testing must be conducted and reports submitted at least every six months; for liquefied natural gas (LNG) procurement projects, the gas quality report is required as a necessary attachment to the product and delivered along with the goods, ensuring strict control from the procurement stage. Furthermore, to ensure the safety of gas during the transmission process, we have formulated the "Safety Management Guidelines for Odorants (Trial)", making clear specifications for the procurement, storage, and injection stages of odorants. At the same time, we entrust qualified third-party testing institutions every year to conduct independent testing of the odorant concentration of natural gas at the end of the pipeline network, ensuring that the odorant content complies with standards so that gas leaks can be detected in a timely manner, providing an important safety warning for users.

In terms of customer metering and terminal services, we attach great importance to the accuracy and fairness of gas metering. All gas metering instruments used for trade settlement undergo initial mandatory verification or periodic submission for inspection in strict accordance with national metrological verification regulations to ensure the accuracy and reliability of value transfer. At the same time, we insist on conducting at least one indoor safety inspection every year to detect whether the gas pressure at the user's stove is within the required range. Currently, the verification and submission rate of our gas meters remains at 100%, protecting the legitimate rights and interests of users with professional and transparent metering services.

In terms of gas infrastructure construction, whether it is new gas engineering, natural gas pipeline network laying, or the operation, maintenance, and repair of existing facilities, we strictly follow relevant national standards and industry specifications. To ensure the safety of the construction process and project quality, we have formulated and implemented the "Management System for Safety in Gas Engineering Construction (Trial)" and the "Management System for Safety in Pipeline Network Operations (Trial)". These systems cover the entire process management from engineering design, construction supervision, and completion acceptance to subsequent operation and maintenance, aiming to ensure that every pipeline and every station can operate safely and stably for a long time with high standards of process quality.

During the Year, Beijing Gas Blue Sky did not have any non-compliance incidents caused by product or service quality issues that had a significant impact on its operations, nor were there any cases where products needed to be recalled for safety or health reasons.

Fire Safety Publicity Month Practice: Building a Solid Safety Defense Line

In November 2025, during the National Fire Safety Publicity Month, Guangxi Teng County Company closely focused on the theme of "Fire Safety for All, Life Above All" and organized a series of solid and in-depth specialized gas safety actions, effectively transforming the concept of "Safety First" into concrete practice. Through convening specialized safety meetings and holding employee safety lectures and knowledge competitions, the Company comprehensively strengthened internal safety awareness. At the same time, specialized inspection teams were organized to go deep into communities and businesses to strictly inspect gas pipelines, stoves, valves, and other facilities, with identified hidden dangers rectified immediately under closed-loop management. To enhance emergency response capabilities, the Company also carried out comprehensive drills for sudden gas leakage incidents, testing and optimizing emergency plans throughout the entire process from alarming and evacuation to rescue and fire extinguishing. Furthermore, the Company actively promoted safety publicity in residential areas by setting up publicity points, distributing safety manuals, and providing indoor safety inspection services for residents, effectively building a solid safety defense line for household gas consumption.



2025 Specialized Fire Safety Meeting



Specialized Gas Safety Inspection



Comprehensive Drill for Sudden Gas Incident

5.2 PEOPLE-CENTRICITY, ENDURING CARE

Safeguarding Employee Health and Occupational Safety

Beijing Gas Blue Sky has always regarded employees as the most important and valuable asset of the Group and the core force driving our sustainable development, and attaches great importance to the physical and mental health and safety protection of employees during the work process. To create a safe and healthy working environment, the Group strictly follows the requirements of relevant laws and regulations such as the "Labor Law of the People's Republic of China", the "Law of the People's Republic of China on the Prevention and Control of Occupational Diseases", and the "Occupational Safety and Health Ordinance" of Hong Kong, continuously optimizing and improving the occupational health and safety management system to ensure that all management measures are implemented.

In terms of system construction, the Group combines actual operational needs to formulate and continuously update a number of internal management systems, including the "Special Labor Protection Measures for Female Employees", the "Management System for Labor Protection Equipment", and the "Occupational Disease Hazard Prevention and Management", strengthening the identification, prevention, and control of occupational health risks for employees from the institutional level, and striving to reduce or eliminate various unfavorable factors that may affect the health of employees. At the same time, we actively promote occupational disease prevention and control work, following the management concept of the GB/T 45001 occupational health and safety management system, and strictly implementing the "Three Simultaneities" principle for occupational disease protection facilities of construction projects to reduce occupational health risks from the source.

The Group also continues to improve employee health protection and welfare mechanisms. We regularly organize employees to participate in annual health check-ups in accordance with the "Beijing Gas Blue Sky Employee Physical Examination Management Measures", identifying potential health problems early through professional physical examination services and providing employees with necessary health advice and subsequent care measures, translating the care of the Group for its employees into concrete actions. Furthermore, we also further enhance the health awareness and safety protection capabilities of employees through various measures such as health publicity, occupational safety training, and work environment improvement. During the Year, Beijing Gas Blue Sky did not have any violations of laws and regulations related to occupational health and safety, nor did it record any lost working days due to work-related accidents. In the past three years, there have been no incidents of work-related fatalities of employees.

Beijing Gas Blue Sky has always regarded safeguarding the life, health, and operational safety of employees as an important responsibility of corporate management, and continuously promotes the improvement of the safety management system to support the continuous operation of business in a safe and stable environment. For high-risk production processes, key equipment and facilities, hazardous materials, workplaces, and key posts, the Group has established and implemented the "Dual Prevention Mechanism Management System" based on relevant standards such as the "Classification of Enterprise Casualty Accidents" and the "Classification and Codes of Hazardous and Harmful Factors in Production Processes" to strengthen safety risk prevention and control capabilities in an institutionalized manner.

At the specific implementation level, the Group regularly organizes and carries out risk identification and safety assessment work, comprehensively identifying various types of hazard factors that may exist in the production and operation process, and establishing hierarchical management and control mechanisms according to the degree of risk. At the same time, the Group has formulated relevant standards for the hierarchical management, investigation, and governance of safety hazards, identifying potential safety risks from the post level, enterprise level, and regional level in advance through a combination of regular inspections and specialized investigations. Through multi-dimensional measures such as system construction, technical improvement, engineering protection, and management optimization, the monitoring and rectification of major accident hazards are continuously strengthened to ensure that risks can be identified and handled in a timely manner, thereby effectively reducing the possibility of accidents and minimizing safety risks.

5. SAFETY

To effectively prevent and control occupational disease hazards, Beijing Gas Blue Sky has formulated and implemented the "Occupational Disease Hazard and Prevention Management Guidelines (Trial)", strengthening occupational health management in workplaces in a systematic manner. These guidelines require each subordinate project company to regularly carry out the testing and assessment of occupational disease hazard factors and continuously monitor the occupational hygiene conditions of the working environment. If any situation that does not meet national occupational hygiene standards or relevant specifications is found, we will immediately take corresponding rectification and governance measures to ensure that the occupational hygiene conditions of the workplace meet the requirements. The Group always regards safeguarding the occupational health rights and interests of workers as an important responsibility of the enterprise, and continues to attach great importance to the prevention and control of occupational diseases. Through strengthening monitoring, prevention, and health management measures, we strive to achieve early risk identification and effective intervention, creating a safe, healthy, and stable working environment for employees.

The preventative measures for occupational diseases of Beijing Gas Blue Sky are as follows:

The preventative measures for occupational diseases of Beijing Gas Blue Sky

"THREE SIMULTANEITIES" IN OCCUPATIONAL DISEASE PREVENTATIVE FACILITIES	• Occupational disease-preventative facilities for construction projects must be designed, constructed and put into use in production simultaneously with the main body of the project; • Priority is given to the adoption of new technologies, processes, equipment and materials conducive to the protection of workers' health.
REGULAR INSPECTION OF HAZARDS	• For workplaces with occupational hazards, regular inspection and status assessment of occupational hazards shall be carried out.
OCCUPATIONAL HEALTH SURVEILLANCE	• Organize employees to receive pre-employment, on-the-job, post transfer, post-leaving and other occupational physical examinations, and truthfully inform employees of the results in writing and on file; • Set aside the special funding required to implement the internal annual plan for occupational health inspections.
DISTRIBUTION OF PERSONAL PROTECTIVE EQUIPMENT	• Provide employees with personal protective articles and appliances appropriate for occupational safety risks in line with national standards or industrial standards, and supervise and guide employees to wear and use personal protective equipment and apparatus properly according to relevant provisions.

Strengthening Occupational Health Training

Occupational health education is a key link in the implementation of the health and safety protection system for employees of the Group. We have constructed a set of systematic education and training mechanisms covering the entire Group. By integrating the annual training needs of relevant functional departments of the headquarters, professional partners, and various subsidiaries, we have formulated a comprehensive occupational health training program with unified planning and hierarchical execution. This mechanism adopts a vertically integrated operation model to ensure that employees in all types of positions can obtain safety knowledge that meets their work needs, thereby comprehensively improving the awareness and self-protection capabilities of the team regarding occupational health risks.

In terms of training content design, we stay close to actual work scenarios and focus on core content such as workplace safety rules, emergency escape procedures, and occupational disease prevention measures to develop a series of highly practical learning modules. During the teaching process, we adopt an interactive model combining “case teaching + scenario simulation”. By analyzing typical industry accidents and simulating emergency response processes, employees can deepen their understanding and improve their practical abilities through interactive learning and hands-on drills. Taking confined space operation training as an example, participants must complete a full-process practical assessment including gas detection, wearing of personal protective equipment, and emergency rescue to ensure that key safety skills can be effectively applied to actual work situations.

To consolidate learning effectiveness, we regularly arrange follow-up courses after the completion of basic training to ensure that the occupational health knowledge of employees keeps pace with the times. At the same time, we have established a complete management process covering “pre-training planning, in-training supervision, and post-training tracking”. Through various channels such as questionnaires, interviews, and on-site observations, we collect feedback from trainees, analyze potential deficiencies in the training process, and continuously adjust teaching strategies accordingly. Every year, we also review and optimize training content in response to regulatory updates and technical developments. At the same time, we combine diverse evaluation tools such as data analysis from online learning platforms, practical operation assessments, and satisfaction surveys to grasp training effectiveness in real time and dynamically adjust training programs based on evaluation results, striving to create a safer and more harmonious working environment for employees.

5.3 COLLABORATING IN UNITY, NURTURING WITH SINCERITY

Supply chain management is one of the important links for enterprises to promote sustainable development. Beijing Gas Blue Sky is committed to building a standardized, orderly, clean, efficient, open, transparent, and fair-competition supplier cooperation system, and continuously improving the level of institutionalization and standardization of supply chain management. To strengthen supplier management, the Group has formulated and implemented the "Material Supplier Management System" based on relevant national laws and regulations and internal management requirements, including the "Bidding and Tendering Law of the People's Republic of China" and the "Measures for Bidding and Tendering of Goods for Engineering Construction Projects", to standardize the processes of supplier entry, evaluation, and daily management, and to improve the supplier management mechanism from the institutional level.

In terms of supply chain risk control, the Group attaches great importance to the review of the environmental and social responsibility performance of its suppliers. Currently, the Group has incorporated ISO 9001 quality management system, ISO 14001 environmental management system, and ISO 45001 occupational health and safety management system certifications into its supplier qualification audit conditions to ensure that partners comply with corresponding standards in quality management, environmental protection, and occupational health and safety. We plan to further improve the supply chain management system in the future, gradually incorporating environmental and social risk factors into the supplier performance evaluation system, and strengthening the management of supplier behavior and product quality through continuous supervision and evaluation.

In terms of supplier cooperation and procurement management, the Group is committed to maintaining the fairness and integrity of supply chain operations, strictly prohibiting any form of commercial fraud or unfair competition, and clearly specifying the code of conduct and responsibility requirements for suppliers in relevant systems to create a healthy and orderly cooperation environment. Furthermore, to support the economic development of the regions where we operate, we give priority to cooperating with local suppliers under equal conditions to promote the coordinated development of regional industries. As an integrated natural gas supply and operation enterprise, the Group, when selecting natural gas suppliers, also conducts comprehensive evaluations from multiple aspects such as corporate strength, gas source quality, supply stability, and delivery timeliness, ensuring that selected partners can meet business operational needs and safeguarding the safety and stability of natural gas supply.

Safe and Stable Gas Supply

Government-Enterprise Collaboration to Strengthen the Gas Safety Defense Line in Songyuan

In order to implement the deployments of the "Jilin Provincial 100-Day Tough Battle for Concrete Actions to Rectify Urban Gas Safety Issues" and the "Beijing Gas Group 100-Day Safety Action", on 26 November 2025, Zhang Zhihui, assistant to the president of Beijing Gas Blue Sky and executive director of Songyuan Beijing Gas Blue Sky, together with general manager Li Yuguang, led a delegation to the Songyuan Municipal Department of Emergency Management for a specialized work seminar. Wang Xiaofan, Director of the Songyuan Municipal Department of Emergency Management, attended the meeting alongside all members of the leadership team. Both parties engaged in in-depth discussions on gas facility protection and the crackdown on illegal activities. During the meeting, Songyuan Beijing Gas Blue Sky reported on the regional gas safety situation and governance challenges. The Department of Emergency Management attached great importance to the matter and expressed its full support for the company's safety rectification efforts through joint law enforcement and the establishment of a direct reporting mechanism, ensuring closed-loop management of potential hazards. Songyuan Beijing Gas Blue Sky committed to strictly fulfilling its primary responsibility for safe production and strengthening its operation and maintenance management, to ensure a safe and stable gas supply. This meeting strengthened government-enterprise cooperation, fortifying the gas safety defense line and laying a solid foundation for the high-quality and safe development of the gas industry in Songyuan.



Sustainable Supplier Management

To achieve standardized and efficient management of supplier affairs, the Group has established a dedicated structure consisting of the Group Material Supplier Management Leading Group, Execution Group, and Evaluation Group, which are respectively responsible for decision-making coordination, execution supervision, and audit control. In accordance with the "Bidding and Tendering Law of the People's Republic of China" and its "Implementation Regulations of the Bidding and Tendering Law of the People's Republic of China", the "Regulations on Engineering Projects Must Be Bid", and other relevant laws and regulations, we have formulated the "Management System for Engineering and Material Bidding" and the "Shortlisting Process for Material Suppliers" to provide systematic specifications for the bidding process, ensuring that every link follows established rules.



5. SAFETY

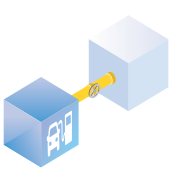


In terms of supplier entry, we implement a rigorous pre-qualification mechanism, requiring applicant enterprises to provide their financial status, business performance, and after-sales service records for the past three years, as well as supporting documents proving they have not violated environmental protection, labor protection, or occupational health and hygiene regulations. We have also established a comprehensive directory of material suppliers and conduct strict audits and on-site inspections of shortlisted enterprises based on the "Evaluation Standards for Selecting Material Suppliers" to verify the validity of their relevant certifications, such as production licenses, environmental management, quality control, and safety systems, ensuring they possess the capability to stably provide high-quality products and services. To further strengthen integrity management, we require all suppliers to sign a "Supplier Integrity Commitment", promising to abide by relevant laws, regulations, and professional ethics, preventing the risk of fraud from the source and ensuring the integrity and fairness of procurement activities.

In terms of the bidding and tendering process, we flexibly utilize a model combining open bidding and invited bidding, which is jointly supervised and executed by the Engineering and Material Bidding Leading Group, Execution Group, and Bid Evaluation Committee to ensure the fairness and transparency of the procedures. We organize the Bid Evaluation Committee to conduct a comprehensive review and comparison of bidding documents. The committee members include representatives familiar with the business from the tenderer or its entrusted agency, as well as experts from technical, economic, and other fields. The entire bidding process strictly follows the principles of openness, fairness, impartiality, and honesty and credit. Any committee member who has an economic interest in or a kinship relationship with a bidder must recuse themselves, and every effort is made to prevent any illegal interference to maintain the credibility of the procedures. At the same time, we assign the Bidding Execution Group and the Engineering Management Department to be responsible for the publicity and training of the bidding system, ensuring that relevant personnel clearly grasp the processes and their own responsibilities, thereby enhancing the transparency and execution effectiveness of the overall system.

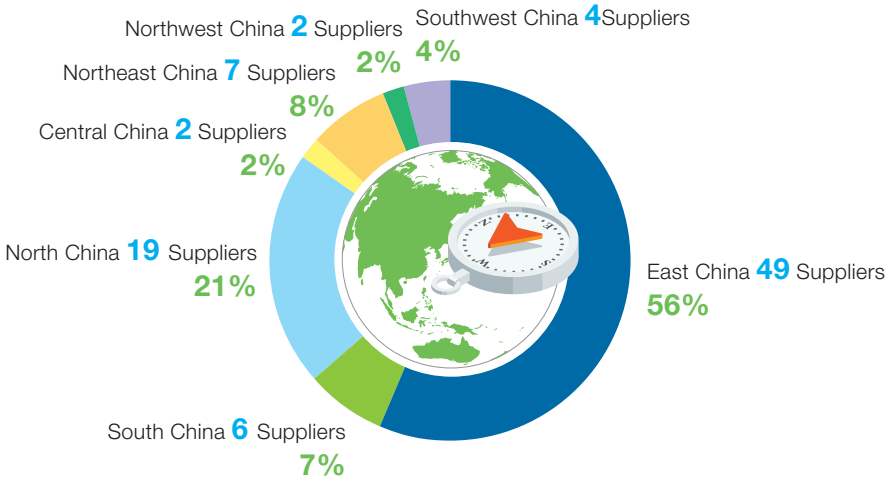
In terms of environmental protection requirements, we list environmental performance as one of the key considerations for selecting suppliers, actively encouraging partners to establish and improve their environmental management systems to reduce the environmental footprint during the operation process. At present, we have clearly required that suppliers must obtain ISO 14001 environmental management system certification and continuously review relevant management policies, hoping to encourage suppliers to increase environmental protection investment and gradually shift to adopting more environmentally friendly products and services.

In terms of supplier assessment, we have established a routine assessment mechanism to continuously monitor the product quality and service level of suppliers. Through regular acceptance evaluations and annual reviews, we grasp the actual performance of suppliers in a timely manner and take corresponding measures based on the evaluation results. For suppliers with poor performance, we will implement measures such as "suspension of cooperation", "locking", "removal", "disqualification", or "blacklisting" depending on the circumstances, to ensure the stability and reliability of the supply chain.



During the Year, we engaged a total of 89 suppliers, which were all located in the PRC, and implemented the above systems and principles, with the following geographical distribution:

Geographical Distribution of Suppliers



06
SERVICES



6.1 STRIVING FOR EXCELLENCE, COMMITTED TO INTEGRITY

Beijing Gas Blue Sky upholds its commitment and responsibility to society, adheres to the customer-oriented principle, deeply practices the service concept of "providing wholehearted services and winning customers with professional expertise, warmth and passion", and is committed to providing stable and reliable and high-quality services for customers. In order to promote development of the standardization and specialization of services of the Group's customer service center, we have formulated the "Customer Service Standards of Beijing Gas Blue Sky"(《北京燃氣藍天客戶服務規範》). Meanwhile, with regard to handling customer complaints, we have formulated the "Guidelines on Handling User Complaints of Beijing Gas Blue Sky"(《北京燃氣藍天用戶投訴處理流程指引》) to ensure open, transparent, efficient and smooth service processes.

We value every opinion from our customers and regard it as an important driving force for the continuous improvement of service quality. If customers have any inquiries or dissatisfaction regarding the products, promotions, services, or charges of the Group, they can lodge complaints via telephone or the website of the Group. After an employee or department receives a complaint, they must immediately and truthfully record it in the "User Complaint Record" and transfer it to the complaint management department for follow-up as soon as possible. The management department will immediately activate the investigation and handling mechanism, striving to properly resolve the problem for the user within three days.

During the complaint handling period, we will ensure that investigation results are objective and truthful through various methods such as personnel interviews, data reviews, and on-site inspections, clearly defining the attribution of responsibility and proposing specific and feasible improvement plans. Subsequently, we will incorporate the investigation results and improvement suggestions into the performance appraisal system of departments and employees, and execute relevant reward and punishment measures fairly based on this. At the same time, we fully respect the right of both parties in a complaint to appeal. For customers who have objections to the handling results, we will actively listen to their appeals and make proper follow-ups. During the Year, there were no major complaint incidents involving products or services within the business scope of the Group.

Based on the concept of optimizing customer experience, we have established a dynamic management mechanism of "demand collection-analysis and improvement-verification and assessment". In accordance with the "Repeat Customers Administrative Measures of Beijing Gas Blue Sky"(《北京燃氣藍天客戶回訪管理辦法》), we systematically make plans for the return visit and require the management department at each level to devise an annual return visit plan and submit it to the service management committee for approval and documentation. We will collect customers' opinions extensively through telephone interviews, sampling questionnaires and other methods to assess service quality and customer satisfaction, and incorporate customer satisfaction into the department management evaluation system.

Beijing Gas Blue Sky will continue to push forward the service capacity building, set up an intelligent service platform to optimize circulation efficiency of job orders, improve professional training system for service personnel and promote visual optimization of service process. Through systematic upgrading of service infrastructure, service response efficiency and service quality are continuously improved to ensure the stability and reliability of customer service experience.

6. SERVICES

Responsible Marketing

In the brand marketing and market promotion activities, the Group strictly complies with the "Work Safety Law of the People's Republic of China"(《中華人民共和國安全生產法》), the "Patent Law of the People's Republic of China"(《中華人民共和國專利法》), the "Advertising Law of the People's Republic of China"(《中華人民共和國廣告法》) and the "Law of the People's Republic of China on the Protection of Consumer Rights and Interests"(《中華人民共和國消費者權益保護法》) and other relevant laws and regulations to ensure the standardization of advertising and marketing activities. The Group has formulated the "Administrative Measures on Advertising, Marketing and Publicity of Beijing Gas Blue Sky"(《北京燃氣藍天廣告營銷宣傳管理辦法》) and the "Advertising Application Process for Project Companies of Beijing Gas Blue Sky"(《北京燃氣藍天項目公司廣告宣傳申請流程》)to establish a control mechanism of "system standardization-approval and implementation-strict supervision" and clarify the advertising-related systems, tools, rules and methods. The Group is responsible for monitoring the implementation of the enterprises to fully fulfil the Group's responsibilities in advertising and label management.

At the specific implementation level, we strengthen the compliance control of advertising content, promotion channels and user data processing through the dual-track review model of compliance review by the legal department and technical evaluation by the professional team. During the Year, there were no cases of noncompliance in relation to health and safety, advertising, labelling or privacy matters relating to products and services that had a material impact on the Group's operations.

Promotion of the Efficient Interaction between the Government and Enterprises Services

Good cooperation between the government and enterprises is a solid guarantee to ensure that enterprises can maintain long-term and stable development in a complex and changeable market environment. Therefore, reinforcing the cooperation between the government and enterprises is not only an effective way for enterprises to enhance brand image and strengthen market competitiveness, but also an important strategic choice for enterprises to explore new business models and open up new market space for future development. We will continue to optimize the dialogue mechanism between the government and enterprises. Through regular cooperation modes such as policy interpretation coordination, development planning docking and mutual consultation for major projects, we will not only ensure the compliance of current operations, but also inject corporate vitality into the construction of regional economic ecosystem, thereby realizing the organic unity of commercial value and social benefits.

Active Participation in the Beijing-Hong Kong Economic Cooperation Symposium to Jointly Promote Regional Green Synergistic Development

To deepen regional cooperation and serve the overall development of the nation, Beijing Gas Blue Sky actively participated in the 28th Beijing-Hong Kong Economic Cooperation Symposium held in Hong Kong. With the theme of "Beijing and Hong Kong Joining Hands to Connect the World", this Year's symposium brought together more than 800 representatives from the governments, business associations, and business circles of the two places to jointly explore cooperation in multiple fields such as scientific and technological innovation, as well as economy, trade, and investment. Through participating in this high-end economic and trade exchange platform, the Group gained an in-depth understanding of the latest developments and development opportunities of Hong Kong as an international financial center and a technological innovation hub. This is not only an important practice for the Group to expand its horizons and connect with international resources, but also a concrete manifestation of the Group's active fulfillment of social responsibilities, promotion of regional synergistic development, and service to the high-quality development strategy of the nation. In the future, the Group will continue to leverage such platforms to explore potential cooperation in fields such as green energy and technological innovation, contributing to the promotion of the complementary advantages of Beijing and Hong Kong and the joint construction of a sustainable future.



6.2 DIGITAL AND INTELLIGENT DRIVE, LEADING THE FUTURE

Actively Respond to the Major Trend of Energy Transition

China's energy development has entered a brand-new stage, and the energy transition with clean and low-carbon as the core has become the mainstream of industry development. Various policies continue to promote the construction of the clean energy system, constantly increasing the investment and support for low-carbon energy such as renewable energy, nuclear energy, and natural gas. Under this development trend, Beijing Gas Blue Sky actively seizes market opportunities and is committed to enhancing the overall competitiveness of the Group. On the basis of the steady development of traditional natural gas projects, we actively achieve the balance and diversification of the investment structure, and deeply cultivate innovative explorations in fields such as integrated energy coupling, low-carbon technology, energy digitalization and intelligence, and traditional energy optimization, with a view to further consolidating and enhancing the core competitiveness in the energy industry, opening up new growth momentum for the business of the Group, and promoting the steady improvement of the long-term value of the enterprise.

6. SERVICES

To accelerate the expansion of new energy business and strengthen its professional management, the Group has established a dedicated New Energy Business Department, which is responsible for researching business models of the new energy industry, conducting preliminary research and feasibility analysis, supervising project execution, exploring and expanding potential development opportunities in the new energy industry chain, and overseeing various project management tasks such as technical research and development. At the same time, this department is also responsible for formulating development plans for new energy business, and managing and monitoring the production and operation of new energy projects after they are put into operation, ensuring the stable and sustainable development of new energy business.

In addition to optimizing and adjusting the organizational structure, the Group also actively plans its layout through diverse channels such as organic growth, mergers, and acquisitions, proactively seizing market development opportunities. In the fields of energy solution design and technology research and development, we continue to provide solid support for the business transformation of the Group. Beijing Gas Blue Sky is firmly promoting the implementation of clean energy and new energy cooperation projects, accelerating the construction of a new energy business system, and making every effort to advance the strategic layout and implementation pace of the Group in the "dual carbon" market.

At the same time, the Group continues to deepen cooperation in the field of clean energy with relevant institutions and enterprises. By signing industry-university-research cooperation intention agreements with higher education institutions, we actively explore the collaborative innovation model between universities and enterprises to jointly build an industry-university-research alliance innovation system. Under this system framework, both parties will focus on the field of new energy to conduct joint research, helping clean energy play a more critical role in the process of energy transition. Relevant measures will not only promote the high-quality development of the business of the Group, but also contribute to the transformation and upgrading of the entire industry.

Joining Hands with Xinao to Build a New Model of Integrated Energy Services and Empower Regional Low-Carbon Transformation

To actively respond to the national "dual carbon" strategy and accelerate the transformation into an integrated energy service provider, Beijing Gas Blue Sky, through its wholly-owned subsidiary Beijing Gas Energy, signed an agreement with Beijing Xinao New Energy Investment Company Limited ("Beijing Xinao New Energy") in May 2025 to form a cooperative entity with a registered capital of RMB 80 million. Among this, Beijing Gas Energy holds a 51% stake and leads the strategic formulation and operational management of the joint venture. The business of the cooperative entity covers the entire chain of integrated energy services, focusing on the investment, construction, and operation of clean energy facilities such as distributed photovoltaics, ground-source heat pumps, and energy storage systems, while relying on an intelligent management platform to achieve multi-energy complementarity and energy efficiency optimization, building an integrated model of "hardware + software + service".

This cooperation deeply integrates the resources and technological advantages of both parties. Beijing Gas Blue Sky, relying on the Group's background and mature energy infrastructure, provides gas source guarantees and project implementation capabilities, while Beijing Xinao New Energy possesses leading experience in energy-saving technology, system integration, and operational management. Through long-term synergistic development, the cooperative entity will not only quickly respond to market demands for heating renovation and industrial energy conservation in the Beijing region, but will also become an important platform for the Group to explore energy transformation models and accumulate low-carbon operational experience. This move further consolidates the layout of Beijing Gas Blue Sky in the field of new energy, strengthens its competitiveness as a clean energy solution provider, injects new momentum into the sustainable development of the Group, and contributes corporate strength to promoting regional energy structure optimization and low-carbon development.

Seizure of the Opportunity of Renewable Energy

China has established a diversified clean energy supply system, including renewable energy such as wind energy, solar energy and hydropower, as well as clean fossil energy such as nuclear energy and natural gas, and the development of renewable energy has been strongly promoted worldwide in recent years. It is predicted that by 2050, the global supply quantity of renewable energy will show a rapid increase trend, and the global energy supply structure will undergo a significant change.

Beijing Gas Blue Sky closely follows the development trend of global energy transformation, turning its development vision to the renewable energy market and actively grasping this historic development opportunity. We have not only increased investment in research and development of renewable energy technologies, but also devoted ourselves to exploring innovative models of these clean energy sources in practical applications. By optimizing the allocation of resources, strengthening technological innovation and deepening industrial chain cooperation, we are fully committed to building a series of renewable energy projects with demonstration significance and economic benefits.

New Energy Strategic Layout Driving Green Transformation

Beijing Gas Blue Sky actively seizes development opportunities, conforms to the energy transition trend, and proactively promotes the optimization of business structure and strategic upgrading, dedicating itself to transforming from a traditional gas supplier to an innovative integrated energy service provider. The Group, through diverse methods such as acquisitions, self-owned construction, and cooperative development, accelerates the layout of new energy businesses such as energy storage, distributed energy, and multi-energy complementarity, achieving synergistic development with the core natural gas business. Specifically, the Group holds a 49% stake in Beijing United Energy Engineering & Technology Co., Ltd., which focuses on the planning, design, and consultation of gas, heating, integrated energy utilization, and new energy power generation projects, providing important technical support for the Group to expand into the clean energy track. The Beiqijia Business Park Energy Center project under the Group stably provides cooling and heating services for commercial and residential users, having contributed significant revenue throughout 2025. In addition, the energy storage business in which the Group participates in investing has also been put into operation successively in different regions. The aforementioned measures jointly promote the diversified layout of the Group in the fields of clean energy and new energy, injecting new momentum into long-term sustainable development.



6. SERVICES

Exploring the Hong Kong New Energy Market to Jointly Seek Green and Low-Carbon Development

To seize green and low-carbon development opportunities and actively respond to the national dual carbon strategy, Beijing Gas Blue Sky organized and held the "Symposium on Future Development of New Energy and Energy Saving and Emission Reduction Business in the Hong Kong Region" on 18 April 2025. Li Weiqi, Chairman of the Board and Executive Director of the Company, stated at the meeting that Beijing Gas Blue Sky is rooted in the natural gas business and positioned as a platform to undertake the development of integrated energy and new energy businesses of Beijing Gas Group and achieve asset securitization. He also shared the practical experience and development achievements gained in the fields of new energy and integrated energy in the Mainland in recent years. This symposium aimed to gain an in-depth understanding of the potential opportunities in the new energy and integrated energy market in the Hong Kong region and explore feasible directions for future business expansion.

Through this symposium, Beijing Gas Blue Sky significantly deepened its cognition and understanding of the Hong Kong market. In the future, the Group will deepen multi-dimensional cooperation with various parties in resource utilization and technology integration, jointly building a high-level interactive platform to further research market dynamics, policy trends, and technical regulations, laying a solid foundation for the expansion of new energy and integrated energy businesses of the Group in Hong Kong, and continuously promoting green transformation and sustainable development.

6.3 STAND TOGETHER, BUILDING A BETTER FUTURE

With the service philosophy and sense of mission of "winning customers with warmth", Beijing Gas Blue Sky has been actively fulfilling its social responsibility, considering public welfare and social contribution as an important component of its sustainable development strategy. For this purpose, we have formulated the internal guiding document- "Policy on Community Commitment, Sponsorship and Donation"(《社區參與、贊助及捐贈政策》) as a guide for our participation in various social welfare activities. We conduct a comprehensive review and revision every three years to ensure that the policy keeps pace with business development and changes in the external environment.

During the Year, we formulated and trial-implemented the "Administrative Provisions on External Donations of Beijing Gas Blue Sky Holdings Limited (Trial)", further standardizing and improving the external donation management mechanism of the Group, providing a clearer institutional guarantee for the orderly advancement of public welfare work. Under the guidance of the aforementioned policy framework, we continue to give back to society through various forms and actively promote the development of public welfare undertakings. We continuously advance the investment and construction of various projects; relevant projects not only directly benefit the general public and improve the quality of life of residents, but also promote the improvement and upgrading of local infrastructure, injecting new momentum into the continuous prosperity of regional economy and society. During the Reporting Period, the Group donated HK$2 million to post-fire relief efforts in Hong Kong to support the reconstruction and recovery of the affected communities.

Co-building a Clean Home and Practicing Community Responsibility

Guangxi Teng County Company actively fulfills its corporate social responsibility. On 22 November 2025, it organized all employees to carry out a themed public welfare cleaning activity. During the activity, volunteers were divided into multiple groups to conduct a comprehensive cleanup of public areas such as the walkways, green belts, and lakeside plank roads of Xunjiang Park, while also popularizing garbage classification knowledge among citizens exercising in the morning to beautify the community environment and enhance public environmental awareness through practical actions. This activity promoted the normalization and institutionalization of public welfare services. Taking this as an opportunity, the company officially launched the "Xunjiang Park Environmental Protection Rotation System", establishing a normalized cleaning mechanism every Saturday and encouraging employees to continuously participate in community environment maintenance in units of departments and shifts.



6. SERVICES

Visiting the Elderly and Spreading Warmth on Double Ninth Festival

On 29 October 2025, Teng County Company participated in the Double Ninth Festival celebration event titled "Celebrating Longevity, Sharing Family Joy" organized by Xinqing Town, Tengxian County. The event was marked by a warm and harmonious atmosphere. Representatives from the company extended sincere greetings to centenarians and senior citizens, and provided them with relief payments and daily necessities to demonstrate our commitment to elder care, convey social support, and share festive joy. This initiative actively promoted the traditional Chinese virtues of respecting and caring for the elderly.



Safeguarding Safety, Walking Together with Public Welfare

Beijing Gas Blue Sky always places public safety at the core position of corporate operations. The guarantee of gas use safety depends not only on our own professional capabilities and strict management, but also on the active participation and collaborative cooperation of the general public. Only when the enterprise and society walk hand in hand can a solid safety defense line be jointly built.

Adhering to the enthusiasm and mission of bringing gas safety into ten thousand homes, Beijing Gas Blue Sky is committed to continuously enhancing public awareness and importance of gas safety. To this end, we have adopted a combination of online and offline methods to carry out various forms of gas safety publicity activities. Online, we continuously release gas safety knowledge through channels such as social media, timely answering public questions and widely improving the gas safety awareness of all sectors of society; offline, we go deep into communities to explain gas safety knowledge in depth through various forms such as holding lectures, distributing publicity materials, and face-to-face communication, guiding the public to develop correct and safe gas usage habits.

The 6th Traditional Chinese Culture on Campus Event of Beijing Gas Blue Sky

On 22 October 2025, Guangxi Teng County Company, in collaboration with Tengcheng Central School, successfully held the 6th "Traditional Chinese Culture on Campus" event and the celebration of the 120th anniversary of the founding of the school. With the theme of "Inheriting Traditional Chinese Classics and Jointly Celebrating the 120th Anniversary", the event organized traditional ritual segments such as the Hand Washing Ceremony, worshipping Confucius and praying for blessings, and expressing gratitude to parents through the setting up of three ritual arches—"Understanding Etiquette", "Practice and Realization", and "Reaching Far". It also carried out traditional Chinese culture experience practices such as Touhu (pitch-pot) and lacquer fan making, allowing teachers, students, and parents to experience the charm of excellent traditional Chinese culture in an immersive way. This Traditional Chinese Culture on Campus event is a vivid practice of Beijing Gas Blue Sky in fulfilling social responsibilities and serving the development of the community. Through supporting educational and cultural undertakings, the Group has enriched campus life and enhanced community cohesion.



6. SERVICES

Teng County Company Participating in Children's Day Campus Caring Activity to Promote Gas Safety Knowledge

During the Reporting Period, the management of the Guangxi Teng County Company participated in a pre-Children's Day caring visit and gas safety awareness campaign jointly organized by the Political and Legal Affairs Committee at Liandong Primary School, Mengjiang Town. The team extended festive greetings and delivered supplies to teachers and students. Through interactive explanations, engaging Q&A sessions, they disseminated gas safety knowledge and enhanced safety awareness among the teachers and students. The activity created a joyful festive atmosphere and demonstrated the Group's positive corporate image in fulfilling social responsibilities and caring for campus safety.



Thoughtful Service, Always by Your Side

In the field of gas supply, the timeliness and professionalism of services directly affect the daily production and life of users. To this end, Beijing Gas Blue Sky continuously optimizes service processes and enhances response efficiency to ensure that it can respond quickly under any emergency or special circumstances, providing high-quality support for users. In the new social service commitment letter, we clearly commit to providing 24-hour uninterrupted convenient services, ensuring that users can obtain timely and professional assistance at any time.

At the same time, we have further improved the efficiency and time limit standards of key service links such as construction, acceptance, and complaint handling. By introducing advanced management concepts and technical means, we have effectively shortened the construction cycle and improved acceptance efficiency, ensuring the rapid and high-quality completion of projects. In terms of the complaint handling mechanism, we also continue to strengthen relevant construction to ensure that every opinion and feedback from users can receive timely and effective response and follow-up processing.

Joining Hands with the Government and Communities to Carry out Publicity for Gas Safety and "Conversion from Bottled Gas to Piped Gas"

To actively respond to the national "Work Safety Month" call and deeply practice the primary responsibility of corporate safety, Guangxi Teng County Company, on the National "Safety Publicity and Consultation Day" on 16 June 2025, collaborated with the local government to organize a gas safety publicity activity in the County People's Square with the theme of "Everyone Speaks about Safety, Everyone Knows Emergency Response—Finding Safety Hazards Around You". Through various forms such as setting up consultation desks, displaying safety equipment, and conducting interactive experiences, the activity site deeply popularized natural gas safety usage knowledge to community residents. Focusing on the current situation where old residential areas still use gas cylinders, it introduced in detail the safety advantages, cost comparisons, and preferential policies of the "conversion from bottled gas to piped gas". A total of more than 500 copies of publicity materials were distributed during the activity, attracting a large number of people to participate actively and effectively enhancing the safety awareness and emergency self-rescue ability of residents. In the future, the company will continue to carry out such safety publicity activities, solidly promote the "conversion from bottled gas to piped gas" project, and contribute strength to creating a safe and harmonious community gas consumption environment.





6. SERVICES

Supporting Hong Kong Green Building Week, Deeply Drawing a Green and Low-Carbon Blueprint Together

Beijing Gas Blue Sky always places environmental protection and sustainable development at a strategic height, actively promoting the low-carbon transformation of the entire society through cross-border collaboration while continuously optimizing clean energy supply. In September 2025, as a supporting organization, the Group deeply participated in "Hong Kong Green Building Week 2025" (HKGBW 2025), jointly organized by the Construction Industry Council (CIC) and the Hong Kong Green Building Council (HKGBC). With the theme of "Green Building Get Set GOAL — Race to Carbon Neutrality!", the activity aimed to enhance deep public cognition of innovative green building technology, efficient resource utilization, and low-carbon lifestyles through diversified interactive forms.

During the process of participation, Beijing Gas Blue Sky fully leveraged its professional accumulation in the field of clean energy, helping to promote core concepts such as "efficient resources" and "environmental friendliness", and building a green ecosystem together with more than 250 supporting organizations. Through actively responding to public advocacy activities with wide coverage and deep influence, the Group organically integrated environmental public welfare practices with corporate efficiency enhancement. This not only further strengthened the brand leadership of the Group in the fields of industrial synergy and social responsibility, but also injected vitality into promoting the construction of a clean, low-carbon, safe, and efficient modern energy system for the city.



07

INCREASING EFFICIENCY



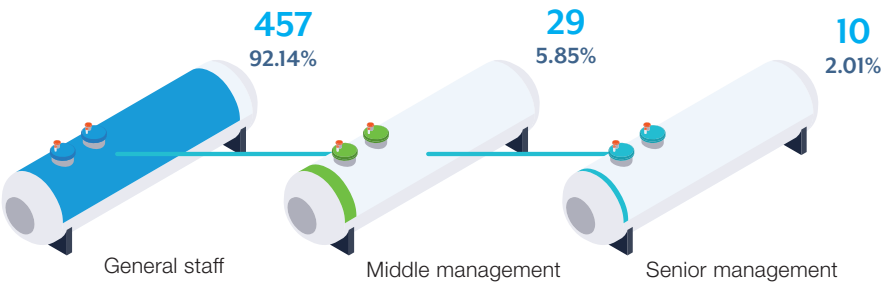
7. INCREASING EFFICIENCY

7.1 EMPOWERING TALENTS, CREATING NEW FUTURE TOGETHER

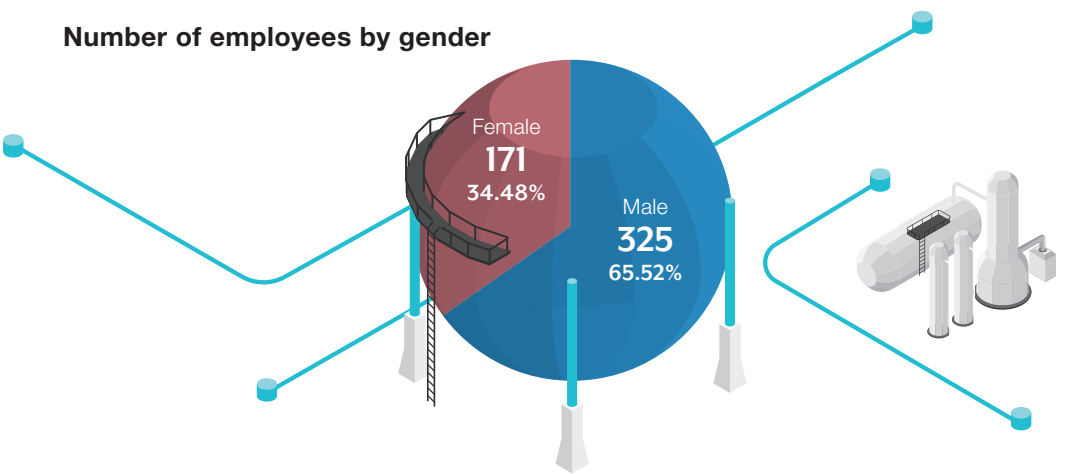
Employee Overview

As of 31 December 2025, Beijing Gas Blue Sky had a total of 496 employees, which are classified by rank, gender, region, and age group as follows:

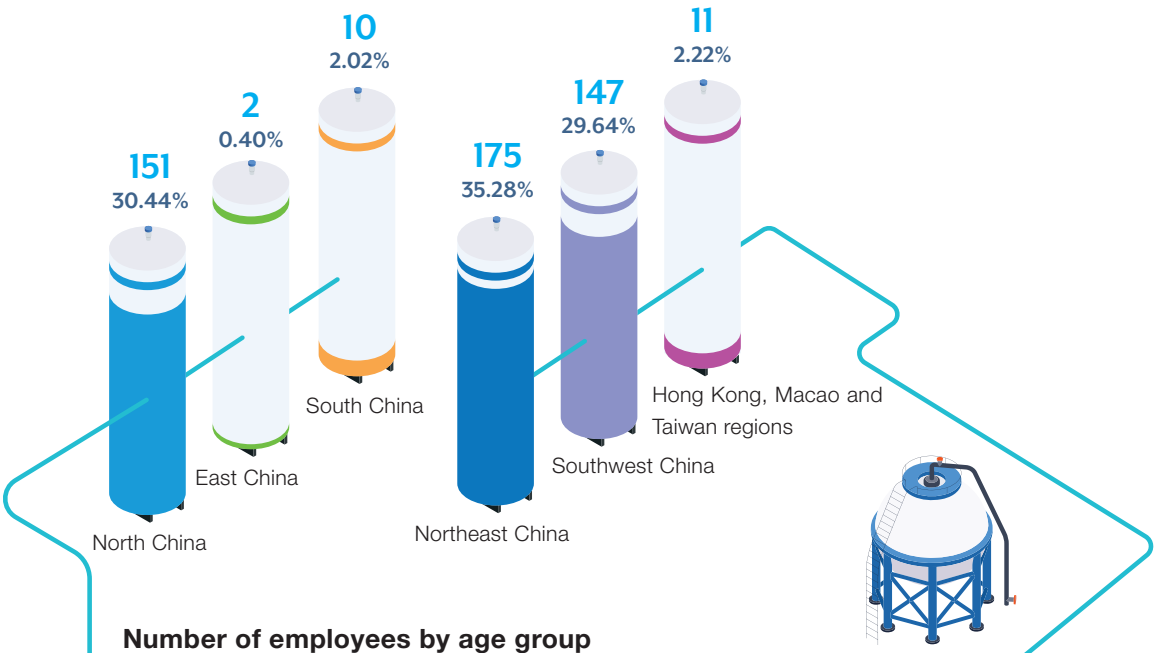
Number of employees by rank



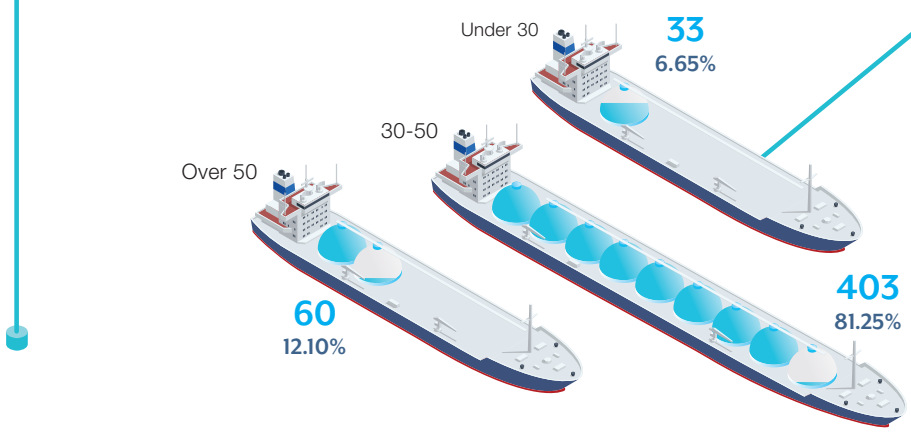
Number of employees by gender



Number of employees by region



Number of employees by age group



7. INCREASING EFFICIENCY

Fair and Compliant Talent Management System

Beijing Gas Blue Sky has regarded human resources as the core driving force for the sustainable development of the enterprise. Adhering to the principle of compliance with laws and regulations, we are committed to building a equal and fair and compliant modern human resources management system. Based on the relevant provisions of regulations such as the "Labor Law of the People's Republic of China", the "Labor Contract Law of the People's Republic of China", as well as the "Employment Ordinance", the "Employees' Compensation Ordinance", and the "Mandatory Provident Fund Schemes Ordinance" of the Hong Kong Special Administrative Region, we have established a management system that covers the entire career cycle of our employees. We have formulated a series of internal normative documents such as the "Employee Handbook" and the "Management Measures for the External Talent Introduction and Recruitment (Trial)". These documents systematically standardize full-process operational standards for recruitment and employment, contract signing, salary payment, performance appraisal, training and development, and resignation management, ensuring that every link of human resource management strictly aligns with the requirements of relevant national and local labor laws and regulations.

In terms of talent introduction, the Group implements a three-step strategy of "strategic forward-looking layout, dynamic optimization of demand, and precise matching of talents". The Human Resources Department has coordinated the formulation of the "Annual Recruitment and Introduction Plan" (《年度人員招聘和引進計劃》), and scientifically planned the construction of talent echelon through departmental employment demand, position value assessment, talent structure analysis and other steps. We have set up a separate management module for dispatched employees and issued the "Management Measures for Dispatched Employees" (《勞務派遣管理辦法》), which specifies the management details of recruitment, compensation and benefits, training, performance appraisal and management, employment renewal, return and termination of dispatch and other aspects, so as to ensure that the entire process of labor dispatch is legal and compliant.

The Group adheres to the bottom line of business ethics, with the prohibition of using child labor and forced labor as an insurmountable red line. We have set up two lines of defense, namely online verification of identity cards upon onboarding and quarterly cross-checking of employee records. By clarifying the standard working hour system, improving the attendance management system and refining the leave approval process, the legitimate rights and interests of our employees are effectively protected. During the Year, the Group had no records of violation in relation to the employment of child labor or forced labor.

Providing Equal Employment Opportunities

Beijing Gas Blue Sky follows the talent philosophy of "people-oriented, fair and just", and is committed to providing equal and open employment opportunities for every job applicant. We strictly follow the national labor regulations, consistently implement the "Employment Promotion Law of the People's Republic of China" (《中華人民共和國就業促進法》), the "Labor Law of the People's Republic of China" (《中華人民共和國勞動法》) and other relevant regulations, and have established a sound recruitment management system. Throughout the recruitment process, we adhere to the principle of "fair competition, merit-based employment and dedication to providing fair employment opportunities". We have established a scientific and normative recruitment process and adopted a standardized resume screening mechanism, focusing on the core elements related to the requirements of the position, such as the candidates' professional abilities, vocational qualities, educational background and work experience. In the interview process, we adopt a combination of structured interviews and professional competence tests to ensure the objectivity and comprehensiveness of the evaluation.

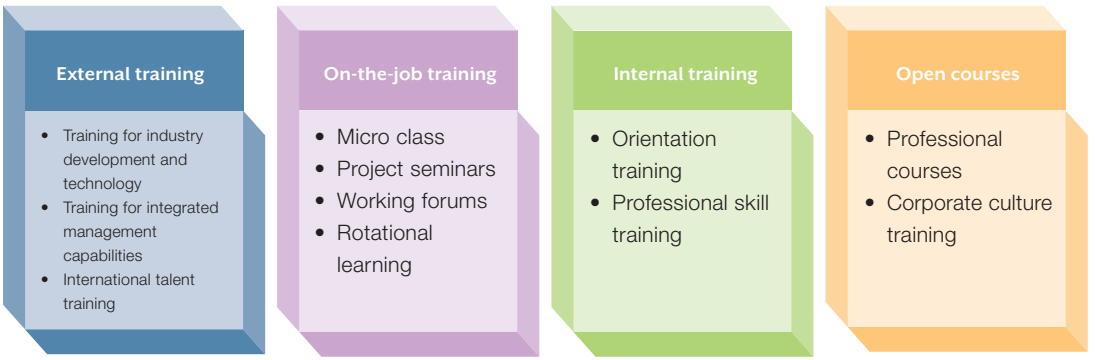
In order to ensure fairness in employment, we have formulated the "Staff Recruitment Management Provisions of Beijing Gas Blue Sky" (《北京燃氣藍天員工招聘管理規定》) and other internal system documents, which explicitly prohibit any form of discrimination in employment. During the recruitment process, we solemnly promise not to take gender, race, ethnicity and religious belief and other factors unrelated to work competence as employment criteria; not to set age, marital status and other restrictions unrelated to the requirements of the position; to provide the disabled with necessary job application conveniences and position adaptation; and to establish a recruitment complaint mechanism and accept social supervision.

Scientific Talent Cultivation System

Beijing Gas Blue Sky attaches great importance to the career planning and professional competence improvement of employees. We have established a systematic and multi-level talent cultivation system. In accordance with the "Training Management Regulations of Beijing Gas Blue Sky", we have clearly defined the organizational structure, division of responsibilities, implementation process and evaluation mechanism of the training work, ensuring that training work is carried out in a standardized manner and achieves tangible results. At the same time, we have developed a layered and categorized training system, which includes orientation training for new employees, basic training for all employees, professional competence enhancement training, management competence training and reserve talent training, we provide our employees with all-round development support from on-boarding adaptation to professional refinement, and from skill improvement to management competence cultivation. In terms of training forms, we adopt a combination of online and offline training, not only providing flexible and convenient digital learning resources, but also launching interactive and experiential offline training. Meanwhile, we construct a comprehensive and three-dimensional learning network through a variety of forms such as training for dispatched staff, mentorship and thematic seminars.

7. INCREASING EFFICIENCY

In terms of training content, we emphasize both professionalism and practicality, and design a systematic curriculum framework around key areas such as production safety, compliance management, professional skills and language proficiency. We regularly invite industry experts to give lectures on special topics, organize cross-departmental experience exchanges and case sharing, set up an internal lecturer system to develop a professional team of internal trainers, and create a good learning atmosphere by comparing and surpassing each other through professional skill competitions. In order to ensure the training effects, we have established a scientific training evaluation mechanism. From pre-training need analysis, training process control to post-training evaluation, we use the Kirkpatrick Model to comprehensively track the transformation of training effects, and establish training records for continuous follow-up and feedback on employees' learning results.



2025 Beijing Gas Blue Sky Employee Training

Meanwhile, we also attach great importance to the cultivation of employees' compliance awareness and ensure that they have a comprehensive and in-depth understanding of the Group's various management systems through a systematic training mechanism. We adopt a combination of online and offline methods to regularly organize thematic compliance training courses, helping employees to accurately grasp the requirements of the systems and ensuring that all systems are effectively implemented in practice.

To further strengthen the legal awareness of our employees, we have uploaded relevant national laws and regulatory documents to the internal system, and have systematically organized and integrated regulatory documents closely related to core businesses such as the "Regulations on the Management of Urban Gas", the "Work Safety Law of the People's Republic of China" and the "Tendering and Bidding Law of the People's Republic of China" before putting them online, facilitating employees to consult and study independently at any time. Meanwhile, we regularly update the latest policies and regulations, assist employees to understand the specific requirements of the laws and regulations through case analysis, thematic discussion and other diversified forms, so as to enhance the legal literacy and compliance awareness of all employees, and lay a solid foundation for the standardized operation of the enterprise.

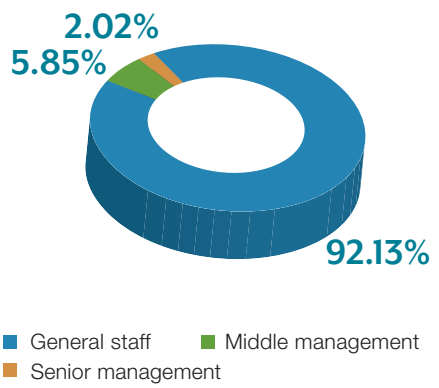




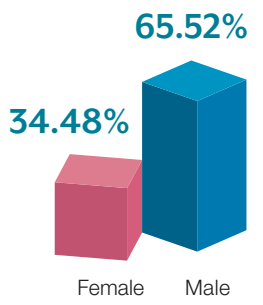
7. INCREASING EFFICIENCY

During the Year, our systematic training framework achieved full staff coverage with a 100% participation rate for all ranks. The training details are set out below:

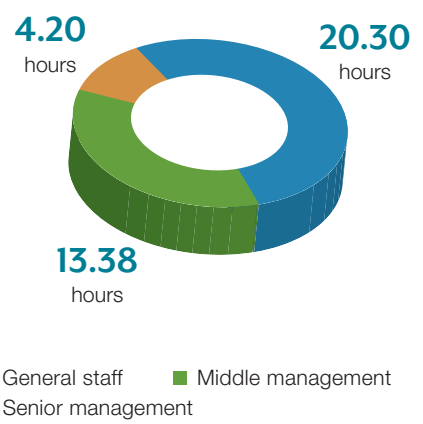
Percentage of trained employees by employee category(%)[1]



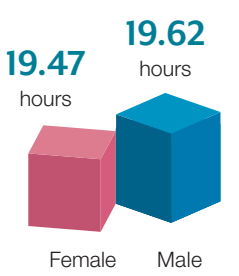
Percentage of trained employees by gender(%)[1]



Average training hours for trained employees by employee category[2]



Average training hours for trained employees by gender[2]



1 Percentage of employees trained = trained employees in the category ÷ total number of trained employees × 100%.

2 Average training hours for trained employees = total number of training hours of employees in the category ÷ number of employees in the category.

Standardized Employee Promotion Paths

The Group regards the long-term development of its employees as the core driving force for the sustainable development of the enterprise. It is committed to creating a fair, just and open competition mechanism within the Group, aiming to spark the initiative and creativity of all employees, while continuing to improve their qualifications and professional capabilities. To this end, we have formulated and implemented the "Employee Promotion Administrative Measures of Beijing Gas Blue Sky" (《北京燃氣藍天員工晉升管理辦法》), which stipulates in detail the employee promotion processes, including core contents of promotion conditions, types and time, as well as application management and promotion procedures. This ensures that the promotion mechanism is transparent, standardized and scientific, and provides employees with clear career development paths and ample room for growth.

To comprehensively evaluate our employees' work performance, and set reasonable annual work targets and promotion plans based on their performance, we have established a sound performance appraisal system, including the implementation of the dual-mechanism, semi-annual and annual appraisals. Based on the "Employee Compensation and Performance Administrative Measures (Trial)" (《員工薪酬績效管理辦法(試行)》), we have further streamlined our performance management. We adhere to the remuneration and performance principle of "stressing on job value and performance orientation", continue to optimize our performance management system and deepen our performance appraisal and management concepts and practices. Performance appraisals are initially assessed by the direct supervisor of the employee and are thoroughly reviewed and approved by senior management to ensure the fairness and authority of the assessment results.

The professional growth of employees is highly synergistic with the strategic development of the enterprise. We encourage employees to leverage their strengths in more significant responsibilities and projects. By gaining experience in key positions and participating in core projects, we provide employees with a practical platform to enhance their capabilities, which enables them to achieve a dual improvement in individual professional competence and corporate organizational effectiveness while tackling various business challenges.

7. INCREASING EFFICIENCY

Strategic Compensation System Development

Under the guidance of our strategic direction and incentive goals, we have formulated and implemented the "Employee Compensation and Performance Administrative Measures (Trial)" (《員工薪酬績效管理辦法(試行)》), which has fully illustrated the principles of fairness, balance, motivation and legitimacy in remuneration management. We scientifically determine the ranks of our employees through a comprehensive assessment of multi-dimensional factors such as their positions, work experience, professional competence, knowledge level and management authorization and responsibilities, and ensure that each employee enjoys a remuneration package that matches his or her rank. This system not only gives full consideration to the realization of employees' personal values, but also takes into account dynamic changes in market conditions to ensure that the enterprise maintains its competitive edge in attracting, retaining and motivating talents.

The Group simultaneously strengthens the transparency of the remuneration system through the disclosure of rank evaluation standards and clear salary distribution mechanism, which enables every employee to clearly understand his or her own career development path and salary growth room. We firmly believe that a fair and reasonable remuneration system can not only stimulate the enthusiasm and creativity of employees, but also lay a solid foundation for the mutual growth of the enterprise and its employees. In the future, we will further promote the in-depth synergy between our remuneration system and strategic targets, explore innovative distribution methods such as project bonus and equity incentives, and build a more sustainable value-sharing system, thus, to continuously inject solid talent impetus into the corporate business transformation and upgrading.

Diversity and Inclusiveness

Beijing Gas Blue Sky has regarded diversified team building as an important strategy for corporate development. We incorporate the concept of "respecting differences and promoting inclusivity for mutual progress" into all aspects of the Group's operation, striving to create an equal and open working atmosphere.

In terms of talent selection, we strictly follow the capability-oriented principle. We have established a scientific talent evaluation system, whereby candidates are selected only on the basis of their professional quality, working ability and moral integrity, resolutely prohibiting any discrimination based on gender, race, religion, skin color, disability, age, marital status and other factors.

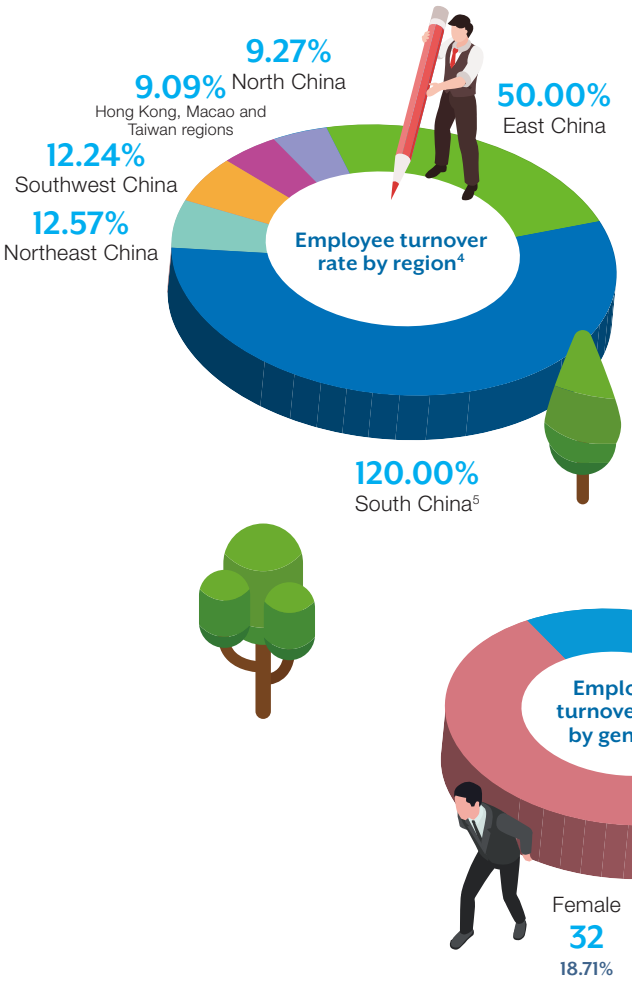
We also focus on diversity of the Board composition, which provides a multi-dimensional perspective for the Group's decision-making through the integration of members of different age levels, professional fields and industry experience. Currently, the Board members maintain a reasonable distribution in terms of professional background, industry experience and age structure, which provides a diversified perspective support for the Group's strategic decisions.

Furthermore, we have also established a diversified employee care system and are committed to providing barrier-free facilities and work adaptation support for employees with disabilities, including career development channels, comprehensive social insurance and employee assistance programs. The Company is dedicated to building a truly diversified and inclusive working environment, so that every employee can fully realize their own potential and grow together with the Group.

In terms of employee relationship management, we continue to pay attention to staff turnover and optimize management measures in a timely manner by regularly analyzing turnover data of different departments and positions. During the Year, Beijing Gas Blue Sky 's overall employee turnover rate[3] was 13.71%, showing a significant downward trend compared with the previous year.

[3] Employee turnover rate = number of employee leaving ÷ total number of employees as at end of the Year × 100%.

7. INCREASING EFFICIENCY



4 Employee turnover rate by category = number of employees leaving in the category ÷ total number of employees in the category × 100%.

5 During the Reporting Period, due to adjustments in the statistical scope for the South China region, the relevant headcount data is not directly comparable with that of the previous year. In addition, affected by business adjustments of subsidiaries in the South China region, the turnover rate during the Reporting Period was relatively high. This situation did not have a material impact on the overall operations of the Group.

In order for standardizing the resignation management process, we have clearly defined the resignation procedures in the "Staff Handbook". The Human Resources Department is responsible for arranging face-to-face interviews with the resigned employees, focusing on the reasons for the employee's resignation, various suggestions for the Group, etc., and incorporating information of reference value into the corporate management improvement plan. Also, we have established a talent pool of resigned employees to keep in touch with outstanding resigned employees and to make room for possible future corporate cooperation. In the future, we will continue to improve our diversified management system, so that our inclusive and open corporate culture can truly become a competitive advantage for the our sustainable development.

Caring about Our Employees' Welfare and Benefits

The Group follows the people-oriented core management philosophy, and regards its employees as the most valuable asset of the enterprise. We recognize that only by paying close attention to the needs of our employees and creating a favorable working environment and development platform for them can we realize mutual growth of the enterprise and our employees. To this end, we have established a complete employee care system, covering multiple dimensions such as compensation and benefits, medical security and difficulty assistance, thereby protecting the rights and interests of employees in an all-round way.

In terms of compensation and benefits, we strictly enforce national labor laws and regulations, fully implement the "Social Insurance and Housing Provident Fund Management System (Trial)" (《社會保險及住房公積金管理制度(試行)》), and pay the full amount of pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund for all employees. We have also formulated a scientific and standardized "Remuneration Management System" (《薪酬管理制度》), which clearly stipulates the details of the salary structure, payment standards and adjustment mechanism to ensure the fairness and transparency of the remuneration system. In terms of holiday management, in addition to strictly enforcing the statutory holidays of the state, we also provide our employees with paid holidays such as wedding leave, maternity leave, carer's leave and funeral leave in accordance with the "Staff Handbook", which fully reflects the humanistic care for our employees. During the Spring Festival, Mid-Autumn Festival and other traditional festivals, we prepare holiday gifts or pay holiday allowances for all employees, allowing them to feel the warmth of the enterprise.

In terms of employees' health protection, we have established a sound medical welfare system. We regularly organize free physical examinations for all our employees every year, covering a wide range of items such as routine examinations and special screenings, in a bid to help them understand their own health conditions timely. In the meantime, we have established partnerships with a number of high-quality medical institutions to provide employees with convenient medical services and health consultation. In addition, we regularly organize health lectures and psychological counselling activities to help our employees develop a sense of health and maintain physical and mental balance.

7. INCREASING EFFICIENCY

We are always concerned about the needs of different employee groups. For female employees, we have formulated the "Measures for Special Labor Protection of Female Employees" (《女職工特殊勞動保護辦法》), which provides comprehensive protection for female employees in terms of working environment, labor intensity and protection during special periods. We set up a special room for mothers and babies to provide convenience for lactating female employees; hold regular women's health lectures to raise female employees' awareness of self-care. We take into account women's physiological characteristics in the arrangement of their positions, earnestly safeguarding the legitimate rights and interests of female employees.

We have established a robust assistance mechanism to help employees in special difficulties. In accordance with the "Administrative Measures on Employee Hardship Allowance and Consolation" (《職工生活困難補助及慰問管理辦法》), the Group has set up a special assistance fund to provide effective support and care to employees in need and their families through financial assistance, psychological counselling, resource allocation and other methods.



BENEFITS

- Five types of insurances and housing provident fund
- Free physical examination
- Remuneration system
- Holiday management



DIFFICULTY ASSISTANCE

- Subsidy for financially entangled employees
- Condolences to employees

Painting a Colorful Life Picture for Employees

We regard the physical and mental health of our employees as an important cornerstone for the sustainable development of the enterprise. Through regular activities such as team cohesion building and cross departmental collaboration and exchange, we continue to improve a multi-dimensional care mechanism covering health management, stress counselling and interest development, aiming to promote a balance between employees' career development and personal life. For employees facing unexpected difficulties, the Group has set up an "Employee Care Fund" to build a support network of mutual help and care among colleagues. Through the systematic promotion of mental health guidance, vocational skills upgrading and other thematic activities, we have deeply integrated humanistic care into the organizational culture and continued to enhance team cohesion and employees' sense of belonging.

2025 Employee Fun Sports Day









7. INCREASING EFFICIENCY

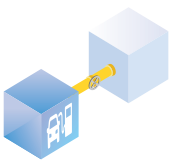
Attentively Listening to Employees' Voices

We value the opinions and demands of every employee, and for this reason, we have established an all-round, multi-level, and three-dimensional communication mechanism, committed to creating an open, transparent, and inclusive corporate culture.

In terms of information transmission, we ensure that information, whether regarding the strategic goals of the Group, major activity arrangements, policy and system updates, market trend analysis, personnel adjustment information, or employee recreation activities, is transmitted timely, accurately, and effectively through diversified channels such as internal announcements, Enterprise WeChat, email systems, and departmental meetings. At the same time, through forms such as symposiums, communication meetings, and employee satisfaction surveys, we smooth the dialogue channels between employees and management, actively listening to their voices and responding to their demands.

We also encourage all employees to actively participate in corporate governance and contribute suggestions and ideas for the development of the enterprise. Through the establishment of the "Rationalization Suggestion Platform" and "Opinion Feedback Boxes", we widely collect suggestions regarding management optimization, process improvement, environment enhancement, and other aspects, and carry out specialized evaluation and implementation promotion. In addition, we have also established an "Innovation Incentive Mechanism" to commend and reward employees who put forward innovative suggestions and achieve significant results, continuously stimulating the creativity and sense of participation of employees.

To enhance inclusivity and collaboration in the workplace, Beijing Gas Blue Sky has established a comprehensive mechanism to prevent harassment and combat discrimination. The Group has formulated a complete institutional system encompassing prevention, handling, accountability and other aspects, while raising awareness among all employees through regular training. The Company has set up a comprehensive complaint-handling mechanism, keeping strict confidentiality of all complaint information and committing to initiate an investigation immediately upon receiving a complaint. That would guarantee the investigation is completed and the complaint is resolved within a stipulated timeframe, thereby effectively safeguarding the legitimate rights and interests of every employee.



Communicating upward

(1) Dedicated mailbox for employees' suggestions (suggestion@bgbluesky.com)
(2) Employee satisfaction survey
(3) Employee meetings, training meetings, mentoring sessions
(4) Face-to-face conversations, corporate meetings, training meetings
(5) The Company's WeChat official account
(6) "Beijing Gas Blue Sky" Journal

Communicating downward

(1) Email
(2) OA platform
(3) The Company's intranet
(4) The Company's internal journal
(5) The Company's WeChat official account
(6) Staff meetings arranged by the Company in a timely manner

7.2 LOW-CARBON EFFICIENCY, GREEN REGENERATION

Against the backdrop of rapid national economic development driving sustained growth in energy demand, China has established the "dual-carbon" strategic goals to systematically advance structural reforms on the energy supply side. With a key focus on a combination of policies such as "coal-to-gas conversion", China aims to address the problem of strong correlation between reliance on traditional fossil fuels and the increase in carbon emissions, while accelerating the development of a clean, low-carbon, safe and efficient modern energy system. As a clean energy service provider deeply engaged in the energy transition, Beijing Gas Blue Sky closely orients around the national environmental governance, adheres to the core principle of "harmonious coexistence of energy and environment", concentrates on the research and development and innovation as well as industrial application of clean energy solutions. Through practical approaches such as optimizing the supply structure of low-carbon energy sources like natural gas, establishing a full cycle environmental management system, and promoting green production standards and other practices, we have effectively reduced the carbon footprint intensity in its operational processes, providing feasible commercial models and paradigm for structural carbon reduction on the energy consumption side.

7. INCREASING EFFICIENCY

To achieve sustainable development goals, we have established specific environmental indicators and will continue to optimize relevant performance:

Emission	Energy	Water Resource	Waste
Strictly manage pollutant sources, aiming to reduce greenhouse gas emissions	Formulate energy saving work plans, aiming at efficient use of energy and energy saving	Promote and implement the concept of water conservation, aiming to reduce waste of water resources and improve water consumption efficiency	Advocate the purchase of green and environmentally friendly products to replace products that will pollute the environment, aiming to reduce waste generation

We have always been concerned about the environmental impact generated during the process of operations. This Year, affected by business expansion and the enlargement of operation scale, the electricity consumption, water consumption, and non-hazardous waste volume of the Group have risen slightly, and the greenhouse gas emissions have also increased slightly accordingly.

Looking ahead, the Group will further optimize the operation model of the entire value chain and fully implement a green and low-carbon development path. On top of the existing achievements in energy conservation and emission reduction, we will continue to strengthen the collaborative cooperation between the upstream and downstream of the supply chain, actively introduce clean and efficient production technologies, and explore the practical scenarios of emerging technologies such as carbon capture, utilization, and storage. We will build a more complete carbon emission monitoring system, carry out carbon footprint assessments according to plan, and dynamically adjust emission reduction strategies based on the assessment results. In addition, we will strengthen the exchange and interaction with various stakeholders, periodically disclose environmental performance, and continuously optimize environmental management work, contributing strength to the green transformation of the industry.

Establishing a Full Process Environmental Management System

Beijing Gas Blue Sky always places environmental protection at the strategic level of corporate development and fully implements China's requirements on ecological civilization construction. During the course of production and operation, we strictly abide by the laws and regulations such as the "Environmental Protection Law of the People's Republic of China" (《中華人民共和國環境保護法》), the "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution" (《中華人民共和國大氣污染防治法》), the "Law of the People's Republic of China on Prevention and Control of Water Pollution" (《中華人民共和國水污染防治法》), the "Law of the People's Republic of China on Promoting Clean Production" (《中華人民共和國清潔生產促進法》) and the "Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste" (《中華人民共和國固體廢物污染環境防治法》), and a comprehensive and standardized environmental management system has been established, ensuring that environmental protection work is deployed, implemented, and inspected simultaneously with production and operations, effectively integrating the concepts of lawful environmental protection and green operation into the entire process of corporate operations.

In terms of tax compliance, we pay the environmental protection tax in full and on time in accordance with relevant requirements of the "Law of the People's Republic of China on Environmental Protection Tax" (《中華人民共和國環境保護稅法》) and fulfil the enterprise's environmental protection responsibilities. Particularly, in the natural gas business area, we have strictly implemented the national standard GB17820-2018 "Natural Gas" to ensure that the sulfur dioxide emission per cubic meter of residential natural gas combustion shall be strictly controlled at less than 920 milligrams, thereby contributing to the improvement of regional air quality.

During the Year, we continued to maintain an excellent record of environmental compliance, did not experience any significant operational events arising from the violations of any PRC environmental laws and regulations, and there were no significant environmental administrative penalties or litigation cases involving environmental issues. All production facilities, from design to operation, were in strict compliance with national environmental protection standards, demonstrating the Group's high attention and strong commitment to environmental management.



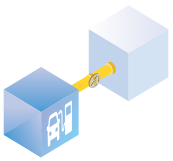
7. INCREASING EFFICIENCY



Setting a Benchmark for Environmentally Friendly Projects

The Group is well aware of the multiple impacts that construction projects may have on the environment and places environmental protection as a core element of project management. We have formulated and implemented the "Administrative Measures on the 'Three Simultaneities' in Construction Projects"(《建設項目「三同時」管理辦法》) and established an environmental management system covering the whole life cycle from project planning, design, construction and acceptance to operation in strict compliance with the relevant requirements of laws and regulations including, amongst others, the "Technical Specification of Dust and Poison Control for City Gas Industry"(《城鎮燃氣行業防塵防毒技術規範》), the "Environmental Protection Law of the People's Republic of China"(《中華人民共和國環境保護法》) and the "Regulations on Environmental Protection of Construction Projects"(《建設項目環境保護管理條例》) and in combination with the characteristics of the industry and the actual situation of the enterprise.

In specific practice, we strictly implement the "Three Simultaneities" management system for all gas production and supply-related projects (including new construction, renovation, expansion projects, and technical transformation projects), integrating environmental protection requirements throughout the entire process of projects. During the project design stage, we explicitly require design units to design environmental protection facilities and main projects simultaneously, optimizing pollution prevention and control plans based on project characteristics to ensure that all measures are scientific, reasonable, and feasible. During the construction stage, we include environmental protection facility construction standards and construction requirements in detail in construction contracts, equipping professional environmental supervision engineers for on-site supervision and tracking the progress and quality of environmental protection construction throughout the process, ensuring that environmental protection facilities and main projects advance and are implemented simultaneously. During the project completion stage, we establish a strict environmental protection acceptance process, clarifying acceptance standards and responsibilities. Only when environmental protection facilities and main projects have passed acceptance simultaneously and met the conditions for putting into use can the project officially be put into production and operation. At the same time, we require each project unit to strictly follow environmental protection design specifications, prepare complete environmental protection chapters, and reserve sufficient funds for the construction of environmental protection facilities in the project investment budget, ensuring that funds are in place and measures are implemented, and that all pollution prevention and control work is effectively carried out and achieves tangible results.





We also place a strong emphasis on ecological protection and strictly implement the relevant requirements of the "List of Systematic Management on Construction Projects Impact Assessment" (《建設項目環境影響評價分類管理名錄》). Environmental impact assessment organizations with corresponding qualifications are selected by way of public tender to carry out comprehensive and systematic environmental assessments for different projects such as construction of urban pipeline networks and refueling stations. The assessment includes not only the environmental suitability analysis on the project site selection, the environmental impact prediction during the construction and operation phases, but also pays special attention to the potential impact of the project on surrounding ecologically sensitive areas, ensuring the assessment is comprehensive and without omissions. Based on the assessment results, we organize a team of experts to discuss and formulate practicable impact mitigation measures and alternative solutions, such as applying trenchless technology in pipeline network construction to minimize damage to surface vegetation, and equipping low-noise equipment and oil and gas recovery systems in the construction of refueling stations , reducing the interference to the surrounding environment. Through a series of refined measures, we strive to minimize the impact of projects on natural ecological resources such as the atmosphere, water and living organisms, while paying attention to the protection of human landscapes and historical sites around the projects, achieving the coordinated development of project construction and ecological protection.

In terms of environmental risk management, we have established a complete emergency plan system. Based on relevant national laws and regulations, we have formulated the "Comprehensive Emergency Plan for Production Safety Accidents", clarifying the grading standards, emergency response processes, and disposal requirements for environmental accidents to ensure that emergency disposal follows established rules. We require each project unit to regularly carry out environmental emergency drills, optimize emergency disposal processes, and enhance the emergency response and collaborative operational capabilities of the team, ensuring that the emergency state is only lifted after social, environmental, and economic impacts are minimized. Regarding chemical management, we have specially formulated the "Safety Management Guidelines for Odorants (Trial)", detailing the operational standards for odorants in storage, transportation, and usage, and clarifying leakage protection measures and emergency disposal processes to eliminate environmental safety hazards. In addition, we have installed gas leakage monitoring and alarm systems in key areas, equipped professional emergency disposal equipment and materials, and established a rapid response mechanism to ensure timely and effective disposal of various potential environmental accidents and safeguard the security of the ecological environment.



7. INCREASING EFFICIENCY



Multi-dimensional Collaboration to Build a New Paradigm of Green Development

The Group incorporates environmental protection into its core strategy of sustainable development, and promotes ecological practices along the entire value chain with a systematic green operation system. At the operational level, we have comprehensively promoted the optimization and upgrading of the energy structure, not only promoting the clean energy in the workplace, but also extending the concept of environmental protection to the whole industrial chain – completely using CNG power systems in business vehicles, the full upgrade of production and heating equipment to low-carbon gas-fired boilers, and the greening transformation of infrastructure.

To deepen the internalization and inheritance of environmental protection concepts, we have constructed a three-in-one employee cultivation mechanism of "awareness cultivation-capacity building-behavior transformation." All employees receive environmental management system training upon joining. Through practical training such as simulated environmental accident emergency drills and green process innovation workshops, we continuously enhance the environmental decision-making capabilities of employees in links such as procurement, production, and logistics. In addition, we have innovatively created the "Green Ecosystem" corporate culture project to stimulate the participation of all employees through diversified carriers. The project includes organizing environmental innovation proposal competitions every quarter, carrying out environmental knowledge competitions through the intelligent office platform, and collaborating with professional institutions to create an immersive environmental education exhibition hall. We provide employees who are implementing green commuting, paperless office and other environmental behaviors with special awards, so that environmental protection concepts can be truly transformed into living habits.

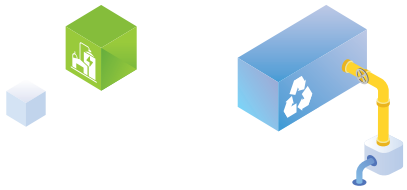
Technology Leading the Intelligent Upgrading of Gas Management

While deepening internal management, technology innovation has become the key support for the implementation of strategies. In the field of energy management, technology innovation is regarded as the core force to promote efficiency enhancement and improve energy use and efficiency. Beijing Gas Blue Sky, keeping development pace with the times, actively introduces cutting-edge technologies such as big data, cloud computing and artificial intelligence, and has built an intelligent gas management system, and realized the intelligent and refined upgrade of gas management to further enhance energy utilization efficiency and management effectiveness.

Energy Use and Efficiency

In strict compliance with the "Regulation on Energy Conservation in Civil Buildings" (《民用建築節能條例》), Beijing Gas Blue Sky focuses on energy conservation and emissions reduction, striving to improve the efficiency of resource utilization, deeply integrating environmental protection concepts into the entire process of corporate operations, with the core goals of achieving efficient resource utilization and promoting green and low-carbon development. In daily operations, the direct energy used by each business segment mainly includes gasoline, diesel, and liquefied natural gas, while indirect energy is primarily electricity, forming a clear energy consumption system and laying the foundation for subsequent energy-saving optimization.







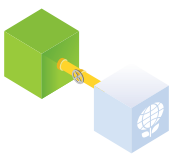
We have established a systematized environmental management guidance system, continuously tracking energy use trends and patterns of change, and implementing precision control measures to comprehensively strengthen energy measurement management and statistical analysis efficiency. By perfecting energy consumption statistics and utilization analysis systems, and constructing standardized raw energy records and statistical ledgers, we achieve the precise collection and scientific governance of energy data. To further improve the quality and efficiency of data management, we plan to introduce a cloud data management platform, relying on digital technology to achieve real-time collection, intelligent analysis, and dynamic comparison of energy data, thereby precisely monitoring energy operating status. At the same time, through in-depth correlation analysis with historical data of the same period, we provide solid data support and a scientific basis for energy conservation and consumption reduction decisions.

At the specific execution level, we actively promote the implementation of sub-metering management for production and domestic electricity at each station, achieving refined control and precise accounting of energy consumption to ensure that energy consumption in every link is traceable and controllable. At the same time, we prioritize the selection of high-efficiency and energy-saving equipment, establish supporting regular maintenance and repair mechanisms, and standardize equipment operation management to ensure that various types of equipment are always in the best operating state, minimizing equipment energy consumption loss. Station managers are required to continuously monitor the dynamics of equipment power consumption, regularly count and summarize energy use data, and conduct comparative analysis with historical data of the same period and standard data to timely investigate energy consumption anomalies and identify and solve potential energy-saving loopholes. In addition, to further practice the concept of green environmental protection and reduce the waste of various resources such as paper, electricity, and water resources, the administrative department regularly carries out inspections of resource use in office areas, comprehensively checking the resource use in each link, and timely correcting wasteful behavior and eliminating waste phenomena. At the same time, through methods such as advocacy and training, we promote the establishment of conservation awareness among all employees, guiding all employees to actively practice the concept of green office, starting from small actions to jointly help the implementation of energy conservation and emission reduction goals.

Energy consumption[6]	Unit	Year 2025
Direct energy[7]	MWh	1,258.15
Indirect energy	MWh	960.92
Total energy consumption	MWh	2,219.07
Intensity	MWh/ten thousand RMB revenue	0.0116

6 All KPIs in the environmental category cover the Group's headquarter and Hong Kong office, and the following subsidiaries: Ningbo Beilun Bochen Logistics, Shanxi Minsheng, Guangxi Tengxian, Songyuan Beilan, Yongji Minsheng, Zhejiang Boxin, Hainan New Energy, Shenzhen Beiran, and Liaoning Benxi. In addition, the Group's environmental data intensity is calculated based on revenue per RMB10,000. The revenue for the year 2025 was RMB1,918,500,000.

7 The direct energy was calculated by converting the raw data into MWh, and its calculation and relevant conversion factors were referred to the "Calculation Method and Reporting Guidance on Greenhouse Gas Emissions by Other Industrial Enterprises (Trial)" issued by the National Development and Reform Commission of China and Gasoline for Motor Vehicles GB 17930-2016 (《車用汽油》(GB 17930-2016)) and Diesel Oil for Motor Vehicles GB 19147-2016 (《車用柴油》(GB 19147-2016)) issued by General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China and the Standardization Administration of China, and Liquefied Natural Gas (GB/T 38753-2020) (《液化天然氣》(GB/T 38753-2020)) implemented by the Liquefied Natural Gas Branch of the National Technical Committee on Petroleum and Natural Gas Standardization.



7. INCREASING EFFICIENCY

Energy conservation has become a key strategy for enterprises and organizations to achieve sustainable development. To this end, we are committed to building an established energy management system and promoting the participation of all employees in energy conservation actions to ensure the efficient use of energy in all aspects of production and operations. By continuously optimizing the performance of our equipment, raising the energy conservation awareness of our employees and introducing advanced energy saving technologies, we actively make a positive contribution to environmental protection and resource conservation. Specific measures are listed below:



Energy conservation management

- Strictly implement energy conservation policies and systems, conduct regular energy conservation inspections, promptly record and follow up with any problems;
- Carry out energy conservation education and make completion of the relevant training one of the conditions for taking up the position of operating energy consuming equipment;
- Establish energy management and energy conservation mechanisms and corresponding incentive and punishment mechanisms, and require all employees to participate; and
- Conduct heating and energy saving in accordance with relevant national regulations, including setting air conditioning temperatures at reasonable levels and using centralized heating or cooling to reduce unnecessary energy consumption.



Energy conservation for production

- Set up log books for major energy consuming equipment and make a comparison on a monthly or quarterly basis, so as to formulate control measures;
- Make regular inspection and maintenance of energy- consuming equipment for production to maintain their energy efficiency; and
- Arrange repair timely after an unusual condition is discovered.



Building energy conservation

- Promote effective lighting management such as using LED lights to replace traditional incandescent lights;
- Conduct air conditioning management such as regularly cleansing the air conditioning system to improve usage efficiency; and
- Try our best to purchase electric equipment with an energy efficiency of level 2 or above.



Transportation energy conservation

- Make regular maintenance and repair to maintain an optimum energy efficiency state for vehicles;
- Promote car sharing practice;
- Develop a good driving habit to avoid any fuel consumption due to abrupt acceleration or deceleration;
- Minimize energy consumption in vehicle use, including reducing unnecessary vehicle use, reducing the number of vehicles, developing a good driving habit, etc.; and
- Purchase and use vehicles that meet environmental protection requirements.

Water Efficiency and Management

The Group's water supply is sourced from the municipal water supply system. There was no issue in sourcing water during the Year. Beijing Gas Blue Sky places great importance on water conservation. By metering domestic water and production water separately and accounting for them individually, we continuously monitor and analyze water consumption data, and formulate and implement water conservation measures accordingly. Total water consumption during the Reporting Period decreased by 6.34% compared to the previous year.

Water consumption data	Unit	Year 2025
Total water consumption	Cubic meters	5,246.00
Intensity	Cubic meter/ten thousand RMB revenue	0.0273

We regard water resources management as an important issue of sustainable development, and have adopted a series of scientific and systematic water-saving measures to continuously and effectively manage water resources. In the process of construction and operation of our stations, we strictly abide by the relevant national water conservation regulations and introduce advanced water-saving processes and technologies to continuously improve water use efficiency. For example, at CNG filling stations, we have effectively reduced water consumption by optimizing process flow and equipment configuration; at LNG direct supply stations, we have adopted a closed circulating water system to maximize the reuse rate of water resources; and at the cleaning of transportation vehicles, we have introduced highly efficient and water-saving cleaning equipment, which significantly reduced water consumption.

In the office area, we fully implement the renovation of water-saving facilities. We have installed efficient water-saving taps and equipped with water limiting switches and automatic induction systems, effectively reducing unnecessary water waste. At the same time, we attach great importance to the cultivation of water-saving awareness among our employees, organizing regular water-saving knowledge training, and popularizing water conservation skills through our internal publicity channels. We have also established an employee participation mechanism to encourage our employees to take the initiative to report abnormalities such as water leakage, thus forming a water conservation culture with full participation of employees. To ensure the stable operation of the water supply system, we have formulated comprehensive monitoring and maintenance plans, regularly checking the water supply pipeline network, and fixing water leakage and damages in a timely manner to minimize the loss of water resources.

In the prevention of water pollution, we adhere to the concept of environmental protection and fully use environmental-friendly cleaning products to reduce the pollution of water resources caused by chemicals. In addition, we actively promote water recycling technologies at various operating sites. By investing in advanced wastewater reuse facilities, we use the treated wastewater for green irrigation and road cleaning; we also innovatively use the wastewater generated from cleansing activities to flush the toilet after simple treatment, thus realizing the cascade utilization of water resources, further improving the overall water use efficiency.

In the future, we will continue to increase investment in the research and development of water-saving technologies, actively explore more efficient water resources management models, and promote the application of different water-saving measures in more business scenarios, continuously improving the efficiency of water resource utilization.



7. INCREASING EFFICIENCY



Emissions Management

Beijing Gas Blue Sky regards the prevention and control of air pollution as an important part of its corporate social responsibility. We strictly manage and control the sources of pollutants and ensure that the air quality indoor and outdoor meets national standards by isolating, diluting, filtering and other technical means, combined with the efficient ventilation system to ventilate pollutants from buildings. In the course of project operation and construction, we strictly comply with the "Material Suppliers Management System" (《物資供應商管理制 度》) and the "Tender Management System for Projects and Materials" (《工程及物資招標管理制度》), and prioritize the selection of equipment and processes that meet national environmental protection standards to reduce the generation of pollutants from the source. At the same time, we endeavor to achieve green and low-carbon operations by optimizing operational processes and enhancing energy utilization efficiency to further reduce unnecessary energy consumption.

The Group fully implements a no-smoking policy in all buildings and premises at all times, with an aim to create a healthy and comfortable working environment. We have posted the "No Smoking" sign on prominent places in office areas, stations and vehicles, and through internal publicity and training, strengthened our employees' awareness of no-smoking to ensure that the no-smoking policy is effectively implemented. In addition, the Group also regularly conducts air quality monitoring to ensure that the air in our office environment and public places is fresh and healthy.

As a clean energy operator, natural gas has significant environmental advantages over traditional fossil fuels such as coal and petroleum. The combustion process of natural gas can drastically reduce the emissions of nitrogen oxides (NOx), sulfur oxides (SOx) and particulate matters (PM), which has a positive effect on the improvement in air quality. During our operations, the Group's emissions come primarily from the combustion of fossil fuels in equipment such as vehicles, generators and boilers.

Type of exhaust gas[8,9]	Unit	Year 2025
NOx	kg	472.31
SOx	kg	12.58
CO	kg	815.05
PM	kg	16.08

8 The calculation scope for the air pollutant emissions includes on-road mobile sources (vehicles). The calculation methods and relevant emission factors for air pollutant emissions from vehicles are referenced to the "Technical Guidelines for Compiling Air Pollutant Emission Inventories for Non-Road Mobile Sources (Trial)" issued by the Ministry of Ecology and Environment of the People's Republic of China.

9 During the Reporting Period, emissions of various air pollutants increased, primarily due to the rise in diesel consumption by vehicles resulting from the increase in gas sales volume from the natural gas trading and distribution business.



Vehicle operations are one of the main sources of carbon emissions during the Group's daily operations. We attach great importance to the management of carbon emissions in transportation and have taken a series of measures to reduce their impact on the environment. We hold key qualification certificates such as the Road Transport Operation Permit (《道路運營許可證》) for all of our transport vehicles which are equipped with advanced technical equipment to ensure efficient operations while minimizing energy consumption and emissions. By optimizing transportation routes, rationally dispatching vehicles and regularly maintaining them, we ensure that our vehicles are at economical and reasonable operation scale, thus achieving the dual objectives of economic and environmental efficiency.

Furthermore, natural gas leakage not only leads to additional carbon emissions, but also has the potential to cause losses to the environment. To this end, the Group has actively promoted the use of advanced metering devices in hundreds of thousands of natural gas pipeline users. These meters can accurately monitor the usage of natural gas, and also effectively reduce the risk of leakage, further enhancing economic and environmental efficiency. We minimize the possibility of gas leakage by regularly inspecting and maintaining the pipeline system to ensure its safe and stable operation.

The Group's greenhouse gas (GHG) emissions are primarily divided into scope 1, scope 2 and scope 3. Scope 1 emissions are primarily generated from equipment owned or controlled by the business segments, including diesel fuel consumed by generators, natural gas consumed by boilers, as well as gasoline, diesel fuel and CNG consumed by vehicles. Scope 2 emissions are generated from electricity consumption by the Group. Scope 3 emissions represent indirect GHG emissions from business travel and waste papers in landfills.

GHG emissions	Unit	Year 2025
Scope 1[10]	tCO_2e	319.02
Scope 2[11]	tCO_2e	509.86
Scope 3[12]	tCO_2e	28.94
Total GHG emissions (Scopes 1, 2 & 3)	tCO_2e	857.82
GHG emissions per ten thousand RMB (Scopes 1, 2 & 3)	tCO_2e/ten thousand RMB revenue	0.0045

10 The calculation scope for GHG emissions (scope 1) includes on-road mobile sources (vehicles). The calculation methods and relevant emission factors for GHG emissions from vehicle fuel usage are referenced to the "Calculation Method and Reporting Guidance on Greenhouse Gas Emissions by Road Transportation Enterprises (Trial)" issued by the National Development and Reform Commission of the PRC and the "2006 IPCC Guidelines for National Greenhouse Gas Inventories".

11 The calculation scope for GHG emissions (scope 2) includes purchased electricity. The calculation methods for GHG emissions from electricity usage in 2025 are referenced to the "Announcement on the Release of 2023 CO2 Emission Factors for Electricity" issued by the Ministry of Ecology and Environment.

12 The calculation scope for GHG emissions (scope 3) includes indirect GHG emissions generated in business trips and wastepaper disposed to landfill. The calculation methods and relevant emission factors for GHG emissions (scope 3) are referenced to the Carbon Emissions Calculator of the International Civil Aviation Organization under the United Nations.

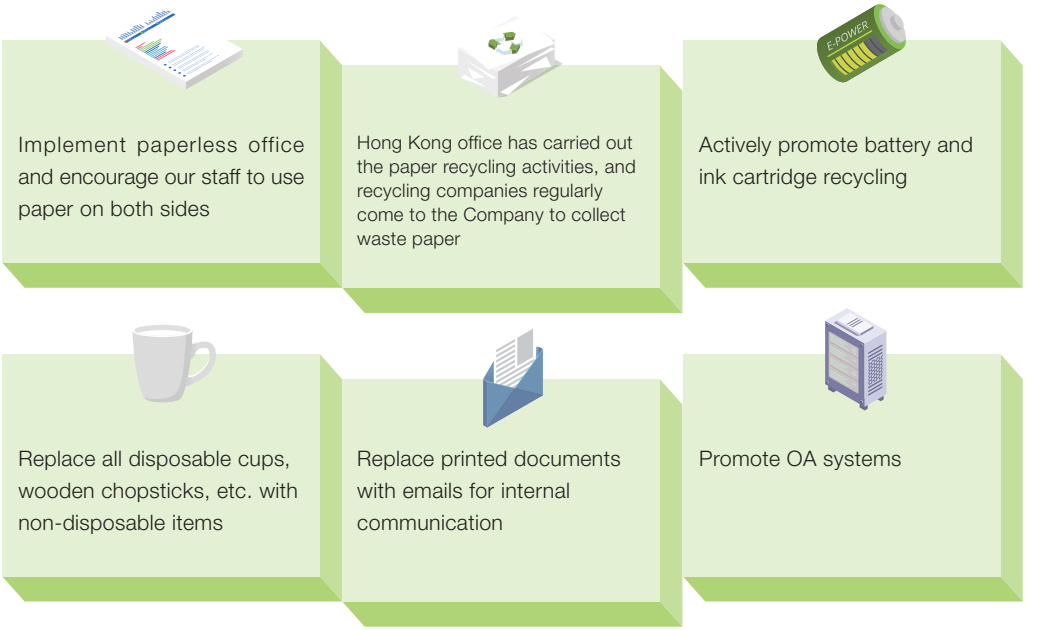
7. INCREASING EFFICIENCY

Beijing Gas Blue Sky always adheres to the concept of environmental protection, unswervingly promotes GHG emission reduction, and actively implements various initiatives and measures. For example, we have carried out a tree planting plan in the vicinity of the factory in Songyuan, Jilin Province, to enhance carbon sink capacity and improve the local ecological environment.

Waste Management

Beijing Gas Blue Sky is committed to building a comprehensive solid waste management system, and actively promoting the reduction, recycling and harmless treatment of wastes. Our waste mainly comes from office wastes and household wastes. Our waste management measures are as follows:

Waste management measures



During the Year, hazardous waste generated from the reportable business segments were used batteries, waste ink cartridges, waste toner boxes and waste lights, which were properly disposed of according to law; and the total amount of non-hazardous wastes was approximately 13.87 tons, representing a decrease of 11.31% compared with 2024.

Green operation is an important driving force for sustainable development. To this end, we continue to carry out a series of green office activities aimed at raising the environmental awareness of employees and promoting the popularization of green lifestyle. We actively promote paper recycling activities by cooperating with professional recycling companies to regularly deliver the collected waste paper to the recycling center for reuse. In addition, we vigorously promote the recycling of batteries and ink cartridges, and implement a strict waste sorting system in the office to help employees develop good waste sorting habits.

Non-hazardous waste generation data	Unit	Year 2025
Total discharge of non-hazardous waste	Tons	13.87
Intensity	Ton/ten thousand RMB revenue	0.000072

Hazardous waste generation data	Unit	Year 2025
Used batteries[13]	Pieces	1,339
Waste ink cartridges	Pieces	362
Waste toner cartridges	Pieces	75
Waste lights	Pieces	15
Total discharge of hazardous waste	Pieces	1,791

Hazardous waste intensity	Unit	Year 2025
Used batteries, waste ink cartridges, waste toner cartridges and waste lights	Piece/ten thousand RMB revenue	0.0187

The Group is committed to building a scientific and environmental waste treatment system to achieve efficient utilization of resources and sustainable development of the environment. In strict accordance with environmental regulations and industry standards, we sort the waste collected in a centralized manner, clearly differentiate the recyclable and non-recyclable waste and store it temporarily. Recyclable materials such as plastic bottles, waste paper and metals are delivered to professional recycling organizations for reuse to maximize the recycling of resources. Non-recyclable and non-hazardous waste will be handed over to the municipal waste treatment unit for centralized disposal to ensure that they are properly disposed of in an environmental manner. For hazardous waste generated from gas stations and other places, we strictly comply with relevant national regulations to load it into special containers and label with clear hazardous waste identification signs, and then forwarded it to qualified recyclers for compliant processing, ensuring that hazardous materials will not cause harm to the environment and public health.

During the whole process of utilization, storage, transportation and disposal of solid waste, we have always insisted on high standards and strict requirements, and strictly implemented the environmental protection management measures to prevent waste scattering, run-off or leakage. In storage, we use sealed containers and dedicated storage areas to prevent leakage of waste; in transportation, we use transportation vehicles that comply with environmental standards and take measures such as covering and securing them to avoid scattering or leakage of waste; and in disposal, we cooperate with legally qualified treatment organizations to ensure that the waste is treated in a safe and compliant manner. Meanwhile, we strictly forbid any form of dumping, discarding, stacking or scattering solid waste without authorization, so as to prevent the occurrence of land pollution and fulfill our social responsibility of protecting soil and water resources.

[13] The used batteries of the Group are mainly AAA batteries and AA batteries.

Wastewater Discharge

The Group's wastewater is mainly generated from domestic wastewater, wastewater from stations and construction sites, etc. During the Year, the total wastewater discharge of the reportable business segments was 5,785 tons.

We attach great importance to wastewater management and regard it as an essential part of environmental management. Through the Environmental Factors Identification and Evaluation Procedures, we have established a comprehensive wastewater identification mechanism to guide our employees to effectively identify various types of waste water generated during production, and performed supervision in strict accordance with the "Law on Prevention and Control of Water Pollution of the People's Republic of China" (《中華人民共和國水污染防治法》) and the "Regulations on Urban Drainage and Sewage Disposal" (《城鎮排水與污水處理條例》) and other laws and regulations.

In terms of specific management measures, we have established a three-tier control system. Firstly, in source control, we explicitly prohibit our employees from discharging oil, acid, lye or highly toxic waste liquids into water bodies, and all hazardous wastes are disposed of by qualified units. Secondly, in process management, we prohibit cleaning vehicles and containers that contain oil or toxic pollutants in water bodies, and all cleansing operations must be carried out in designated areas using the recycled water system. Finally, the domestic sewage is filtered through the grille, precipitated, and goes through biochemical treatment and other processes, then discharged into the municipal sewage pipeline network once the water quality meets the requirements of the local environmental regulatory authorities.

7.3 CLIMATE ACTION, INSPIRING THE FUTURE

Governments and regulatory agencies worldwide continue to strengthen their focus and regulatory intensity on climate change issues, and climate-related risk management and information disclosure have become important topics for the sustainable development of enterprises. In this context, the Group actively conforms to regulatory trends, actively practices environmental responsibility, and comprehensively promotes work related to climate action by closely centering on the national strategic goals of "Carbon Peak and Carbon Neutrality". Referring to the Climate-related Disclosures in Part D of the "ESG Code", the Group identifies and discloses climate risks and opportunities closely related to business operations from the four core areas of "governance", "strategy", "risk management", and "metrics and targets", analyzes their potential financial impacts, and formulates corresponding management measures and action plans, continuously improving the scientific management of climate issues and the transparency of information disclosure.

Governance

The Group has established a three-tier ESG governance structure comprising the Board, the Compliance Committee and the ESG working group to drive and oversee the Group's work and performance in environmental, social and governance aspects. The Board serves as the highest decision-making level for ESG-related matters, while the Compliance Committee acts as the management level responsible for overseeing and implementing relevant policies. The ESG working group is composed of representatives from various relevant departments of the Group and is responsible for day-to-day execution and coordination. Currently, climate-related matters are managed and advanced under the ESG governance structure. In the future, the Group will continuously review the existing ESG governance structure and consider formally incorporating climate governance functions into the ESG governance structure, so as to strengthen the overall climate-related risk management and strategic planning capabilities.

The Group regularly reviews the climate risk management knowledge and training of its Board and management, assessing their skills and competencies in overseeing climate-related strategies. Internal and external resources are allocated as appropriate to continuously strengthen these capabilities.

For details of the overall ESG governance structure of the Group, please refer to the section of "4.2 Sustainability Management System" in "4. Sustainable Development Governance" of this report.

Strategy

At the strategic level, the Group systematically integrates climate change-related risks and opportunities into the overall development strategy and operational decision-making, coordinating the planning of business layout, investment direction, and operational management in combination with the national "Dual Carbon" goals and industry development trends. At the same time, we further identify and analyze the potential impacts of climate risks and opportunities on business activities based on different climate scenarios, and conduct relevant financial impact assessments to enhance the resilience and capability to respond to climate change, comprehensively supporting the long-term sustainable development of the Group.



7. INCREASING EFFICIENCY



Identification, Assessment and Management of Climate Risks and Opportunities

The Group identifies, assesses and manages climate-related risks and opportunities by evaluating them based on two dimensions: "Impact of Risk/Opportunity" and "Likelihood of Risk/Opportunity occurrence" to determine the potential impact of various climate risks and opportunities on business and operations. During the Year, we confirmed 5 physical risks and 2 potential opportunities as material climate risks and opportunities, and further optimized relevant management measures and response strategies to enhance the overall climate resilience of the Group.

The table below lists in detail the types of material climate risks/opportunities we identified, the description and potential impacts of the risks/opportunities, the impact period, the degree of impact, and the response measures taken by the Group.

Risk/Opportunity Type	Period of influence	Impact on strategy/ business model	Risk response measures/ action plans
Transition risks			
Policy and legal risks: • Stricter policy regulations on existing products and services	Medium to long term	With the expansion of the China Carbon Emissions Trading System (ETS), the gas industry and downstream power plant customers may be included in the scope of control. If the LNG receiving stations or filling stations operated by the company fail to effectively control their own operational carbon emissions, they may need to bear additional carbon compliance costs. At the same time, fluctuations in carbon prices may lead to unpredictable increases in operating costs.	• Actively seize opportunities for renewable energy projects, increase research and development investment in renewable energy business technologies, and promote the green transformation of the Group. • Continuously implement various emission reduction measures to reduce greenhouse gas emissions generated during the operation process of the Group.



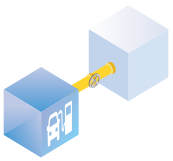
Risk/Opportunity Type	Period of influence	Impact on strategy/ business model	Risk response measures/ action plans
Policy and Legal Risks: • Stricter greenhouse gas emission disclosure requirements.	Short to medium term	The governments of Chinese Mainland and the Hong Kong Special Administrative Region are actively taking measures to achieve carbon neutrality and have introduced stricter greenhouse gas emission disclosure requirements. Stricter greenhouse gas emission disclosure requirements may bring higher compliance risks and costs. If an enterprise fails to accurately and comprehensively disclose climate-related information, it may face regulatory penalties or reputational loss.	• Continuously improve the disclosure of data and information related to Greenhouse Gas Scope 1 and Scope 2. • During the Year, carry out the development of the Greenhouse Gas Scope 3 data system to further respond to the greenhouse gas disclosure requirements of the governments of Chinese Mainland and the Hong Kong Special Administrative Region.
Market Risks: • Changes in customer preferences.	Medium to long term	With the advancement of the "Electricity-to-Gas" policy and the maturity of heat pump technology, residential and commercial buildings may reduce their dependence on natural gas. If end consumers switch to all-electric kitchens or heating systems, the natural gas sales and connection fee income of the company will face downward pressure. At the same time, the market demand for "Zero-carbon Natural Gas" or hydrogen-blended natural gas is growing daily. If the company cannot provide low-carbon footprint energy certificates or alternative products such as Renewable Natural Gas (RNG), its competitiveness in bidding for long-term energy supply contracts will decline.	• Actively seize opportunities for renewable energy projects, increase research and development investment in renewable energy business technologies, and promote the green transformation of the Group.



7. INCREASING EFFICIENCY



Risk/Opportunity Type	Period of influence	Impact on strategy/ business model	Risk response measures/ action plans
Market Risks: • Downstream industrial customers' energy structure transformation	Medium to long term	Large industrial customers may switch from traditional natural gas to green hydrogen, biomass energy, or industrial electric boilers to meet supply chain carbon reduction requirements. If the company fails to timely deploy integrated energy services or green gas businesses, it will face the risk of losing core customers.	• Increase investment amounts for the development of low-carbon emission reduction technologies and projects. • Continuously review the existing energy structure and actively explore the possibility of adopting renewable energy.
Market Risks: • Green finance and shifting investor preferences	Medium to long term	In recent years, the focus of banks, investment institutions, and capital markets on the ESG performance of enterprises has continued to increase. Investors may maintain a cautious attitude toward traditional fossil energy and related infrastructure enterprises. If the Company underperforms in areas such as methane leakage control in operational links, pipeline network safety management, low-carbon transformation strategies (such as hydrogen energy or integrated energy layout), and ESG information disclosure, it may face rising financing costs (such as difficulty in obtaining green credit) and weaken its investment attractiveness and long-term capital market image on the Stock Exchange.	• Actively seize opportunities for renewable energy projects, increase research and development investment in renewable energy business technologies, and promote the green transformation of the Group. • Continuously improve the ESG and climate-related information disclosure of the Group to demonstrate the effectiveness of our green operations and respond to the concerns of various stakeholders.



Risk/Opportunity Type	Period of influence	Impact on strategy/ business model	Risk response measures/ action plans
Opportunities			
Integrated energy service utilization	Short to medium term	The transformation of the enterprise from a single gas supplier to an integrated energy service provider: 1) Utilize Combined Cooling, Heating and Power (CCHP) technology to improve the efficiency of integrated energy utilization; 2) Deploy "Distributed Photovoltaics + Energy Storage" at existing sites to reduce carbon emissions in operational links and lower electricity costs.	• Continuously review the existing energy structure, actively explore the possibility of adopting renewable energy. • Continuously promote the implementation of integrated energy projects and accelerate the construction of a new energy system that is clean, low-carbon, safe, and efficient.
Green policies and financing opportunities	Short to medium term	With the enhancement of the preference of financial markets for green transition assets, the company, by virtue of the substantive progress in methane emission reduction and low-carbon energy transition, can obtain priority access to low-cost financing tools such as green credit and the issuance of green bonds, thereby reducing financing costs and accelerating the expansion of integrated energy projects.	• Actively explore the application of more environment-friendly technologies to meet the green transformation and low-carbon needs of more stakeholders; • Apply for green loans and/or sustainability-linked loans to support the continuous investment of the Group in energy conservation and emission reduction, new energy, and integrated energy projects, promoting the transformation of the business toward low carbon and high efficiency.



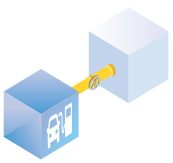
7. INCREASING EFFICIENCY



Climate Scenario Analysis

To scientifically assess the potential impact of climate change on the business, operations, and financial performance of the Group under different future paths, we have selected international mainstream climate scenario models and relevant key parameters to conduct a forward-looking analysis of climate-related risks and opportunities. This evaluates the impact levels of transition risks and physical risks that may arise under different climate paths, supporting decision-making processes such as strategic planning, risk management, and capital allocation.

Scope of operations covered	• Consistent with the scope of this report, including city gas, industrial gas supply, and trading and distribution
Time frame	• Short-term: Present to 2030 • Medium-term: 2031 to 2040 • Long-term: 2041 to 2060
Scenario assumptions	• The analysis is conducted in the year 2025, and it is expected that the locations of assets will remain unchanged for a period of time • Disclosure of information is based on the listing rules and requirements of the Stock Exchange for climate-related information disclosure • Mitigation measures will remain unchanged (i.e., when conducting climate scenario analysis, it is assumed that the policy measures for mitigating climate change currently implemented will not change in the future)
Scope of operations covered	• Consistent with the scope of this report, including city gas, industrial gas supply, and trading and distribution
Time frame	• Short term: Present to 2030 • Medium term: 2031 to 2040



Scenario Selection Issuing Agency	Low emission scenarios	High emission scenarios
Intergovernmental Panel on Climate Change (IPCC)	Shared Socio-economic Pathways (SSP) 1-2.6[14]	Shared Socio-economic Pathways (SSP) 5-8.5[15]
International Energy Agency (IEA)	NZE[16] (Net Zero Emission, 2050 Net Zero Emission Scenario)	STEPS[17] (Stated Policies Scenario)
Central bank and regulatory body Green Finance Network (NGFS)	Orderly Scenario[18]	Hot House World Scenario[19]

14 A relatively optimistic sustainable development path within the SSP framework, aiming to control global warming and limit the rise in global average temperature to within 2 degrees Celsius by the end of this century. The SSP1-2.6 scenario is categorized as a "sustainability" path in terms of socio-economic characteristics, emphasizing the sustainable development of economic growth and social well-being while adopting active emission reduction and sustainable development measures.

15 A highly pessimistic high-emission development path within the SSP framework, representing a future driven by a fossil fuel-powered economic growth model and insufficient climate action. Under this scenario, the global economy continues to develop rapidly, but the energy system relies heavily on coal, oil, and natural gas, with greenhouse gas emissions continuing to rise throughout this century. It is expected that by 2100, the global average temperature will rise by approximately 4 degrees Celsius or more compared to pre-industrial levels.

16 A path assumed by the IEA for the global energy sector to achieve net-zero carbon dioxide emissions by 2050, which is consistent with the goal of limiting long-term global warming to within 1.5 degrees Celsius with limited overshoot (50% probability). It also aligns with the energy-related goals of the United Nations SDGs, particularly achieving universal access to modern energy services by 2030 and ensuring significant improvements in air quality.

17 A development path assumed by the IEA where the global energy system will proceed according to energy and climate policies already enacted or formally committed to by various countries. Under this assumption, global greenhouse gas emissions will remain at high levels in the coming decades, potentially leading to global warming exceeding 2.5–3°C.

18 Under the orderly path scenario of NGFS, governments and enterprises worldwide are able to take coordinated actions early and in an orderly manner to respond to climate change, thereby achieving a smooth transition to a low-carbon economy with relatively low climate risks.

19 Under the hothouse world path scenario of NGFS, countries respond slowly to climate action or take insufficient measures, leading to a significant rise in global temperatures and a sharp increase in climate-related physical risks, causing major and sustained impacts on the economy and society.



7. INCREASING EFFICIENCY



Key parameters for low-emission and high-emission scenarios

	Low emission scenarios	High emission scenarios
Physical environment		
Global average warming	Temperatures will be approximately 1.5 °C before 2040, 1.7 °C before 2060, and 1.8 °C before 2100	Temperatures will be approximately 1.6 °C before 2040, 2.4 °C before 2060, and 4.4 °C before 2100
Global average sea level rise	By 2050, sea level may reach 0.19 meters (possible range 0.16–0.25 meters), and by 2100, they may reach 0.44 meters (possible range 0.32–0.62 meters)	Sea level may reach 0.23 meters (range 0.20–0.29 meters) before 2050 and 0.77 meters (range 0.63–1.01 meters) before 2100
Impacts of climate change	Relatively stable	Significant events (increased frequency and severity of floods, extreme weather, etc.)
Socio-economic environment		
Economic Development	To achieve more inclusive economic development and respect known environmental boundaries	Economic growth and technological progress driven by fossil fuels will result in high levels of greenhouse gas emissions until 2100, potentially exacerbating extreme weather events
Climate Policy	Chinese Mainland and Hong Kong, China have committed to achieving net-zero emissions and have formulated detailed near-term goals and action plans. Chinese Mainland has committed to achieving carbon peaking by 2030 and carbon neutrality by 2060, while Hong Kong, China has committed to achieving carbon neutrality by 2050	Due to the existence of systemic, political, and economic barriers, namely policy inertia, there is a lack of new climate policies



Key parameters for low-emission and high-emission scenarios		
Policy Implementation	Mainly implemented by the government of Chinese Mainland and the government of Hong Kong, China, with strict climate policies and low implementation difficulty	Lack of detailed near-term actions and implementation plan
Common Business Models	A rapid transition from an economy dependent on fossil fuels to an economy driven by renewable energy	Profit-driven business models that fail to properly consider environmental and social impacts
Commitment Levels	Enterprises commit to contributing to national and regional climate action goals, meaning business partners work together to achieve low-carbon operations	Insufficient public awareness, making it impossible to drive systemic reforms

Climate Resilience

Based on the analysis results of various significant climate-related risks and opportunities under different scenarios, reference indicators, and timeframes, a comprehensive assessment can be made regarding the climate resilience performance of the Group combined with factors such as its business characteristics and geographical environment.

7. INCREASING EFFICIENCY

The figure below shows the results of the climate resilience assessment of the Group:

Transition risks	Low emission scenarios			High emission scenarios		
	Short term Present-2030	Medium term 2031-2040	Long term 2041-2060	Short term Present-2030	Medium term 2031-2040	Long term 2041-2060
Stricter policy regulations on existing products and services	Medium	Medium	High	Low	Low	Medium
Stricter greenhouse gas emission disclosure requirements	Medium	High	High	Low	Medium	Medium
Changes in customer preferences	Medium	Medium	High	Low	Low	Medium
Energy structure transformation of downstream industrial customers	Medium	Medium	High	Low	Low	Medium
Green finance and shifts in investor preferences	Medium	Medium	High	Low	Low	Medium

Value of Risk[20]: Low Medium High

Opportunities	Low emission scenarios			High emission scenarios		
	Short term Present-2030	Medium term 2031-2040	Long term 2041-2060	Short term Present-2030	Medium term 2031-2040	Long term 2041-2060
Integrated Energy Services Utilization	Medium	High	High	Low	Medium	Medium
Green Policies and Financing Opportunities	High	High	High	Medium	Medium	Medium

Value of Opportunity[21]: Low Medium High

20 According to the climate scenario analysis in the *Implementation Guidance on Climate Disclosures under the ESG Framework of the Stock Exchange*, the higher the degree of Value at Risk, the greater the potential impact of climate-related risks on the asset value and financial position of the enterprise, and the more measures the enterprise needs to take to enhance its climate resilience.

21 According to the climate scenario analysis in the *Implementation Guidance on Climate Disclosures under the ESG Framework of the Stock Exchange*, the higher the degree of Value of Opportunity, the more significant the positive impact of climate-related opportunities on the potential asset value and financial performance of the enterprise, and the higher the degree to which the enterprise can benefit from relevant trends.

Financial Impact Analysis

Based on the climate scenario analysis, the Group has further conducted a climate-related financial impact assessment to analyze the potential impact of identified significant climate risks and opportunities on the asset value, operating costs, revenue structure, and overall financial performance of the Group under different climate scenarios. This provides a powerful reference for the management to comprehensively understand the relevant impacts and make prudent decisions.

Major Climate Risks/Opportunities		Financial impact
Policy and legal risks	Stricter policy regulation of existing products and services	• **Current financial impact:** None. • **Expected financial impact:** If the carbon emission rights trading market of our country includes LNG receiving stations and filling stations under control, carbon price fluctuations and long-term carbon compliance costs are expected to significantly increase operating costs and increase cost unpredictability. The Group may need to carry out energy-saving and emission-reduction retrofits or add new emission-reduction investments. If all costs cannot be passed on to downstream customers, it will lead to the compression of gross profit margin and pressure on net profit and free cash flow in the medium and long term.
	Stricter greenhouse gas emissions disclosure requirements	• **Current financial impact:** None. • **Expected financial impact:** Compliance costs will become recurring expenses and may increase capital expenditure and depreciation. At the same time, if disclosure is transparent and compliant, it can reduce financing costs and maintain the trust of customers and partners. Conversely, if disclosure fails or is penalized, it may lead to loss of reputation and contracts, and increase risk premiums, thereby raising future capital and operating costs.



7. INCREASING EFFICIENCY



Major Climate Risks/Opportunities		Financial impact
Market risks	Changes in customer preferences	• **Current financial impact:** None. • **Expected financial impact:** If the Group is unable to provide low-carbon alternative products that meet the preferences of customers in the future, there may be risks of structural revenue decline, loss of long-term gas supply contracts, and impairment of certain assets. This would force the Company to incur higher capital expenditures for the transformation and certification of low-carbon fuel supply chains, thereby increasing depreciation and financial costs and lowering future profit margins.
	Energy structure transformation of downstream industrial customers	• **Current financial impact:** None. • **Expected financial impact:** If the industry shifts extensively toward green hydrogen, biomass, or electrification and the company fails to promptly deploy integrated energy services or green gas businesses, it may lead to the permanent loss of core customers, a reduction in long-term gas supply contracts, and impairment of certain assets, forcing the company to bear higher costs for transformation and investment in new businesses.
	Green finance and shifting investor preferences	• **Current financial impact:** None. • **Expected financial impact:** In the medium and long term, if there is a failure to improve methane control, pipeline network safety, and low-carbon transformation planning, the company may endure higher costs of capital, restricted refinancing, and greater risks of default or impairment for a long period, thereby raising the threshold for capital expenditure and compressing investment returns.



Major Climate Risks/Opportunities		Financial impact
Opportunities	Integrated Energy Services Utilization	• **Current financial impact:** In recent years, the Group has continued to promote the implementation of integrated energy businesses. Through a diversified business layout, the Group has driven the optimization of its revenue structure, gradually forming an effective supplement to the single profit source of traditional gas. • **Expected financial impact:** By continuing to deeply cultivate the field of integrated energy services, customer stickiness will be improved in the future. Through the enhancement of energy utilization efficiency, gross profit margin and the quality of cash flow will be continuously improved, while simultaneously strengthening the competitiveness and valuation level of the company in the low-carbon energy market.
	Green Policies and Financing Opportunities	• **Current financial impact:** Through substantive progress in greenhouse gas emission reduction and low-carbon transition, the company has applied for sustainability-linked loans in recent years, providing financial support for company project investments. • **Expected financial impact:** With the expansion of the scale of green financing, the company expects to accelerate the large-scale expansion of integrated energy projects by leveraging the advantage of low-cost funds. Through the optimization of business layout and the growth of asset scale, steady improvement in operating revenue and significant enhancement in long-term return on capital will be achieved.



7. INCREASING EFFICIENCY



Risk Management

The Group has incorporated climate-related matters into the overall operational risk assessment and management system, and has established a comprehensive climate risk and opportunity management process, continuously carrying out the identification, assessment, and control of climate-related risks and opportunities. During the Year, we systematically carried out the identification and assessment of climate-related risks and opportunities, and on this basis, further analyzed their potential financial impacts. At the same time, according to the assumptions of different climate transition and physical risk scenarios, scenario analysis was conducted to assess the risk tolerance of the Group under various climate paths, providing a scientific basis and decision-making support for the strategic decision-making and long-term development planning of the Group.

Climate risk assessment, financial impact analysis and scenario analysis process

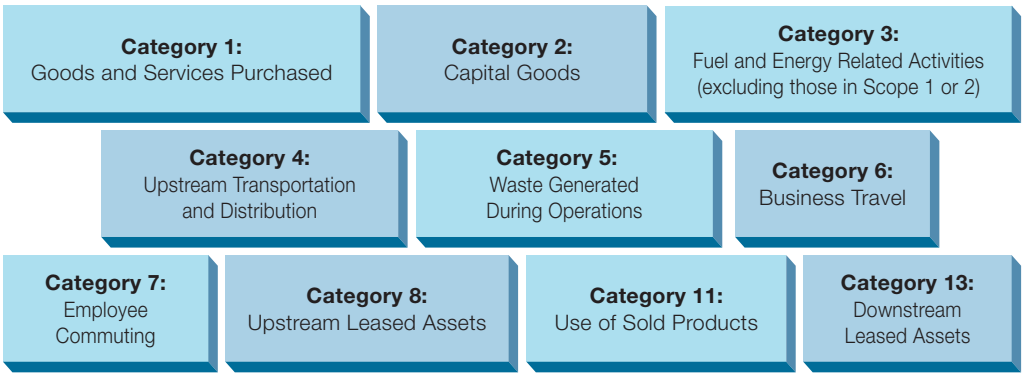
1. Identification of Climate Risks and Opportunities	With reference to industry disclosure practices, research data, and the policy environment, combined with the characteristics of its own value chain and operating regions, the Group systematically identifies climate-related risks and opportunities related to its business and establishes a list of risks and opportunities.
2. Climate Risk and Opportunity Assessment	The Group conducts a comprehensive assessment of various climate-related risks and opportunities from key dimensions such as the degree of impact and probability of occurrence. Combined with the professional judgment of internal management and cross-departmental opinions, materiality analysis and priority ranking of relevant risks and opportunities are performed to form a climate risk and opportunity matrix.
3. Scenario Analysis and Financial Impact Analysis	International common climate scenarios and key parameters are selected to analyze the degree of impact of significant climate-related risks and opportunities under different scenarios, as well as their potential financial impacts.
4. Countermeasures and Continuous Improvement	The Group reviews and assesses existing management measures and, in combination with industry best practices, formulates and optimizes response action plans to continuously improve climate risk management capabilities and business resilience.



Metrics and Targets

To further strengthen the management of greenhouse gas emission data, during the Year, we have established a Scope 3 greenhouse gas accounting system, and in accordance with the Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard, we are systematically advancing the identification of Scope 3 emissions. Through a cross-departmental collaboration mechanism, on the basis of the identified Scope 3 emission categories related to business operations, we will continue to improve the collection, organization, and analysis processes of greenhouse gas emission data in the future to provide a reliable basis for subsequent carbon management and emission reduction decision-making.

Scope 3 greenhouse gases related to the Group's business operations



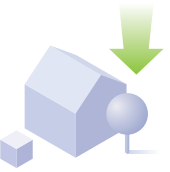
Climate-related Targets and Emission Reduction Commitments

The Group attaches great importance to climate change issues and deeply integrates emission reduction actions into the overall strategic planning of the enterprise. A standardized management process has been established to lead the full cycle of climate action covering "research, formulation, implementation, and evaluation" with quantitative targets. First, the Group comprehensively investigates the current status of emissions within the Group and the industry, conducts baseline analysis, clarifies the scope and base year of greenhouse gas targets, and sorts out major emission sources and existing emission reduction measures. After the targets are formulated, the Group continuously tracks the progress of implementation, combines monitoring results with performance evaluation, regularly reviews and dynamically optimizes relevant strategies, and ensures that the emission reduction path is scientific, feasible, and effective.

7. INCREASING EFFICIENCY

The Group uses Scope 1 and Scope 2 greenhouse gas emissions as the core indicators for setting climate targets and formulates clear absolute emission reduction targets. We promote carbon reduction collaboratively from both operational and business levels to enhance climate change management capabilities and risk response levels, helping the Group steadily move toward low-carbon transition. The scope of application of this target is consistent with the disclosure scope of the environmental chapter of the annual report of the Group, covering the Hong Kong office and relevant business segments. The implementation period is from 2025 to 2030, with 2025 as the base year.

Quantitative targets for Scope 1 and Scope 2 greenhouse gases



Intensity Target:Based on the 2025 baseline year, Beijing Gas Blue Sky aims to reduce its Scope 2 greenhouse gas emission intensity by 24% by 2030

To achieve the aforementioned climate targets, the Group is promoting low-carbon transition through multiple emission reduction initiatives, covering aspects such as the optimization of energy structure, technical transformation of equipment, and energy-saving management of operations. For details on the specific actions and effectiveness of the Group in reducing greenhouse gas emissions during actual operations, please refer to the section “7.2 Low-Carbon Efficiency, Green Regeneration” of this report.

08
COMPLIANCE



8. COMPLIANCE

8.1 BALANCING PREVENTION AND CONTROL, STRENGTHENING THE FOUNDATION

As a comprehensive energy service enterprise focusing on the midstream and downstream sectors of the natural gas industrial chain, the Group has established a full industrial chain operating system covering pipeline network transmission and distribution, energy trading, and terminal applications. Facing the high degree of uncertainty in the energy industry in terms of policy orientation and market price fluctuations, we always regard risk management as the core support for ensuring long-term stable development. On this basis, we have constructed a four-in-one risk control framework with "prevention, monitoring, disposal, and optimization" as the core. In accordance with national energy security regulatory requirements and the actual operating conditions of the Group, we have formulated and continuously improved the *Comprehensive Risk Management Procedures* to promote the formation of a comprehensive risk management system with sound systems and clear responsibilities and powers. At the same time, we embed risk identification, assessment, and response mechanisms into all aspects of daily operations. Through forward-looking analysis of potential risks and the formulation of targeted control measures, combined with dynamic monitoring and regular review mechanisms, we ensure the effective implementation of risk response measures and form closed-loop management through continuous optimization. In addition, the Group also actively uses digital tools to strengthen risk monitoring capabilities and enhance management precision and response efficiency, thereby building a resilient risk defense system with industry characteristics to cope with continuous changes in the external environment.

Improving Corporate Governance Structure

The sustainability of the Group is built on a robust and forward-looking corporate governance system. As the core of corporate decision-making, the Board of Directors has established a three-level governance structure with clear responsibilities, fully supporting the strategic advancement and compliant operations of the Group. At the strategic planning level, the Board leads the formulation of medium and long-term development blueprints and introduces a dynamic review mechanism to respond to the ever-changing market environment. At the operational management level, through the strategic execution tracking system and performance appraisal tools, effective supervision of the entire business process is achieved. At the risk control level, a complete closed-loop process covering risk identification, quantitative assessment, and rectification tracking is constructed. At the same time, we continue to improve the system covering areas such as corporate governance, compliance management, and corporate social responsibility, and regularly review and optimize relevant mechanisms to enhance the scientific nature of decision-making and the transparency of operations, laying a solid foundation for the long-term development of the enterprise.

Effectiveness of the Board of Beijing Gas Blue Sky

Board independence

- The Board consists of 3 independent non-executive Directors, representing 37.5% of number of Directors.
- The position of chairman of the Board and chief executive officer (CEO) are held by different individuals. The chairman takes lead of the Board to ensure the operation of the Board, while the chief executive officer (CEO) is responsible for business, operation and daily management of the Group.
- The Company confirms that each independent non-executive Director complies with the independence guidelines under Rule 3.13 of the Listing Rules.

Board diversity

- The "Board Members Diversity Policy" has been developed.
- The Board members are appointed based on merit to ensure they provide balanced skills, experience and diverse perspectives required by the Group.
- When nominating candidates, the Nomination Committee takes multiple factors into consideration, including but not limited to gender, age, cultural and educational background, professional experience, skills, expertise and length of service.
- The Nomination Committee conducts regular reviews on the implementation of the Board diversity.

Board involvement

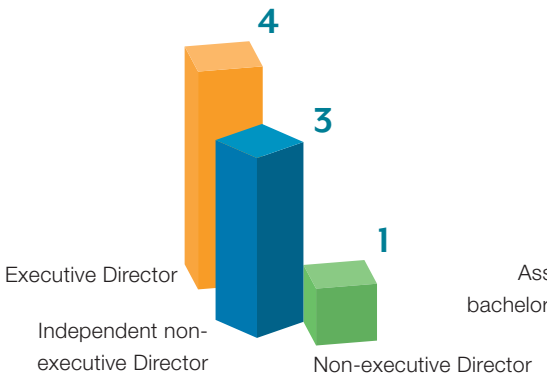
- 9 Board meetings were held in 2025.
- Training sessions on ESG issues are organised for directors.

The Group upholds the principle of "meritocracy", and constructs a scientific and reasonable composition structure in accordance with the "Board Members Diversity Policy". Multiple dimensions including but not limited to gender, age, cultural and educational background and professional background, are comprehensively considered during the selection process of Directors. Through quantitative evaluation model and dynamic adjustment mechanism, the diversified value of the Board's decision-making vision is continuously strengthened.

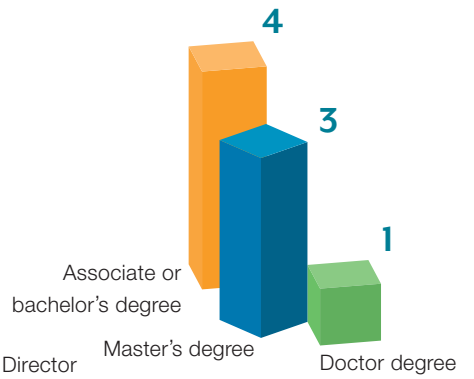
8. COMPLIANCE

Data Showing Diversity of the Board of Beijing Gas Blue Sky

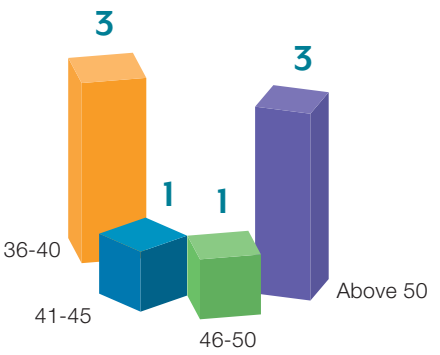
Appointed Position



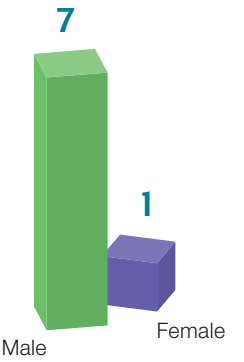
Cultural and educational background



Age



Gender



Professional background[22]



22 A number of members of the Group's Board of Directors possess diverse and cross-disciplinary professional backgrounds.

Strengthening the Line of Defense in Risk Management

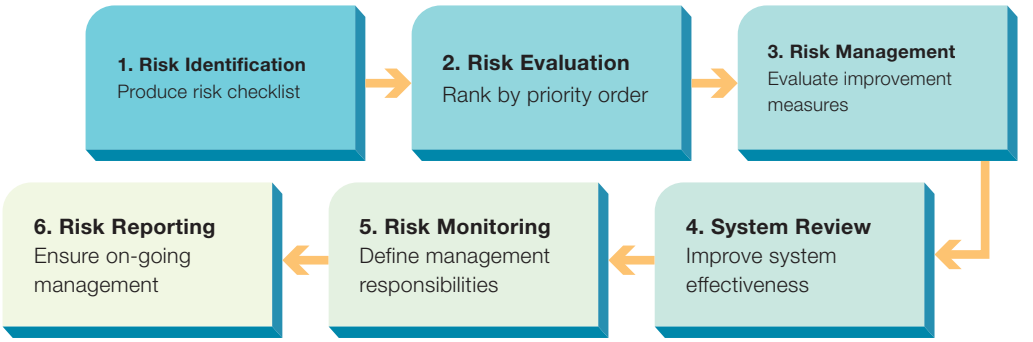
Beijing Gas Blue Sky adheres to the bottom-line mindset of compliant operation and builds a strategy-oriented risk management system. We have established "Three Lines of Defense in Risk Management" under the leadership of the Board, incorporating risk prevention and control into the core of corporate governance. The Board and its subordinate specialized committees establish the risk preference framework and coordinate the decision-making supervision mechanism. Special risk assessment is implemented in the front-end business, joint prevention and control network is built in the mid-end system, and closed-loop supervision mechanism is formed in the back-end audit, which would collectively strengthen the urban gas safety barrier and ensure zero occurrence of major risks and controllability of daily risks during the whole process.

Three Lines of Defense in Risk Management



8. COMPLIANCE

Procedure for Risk Assessment



The Group has established a strategic risk prevention and control system and built a risk identification and response mechanism covering the entire business chain. Through the ESG risk assessment framework led by the Board, risks in key areas such as product safety and pipeline network operation are systematically screened; hierarchical prevention and control strategies are formulated and incorporated into the decision-making process to guarantee effective coordination between business expansion and risk management, thus safeguarding the high-quality development of the enterprise. For details, please refer to the section headed "Corporate Governance Report" in the annual report for the Year.

Under this framework, we authorize the Compliance Committee to be fully responsible for the full cycle management of significant ESG risks, including risk identification, evaluation and response strategy development. The Board coordinates the establishment and continuous optimization of ESG risk management and internal monitoring system to ensure the effective implementation of risk prevention and control measures and continuous improvement in the overall risk management and control capabilities of the Group.

The Group simultaneously strengthens the system construction of governing corporate in accordance with law. It has established a leading group dedicatedly for the development of the rule-of-law system, which is responsible for making strategic deployment for the development of corporate rule-of-law systems of state-owned enterprises, and for reviewing the Group's work programs for rule-of-law system development and its annual rule-of-law work plans and for supervising the advancement and implementation thereof, and for integrating compliance requirements into key business processes such as procurement and engineering. By conducting regular legal training and compliance assessment, the awareness of legal risk prevention and control of all employees is enhanced, achieving an organic integration of legal compliance management and operation efficiency improvement, which lay solid legal foundation for sustainable development of the enterprise.

Enhancing the Efficiency of Audit Supervision

Beijing Gas Blue Sky continues to strengthen the construction of internal control systems and comprehensively improve the efficiency of corporate governance. In accordance with the relevant laws and regulations including, amongst others, the "Audit Law of the People's Republic of China" (《中華人民共和國審計法》), the "Regulation on the Implementation of the Audit Law of the People's Republic of China" (《中華人民共和國審計法實施條例》), the "Regulations of the National Audit Office on Internal Auditing" (《審計署關於內部審計工作的規定》) and the "China Internal Auditing Standards" (《中國內部審計準則》), the Group has established the *Internal Audit Work Management System*. During the Year, the *Beijing Gas Blue Sky Holdings Limited Audit Rectification Interview Regulations (Trial)* were newly promulgated, and the *Beijing Gas Blue Sky Holdings Limited Audit Planning Management Regulations* and the *Beijing Gas Blue Sky Holdings Limited Audit Rectification and Result Application Management Regulations* were newly revised. Through an institutionalized and standardized audit and inspection system, the Group strengthens the effectiveness of audit supervision, effectively enhances risk prevention and control capabilities, and provides a solid guarantee for the realization of strategic targets.

We have integrated and restructured the compliance functions of the audit and supervision department and the legal affairs department into the Legal and Compliance Department through organizational structure optimization, endowing it with the functions such as compliance system construction, legal risk prevention, conduct and behavior supervision and tendering management. As the core department of corporate governance, the department is responsible for coordinating the implementation of the compliance management plans, improving the institutional frameworks, and conducting regular self-examination of operations and investments. And by regularly reporting the internal audit results to Beijing Gas Blue Sky, the Executive Committee, the Audit Committee, and the Compliance Committee under the Board of Directors to achieve transparent and effective transmission of supervision information.

Moreover, a three-dimensional supervision system has been established at the Board level, with an Audit Committee and a Compliance Committee under the Board. Based on top-level design, the Compliance Committee is responsible for formulating and monitoring the Group's policies and practices for compliance with legal and regulatory requirements. The Audit Committee is responsible for guiding and evaluating the audit supervision of the Legal and Compliance Department, and carrying out relevant investigations and improving evaluation work. Relying on the collaborative prevention and control system of "professional operation of the department + strategic supervision of the committee", a long-term guaranteed mechanism has been formed to support the strategy implementation and sustainable development.

8.2 SELF-DISCIPLINE IN INTEGRITY, CONSTANT COMPLIANCE WITH LAWS

Beijing Gas Blue Sky consistently regards compliant operation as the lifeline of sustainable development of the enterprise. We strictly follow important domestic and overseas laws and regulations such as the *Anti-Monopoly Law of the People's Republic of China, Anti-Unfair Competition Law of the People's Republic of China, Supervision Law of the People's Republic of China, and Anti-Money Laundering Law of the People's Republic of China, as well as the Prevention of Bribery Ordinance, Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, Companies Ordinance, Securities and Futures Ordinance and Codes on Takeovers and Mergers and Share Buy-backs*. The Group adheres to the parallel tracks of institutional constraints and value leadership, encouraging all employees to abide by business ethics codes and ensuring that the entire process of business decision-making is legal and compliant. By continuously nurturing a corporate culture ecology of integrity, self-discipline, and respect for the law, compliance awareness is internalized in the mind and externalized in action, laying a solid legal foundation for the long-term success of the enterprise.

Building a Long-Term Anti-Corruption Mechanism

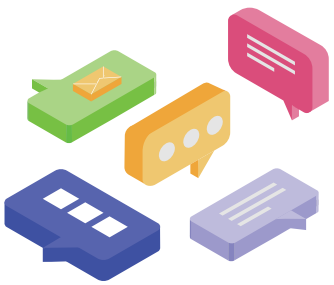
Beijing Gas Blue Sky regards the construction of a clean government as a systematic project and persists in its implementation. The Group strictly adheres to the Code of Integrity and Self-Discipline. We establish and implement the Certain Provisions on the Integrity of Employees with Business Disposal Rights Issued by the General Branch Committee of the Communist Party of China, expressly prohibiting any behavior that violates integrity discipline, seeks personal gain through power, involves embezzlement or bribery, or entails corruption and degeneracy. Discipline inspection organizations carry out regular inspections and integrity patrols in accordance with regulations, reporting work conditions to the higher-level discipline inspection organization periodically. With a zero-tolerance attitude, we strengthen discipline enforcement and accountability to continuously purify the political ecology of the enterprise.

The Group deeply integrates integrity education into day-to-day operation and management, and builds a long-term mechanism for anti-corruption and advocating and cultivating integrity through a multi-level and precise training system. For middle and senior management, it regularly organizes anti-fraud and anti-money laundering special training, analyses common types of crimes and legal consequences with typical cases of duty crimes, to effectively enhance key personnel's awareness of risk prevention; for all employees, it adopts the model of combining warning education classroom with online learning platform to embed integrity requirement into the entire business process. During the Year, Beijing Gas Blue Sky was not involved in any corruption lawsuits.

Smoothening Reporting and Acceptance Channels

Beijing Gas Blue Sky takes integrity and compliance as corporate foundation and continuously improving the systematic reporting management system. We have formulated and implemented the "Whistleblower Policy"《舉報政策》to provide smooth supervision channels for employees and stakeholders, and to clarify the reporting process and handling guidelines for fraud, corruption, bribery and other serious malpractices, ensuring that all suspected violations are traceable and handled in accordance with regulations:

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In terms of the design of the reporting mechanism, the Group implements a dual-track guarantee measure through the Whistleblower Policy《舉報政策》. On the one hand, it strictly implements the encryption management of whistleblowers' information throughout the process to fully protect the privacy security of whistleblowers; on the other hand, it establishes a special review system for counter-retaliation, for reports that have not been verified after inspected, it still eliminates the concerns of whistleblowers through post protection mechanisms and psychological counseling services. The audit and supervision department is responsible for accepting reports, initiating investigations, handling investigations and executing results. The Compliance Committee regularly evaluates the performance of policy implementation and supervises subsequent rectification and implementation, thereby building a long-term supervision mechanism for compliant operation through a multi-level supervision structure with clearly defined powers and responsibilities.

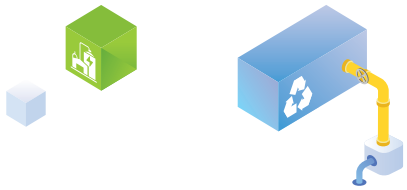
8. COMPLIANCE

Deepen Legal Compliance Review and Management

Beijing Gas Blue Sky has always regarded legal and compliant operations as the bottom line of corporate business, and has continued to deepen the construction of its compliance management system throughout the Year. At the institutional level, the "Administrative Measures for Training, Publicity and Implementation of Laws and Regulations"(《法律法規培訓、宣貫和落實管理辦法》) systematically clearly standardizes the entire process of identifying legal and regulatory requirements, conducting training and advocacy, and supervising implementation. The Legal and Compliance Department continuously enhances all employees' awareness of the rule of law through methods such as regular training on basic knowledge of laws and online compliance assessments, with assessment results incorporated into post-compliance records. In response to dynamic updates to laws and regulations, a rapid response mechanism is established, utilizing channels such as emails and the regulation section of our internal portal to promptly disseminate the latest regulatory interpretations, ensuring that business adjustments are in sync with regulatory requirements, and effectively achieving proactive prevention and control of legal risks. On this basis, the *Management Regulations for Legal and Compliance Review (Trial) of Beijing Gas Blue Sky Holdings Limited* was issued during the Year. It systematically constructs a full-process compliance review mechanism covering core operational links such as "Three Majors and One Large" decision-making, investment and mergers and acquisitions, external financing, guarantees, asset disposal, transfer of property rights, contract review, and the formulation of rules and regulations. It clearly stipulates that matters not reviewed by the Legal and Compliance Department shall not be submitted for meeting deliberation or organized for implementation, strengthening the compliance guarantee of decision-making from the source. Through the parallel tracks of training education and review oversight, the Group promotes the extension and expansion of legal and compliance management from "post-event training and publicity" to "pre-event review and oversight", effectively achieving closed-loop management of legal risks and providing a solid legal guarantee for stable operation.

Deepening Connected Transactions and Leaping Asset Transaction Capabilities

Beijing Gas Blue Sky, based on the regulatory requirements of the Hong Kong capital market, continues to deepen the compliant governance of connected transactions. On the basis of existing systems, it has further revised and improved the *Administrative Measures for Connected Transactions (Trial)*, committing to constructing a closed-loop supervision mechanism covering the full cycle of transactions, effectively enhancing the transparency of pricing and the standardization of decision-making for connected transactions, and practically safeguarding the interests of minority shareholders. The administrative measures strictly benchmark against the *Companies Ordinance* of Hong Kong, the *Listing Rules*, and the Company's Bye-laws, classifying connected transactions into two major categories: one-off connected transactions and continuing connected transactions. Based on dimensions such as the scale of transaction amount and the degree of impact on profit, hierarchical approval authorities are set to ensure that all types of transactions operate in an orderly manner on a compliant track.

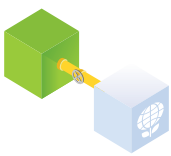


8. COMPLIANCE



At the governance mechanism level, the Group continuously strengthens its multi-departmental collaborative risk prevention and control system. The Board of Directors fully plays its role in decision-making oversight, approving major transactions and cautiously takes into account professional opinions from independent directors; the corporate management department coordinates the entire process supervision of connected transactions, undertakes responsibilities of actively maintaining information on related parties of subsidiaries, compiling transaction data statistics, and supporting decision-making procedures, while coordinating information disclosure compliance; the company secretarial department is specifically tasked with managing the related party relationships of Board members, organizing general meetings and Board approvals, and strictly executing information disclosure timeframe and content requirements of the Stock Exchange; the financial monitoring department conducts financial accounting and impact analysis of transactions, establishing a dynamic monitoring and warning mechanism for transaction data. These departments, in conjunction with the Legal and Compliance Department's contract review and the general office's data aggregation, have achieved full-process electronic recording from transaction initiation, compliance and review, approval and decision-making to execution and feedback. This ensures traceability of data sources, verifiability of operational records, and clear attribution of responsibilities, providing a solid institutional guarantee for the Group's stable operation in a complex market environment and cross-border capital operations.

While consolidating the foundation for compliance in connected transactions, the Group focuses on enhancing its professional compliance capabilities in the field of asset transactions. On the one hand, it strengthens the connection and integration of regulations, organically combining the regulatory requirements for state-owned asset transactions with the Listing Rules to ensure that we can accurately grasp the compliance boundaries under different regulatory frameworks. On the other hand, it focuses on the cultivation of professional talents, improving the practical skills of key personnel in core areas such as asset valuation, market entry and transactions, and information disclosure through regular training and thematic seminars, and establishing an internal case library to transform typical problems into practical teaching materials for risk prevention and control.



8. COMPLIANCE

Strengthening Compliance Management: Training on Operating Rules and Case Studies for State-Owned Asset Transactions

On 19 December 2025, the Group organized a special training session on the key points of the revision of the "Rules for the Operation of Transactions of State-owned Assets of Enterprises" and the analysis of state-owned asset transaction cases. This training closely followed the latest developments in state-owned asset supervision, providing in-depth analysis of the background of the rule revisions, changes in core clauses, and key points of practical operation. It also systematically analyzed common risks and corresponding strategies in asset valuation, market entry, and information disclosure, using typical state-owned asset transaction cases. The Group attached great importance to this training, requiring the full participation of all staff in all departments at headquarters, management and department heads of all project companies, and key personnel such as legal and compliance officers. The training combined on-site and video methods to ensure its breadth and effectiveness. This specialized training not only enhanced the understanding and application of state-owned asset supervision requirements among relevant personnel, but also effectively complemented the connected party transaction management system. It further demonstrated Beijing Gas Blue Sky's firm commitment to integrating compliance requirements into key business processes and strengthening risk management defenses, laying a solid institutional and talent foundation for safeguarding state-owned capital, protecting investor rights, and promoting the Company's steady and sustainable development.



Strengthening Cybersecurity Defenses

Beijing Gas Blue Sky regards cybersecurity and data governance as important cornerstones of digital transformation, and continuously improves its management system that emphasizes both institutional norms and technical protection. The Group's existing "Information Security Management Regulations", "Data Backup and Disaster Recovery Emergency Response Plan Operation Guidelines", and "Network and Information Security Management Regulations" work together to form a three-tiered protection framework covering the entire chain of "decision-execution-supervision". A cybersecurity committee, directly led by senior management, is responsible for strategic risk assessment and decision-making on major issues. The general office coordinates the implementation of regulations and emergency response. Each business unit is responsible for specific tasks such as endpoint protection and data encryption, thus building a comprehensive cybersecurity responsibility system that extends across all levels. Relevant regulations systematically address account access control, device operation procedures, encrypted data storage, and emergency response: strictly controlling the strength and frequency of account password updates, prohibiting unauthorized software installation or hardware disassembly, classifying and encrypting sensitive information, establishing differentiated handling procedures for different levels of security incidents, and regularly organizing realistic emergency drills.

In terms of technical protection, we optimized our network architecture using the IPv6 protocol and simultaneously deployed independent server clusters, significantly improving our overall defense capabilities. The IPv6 protocol, with its end-to-end encrypted transmission features, effectively resists man-in-the-middle attacks; independent servers achieve resource isolation, mitigating potential risks of shared environments from the source, while also enhancing real-time monitoring and rapid response capabilities against DDoS attacks. We continue to increase investment in network security resources, routinely conduct full-service simulated attack and defense drills, implement 24/7 monitoring and early warning systems and daily operational status reports, and maintained a zero-security-incident record for our core businesses this year, laying a solid technical foundation for intelligent upgrades.

Data security protection has been upgraded accordingly, constructing a three-dimensional protection matrix of "storage-transmission-backup". All confidential information is strictly protected against external transmission; important documents are encrypted; and sensitive information such as customer data is included in a key monitoring list. A dedicated team conducts monthly backup integrity checks and off-site disaster recovery drills to effectively respond to emergencies such as hardware failures and malicious attacks, ensuring the absolute safety of business data and technical information. At the same time, we strictly implement backup management systems and emergency recovery plans to ensure that core business operations can be quickly restored even in extreme circumstances.

While strengthening its security measures, the Group continues to empower operational efficiency through digitalization. This Year, it completed an iterative upgrade of its OA system, optimizing and reconstructing 72 commonly used workflow forms (covering approval, reimbursement, and other scenarios), significantly improving office response speed; deployed an intelligent multimedia conferencing system to achieve seamless cross-regional and cross-departmental collaboration; and systematically replaced outdated terminal equipment, greatly improving document processing and system operation smoothness, supporting the Company's high-quality development with the results of digital transformation.



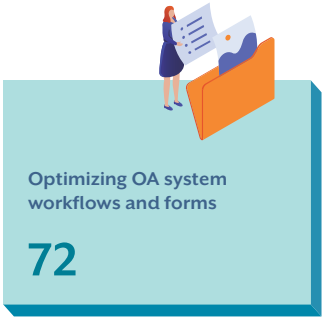
Timely issuance of cybersecurity early warning notices

6



Organizing online cybersecurity training

5



Optimizing OA system workflows and forms

72



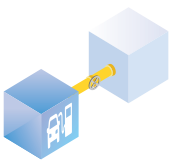
8. COMPLIANCE



Intellectual Property Compliance Management

Beijing Gas Blue Sky strictly adheres to the "Patent Law of the People's Republic of China" and the intellectual property legal system of Hong Kong, including the "Trademarks Ordinance", "Prevention of Copyright Misappropriation Ordinance", and "Patent Ordinance", integrating intellectual property protection throughout the entire process of information system construction and daily operation. The Group has established a sound compliance management mechanism covering all aspects of software development, testing, and operation. Operating systems, databases, and various basic software are all obtained through strictly authorized channels, eliminating the risk of using counterfeit software from the source and ensuring that technology applications always operate within a legal framework.

At the employee conduct level, we have fully incorporated intellectual property protection requirements into our employee handbook, explicitly prohibiting any employee from engaging in or assisting in any act that infringes upon the Group's or third-party intellectual property rights. For violations, we will take disciplinary action ranging from warnings and demotions to termination of employment contracts, depending on the severity of the offense, resolutely maintaining the purity of our innovative ecosystem with a zero-tolerance attitude. Through a dual approach of rigid institutional constraints and the promotion of a compliance culture, we strive to internalize and externalize the concepts of respecting and protecting innovation, continuously strengthening the institutional foundation and cultural foundation for the Company's innovative development.



APPENDIX I: LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS

Scope	Source	Name
Compliance operation	Hong Kong, China	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (《香港聯合交易所有限公司證券上市規則》)
		The Companies Ordinance (《公司條例》)
		Companies (Non-Hong Kong Companies) Regulation (《公司 (非香港公司) 規例》)
		Non-Hong Kong Companies (Disclosure of Company Name, Place of Incorporation and Members' Limited Liability) Regulation (《非香港公司 (披露公司名稱、成立為法團所在地方及成員的有限法律責任) 規例》)
		Inland Revenue Ordinance (《稅務條例》)
		Business Registration Ordinance (《商業登記條例》)
		The Securities and Futures Ordinance (《證券及期貨條例》)
		The Codes on Takeovers and Mergers and Share Buy-back (《公司收購、合併及股份購回守則》)
		The Prevention of Bribery Ordinance (《防止賄賂條例》)
	Chinese Mainland	The Anti-Monopoly Law of the People's Republic of China (《中華人民共和國反壟斷法》)
		The Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不當競爭法》)
		The Supervision Law of the People's Republic of China (《中華人民共和國監察法》)
		The Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》)
Employment	Hong Kong, China	The Employment Ordinance (《僱傭條例》)
		The Employees' Compensation Ordinance (《僱員補償條例》)
		The Mandatory Provident Fund Schemes Ordinance (《強制性公積金計劃條例》)
	Chinese Mainland	The Labor Law of the People's Republic of China (《中華人民共和國勞動法》)



APPENDIX I: LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS



Scope	Source	Name
Work environment and occupational health management	Hong Kong, China	The Occupational Safety and Health Ordinance (《職業安全及健康條例》)
	Chinese Mainland	The Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》)
		The Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》)
		The Fire Protection Law of the People's Republic of China (《中華人民共和國消防法》)
		The Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents (《生產安全事故報告和調查處理條例》)
		The Measures on Administrative Penalties against Illegal Acts Concerning Work Safety (《安全生產違法行為行政處罰辦法》)
		The Special Equipment Safety Law of the People's Republic of China (《中華人民共和國特種設備安全法》)
		The Regulations on Safety Supervision over Special Equipment (《特種設備安全監察條例》)
		The Administrative Regulations on the Work Safety of Construction Projects (《建設工程安全生產管理條例》)
		The Regulations on the Safety Management of Hazardous Chemicals (《危險化學品安全管理條例》)
		The Road Traffic Safety Law of the People's Republic of China (《中華人民共和國道路交通安全法》)
		The Regulation of the People's Republic of China on Road Transport (《中華人民共和國道路運輸條例》)
		Administrative Measures for Business Permits for the Operation of Hazardous Chemicals (《危險化學品經營許可證管理辦法》)



APPENDIX I: LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS

Scope	Source	Name
Product responsibility	Chinese Mainland	The Oil and Natural Gas Pipeline Protection Law of the People's Republic of China (《中華人民共和國石油天然氣管道保護法》)
		The Regulation on the Administration of Urban Gas (《城鎮燃氣管理條例》)
		The Administrative Measures for the Franchise Operation of Municipal Public Utilities (《市政公用事業特許經營管理辦法》)
		The Administrative Measures for Infrastructure and Public Utilities Concession (《基礎設施和公用事業特許經營管理辦法》)
		The Administrative Measures for the Verification of Working Measuring Instruments Subject to Compulsory Verification of the People's Republic of China (《中華人民共和國強制檢定的工作計量器具檢定管理辦法》)
		The Price Law of the People's Republic of China (《中華人民共和國價格法》)
		The Measures for Hearings of Government Price Decisions (《政府價格決策聽證辦法》)
		The Central Pricing Catalogue (《中央定價目錄》)
		The Measures for the Supervision and Examination of Prices and Costs Formulated by the Government (《政府制定價格成本監審辦法》)
		The Measurement Law of the People's Republic of China (《中華人民共和國計量法》)
		The Law of the People's Republic of China on Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》)
Intellectual property protection	Hong Kong, China	The Trade Marks Ordinance (《商標條例》)
		The Prevention of Copyright Piracy Ordinance (《防止盜用版權條例》)
		The Patents Ordinance (《專利條例》)
	Chinese Mainland	The Patent Law of the People's Republic of China (《中華人民共和國專利法》)



APPENDIX I: LIST OF MAJOR APPLICABLE LAWS AND REGULATIONS



Scope	Source	Name
Emissions management	Chinese Mainland	The Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》)
		The Environmental Protection Tax Law of the People's Republic of China (《中華人民共和國環境保護稅法》)
		The Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》)
		The Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》)
		The Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》)
		The Law of the People's Republic of China on Promoting Clean Production (《中華人民共和國清潔生產促進法》)
Use of resources	Chinese Mainland	The Regulation on Energy Conservation in Civil Buildings (《民用建築節能條例》)



APPENDIX II: UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS PRACTICE

SDGs		Strategies by Beijing Gas Blue Sky
	End poverty in all its forms everywhere	Beijing Gas Blue Sky has always upheld the corporate social responsibility philosophy of "winning customers with warmth" and systematically constructed a sustainable welfare system. Through the formulation and implementation of the Policy on Community Commitment, Sponsorship and Donation (《社區參與、贊助及捐贈政策》), we have established an institutionalized and regularized welfare operation mechanism, and continue to carry out diversified welfare activities covering energy assistance, community co-construction and education support, so as to transform our original mission of "Solving People's Problems, Relieve People's Burden and Offering Warm Support" (解民憂、紓民困、暖民心) into practical actions to benefit thousands of families.
	Achieve food security and end hunger and promote sustainable agriculture	
	Ensure and promote healthy lives and wellbeing for all at all ages	Beijing Gas Blue Sky has always put the physical and mental health of its employees in the first place, and promotes their awareness of health management through various systems and a series of employee activities. We continue to optimize workplace safety management standards and build a three-dimensional protection system covering workplace safety, mental health support, and health education, and are committed to creating a workplace ecosystem that combines safety and humanistic care for our employees.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	We have always adhered to the concept of equal development of talents, and we have established a layered training system for all employees throughout the entire career cycle. In accordance with our Training Management Regulations of Beijing Gas Blue Sky (《北京燃氣藍天培訓管理規定》), we customize diversified training programs for all employees, including on-the-job tutoring and learning, industry certification, and on-the-job training, etc. Through systematic internal and external training resources, we help our employees realize skill upgrading and career development, so as to achieve personal growth and corporate development resonate at the same time.

APPENDIX II: UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS PRACTICE

SDGs		Strategies by Beijing Gas Blue Sky
	Achieve gender equality and empower all women and girls	Beijing Gas Blue Sky adheres to the principle of equal employment and is committed to avoiding any form of discrimination in the recruitment and work process, ensuring that female employees have equal opportunities for promotion and career development. This Year, the proportion of female employees is 34.5%. Beijing Gas Blue Sky has always adhered to the principle of equal employment and has established an anti-discrimination mechanism from recruitment to promotion. Through standardized position evaluation and a transparent promotion system, we focus on breaking down barriers to women's career development and ensuring that promotion opportunities are fair and open. This Year, 34.5% of our employees are women, representing an increase of approximately 1.5 percentage points as compared to last year.
	Ensure availability and sustainable management of water and sanitation for all	Understanding that construction projects may bring about water pollution, we have formulated the Administrative Measures on the "Three Simultaneities" in Construction Projects (《建設項目「三同時」管理辦法》) in order to meet the requirements of relevant national laws and regulations. Meanwhile, we strictly manage the discharge of sewage, domestic sewage will be discharged into the municipal sewage system after treatment. In addition, all sewage treatment procedures are in line with the requirements of environmental regulatory authorities, so that we can do our best to avoid water pollution and protect clean water resources.
	Ensure access to affordable, reliable, sustainable and modern energy for all	As an integrated clean energy supplier, we strive to promote the development of new energy and contribute in low-carbon transformation. During the Year, the Company focused on increasing the research and development of renewable energy technologies, accelerating the implementation of energy storage projects, and deepening the upgrading of integrated energy services and the deployment of new energy fields, in order to build a green energy ecosystem through the synergistic development of multiple fields.
	Promote inclusive and sustainable economic growth and decent work for all	We regard employees as the core resources of the Company and adhere to a people-oriented management philosophy. On the basis of establishing a standardized employment mechanism in accordance with the law, the Company builds an open and equal career development platform. At the same time, we continue to enhance the sense of belonging and values of employees through the construction of a multi-dimensional incentive payment system and a comprehensive welfare protection system.

APPENDIX II: UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS PRACTICE

SDGs		Strategies by Beijing Gas Blue Sky
	Build resilient infrastructure, promote sustainable industrialization and foster innovation	The Group focuses on the digital transformation and intelligent upgrading of energy resources, and simultaneously promotes the optimization of the traditional energy structure. During the Year, the Group successfully established a diversified technology research and development matrix by investing in new energy storage power stations and implementing strategic mergers and acquisitions of multi-energy coupling renewable energy centers, focusing on key technology areas such as energy-saving technology innovations, integrated application of green energy, development of intelligent energy systems, as well as planning and designing of city gas, natural gas storage and peaking, and optimization of the transmission and distribution system.
	Reduce inequality within and among countries	The cross-provincial gas supply network constructed by Beijing Gas Blue Sky has formed an energy pipeline artery covering multiple provinces. Through our intelligent pipeline system, we ensure balanced and stable gas consumption in various regions. While we continue to expand the scale of investment in energy infrastructure, we rely on the implementation of natural gas projects to effectively promote the upgrading of regional transportation, pipeline networks and other ancillary facilities, thus realizing the positive interaction between energy supply and local development.
	Make cities and countries inclusive, safe, resilient and sustainable	Beijing Gas Blue Sky has established a safety inspection mechanism, and Conducted special inspections at 7 project companies throughout the Year, with a 97% completion rate of rectification of potential problems. Relying on the digital monitoring platform, we realized the dynamic zero risk of pipeline network, and the Company joined hands with the local government to innovate and implement the system of "Network Security Steward (網絡化安全管家)", so as to build a safe lifeline for gas industry in the city.
	Promote green economy, ensure sustainable consumption and production patterns	Beijing Gas Blue Sky adheres to the principle of customer oriented, establishes a customer service rapid response mechanism, receives feedback in real time through the official website and hotline, immediately activates the specialized handling process for the problems received, and simultaneously implements the service quality tracking system to form a good cycle of complaint handling and service quality enhancement.

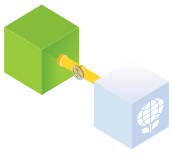
APPENDIX II: UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS PRACTICE

SDGs		Strategies by Beijing Gas Blue Sky
	Perfect mitigation and adaptation actions to combat climate change and its impacts	Based on natural gas, Beijing Gas Blue Sky is actively expanding its new energy deployment and renewable energy applications. By optimizing the energy structure and improving the efficiency of energy use, we systematically reduce the carbon footprint of energy use and build a sustainable energy system that responds to climate change.
	Conserve and sustainably use the oceans and seas to ensure biodiversity and prevent environmental degradation	Beijing Gas Blue Sky strictly follows the norms of ecological protection, and in accordance with the List of Systematic Management on Construction Projects Impact Assessment (《建設項目環境影響評價分類管理名錄》), commissions professional quality organizations to implement the whole process of environmental assessment, focuses on monitoring the impact indicators of biodiversity, and establishes a mechanism for dynamic balance between project development and ecological protection.
	Protect and sustainable use of terrestrial ecosystems, ensure biodiversity and halt land degradation	
	Promote peaceful and inclusive societies, ensure equality in the administration of justice and build credible and inclusive systems	Beijing Gas Blue Sky has established a compliance control system covering the entire operation process and strictly abides by the national laws and regulations on anti-corruption, anti-money laundering and anti-fraud. The Company has formulated a number of systems including Rules of the General Committee of the Communist Party of China on Issuing the Measures on Integrity Practice of Employees with Business Discretions (《中共總支部委員會關於印發有業務處置權員工廉潔從業若干規定》), to strictly prohibit non-compliance, such as the use of power for personal gain, etc. The Group did not have any judicial litigation cases related to corruption, fraud and money laundering in 2025.
	Build diverse partnerships for sustainable development	We are committed to building a sustainable supply chain system, and have established a control mechanism covering supplier access audit, compliance assessment, and social responsibility traceability management. We identify and prevent and control risky points in the supply chain, such as labor regulations and ecological protection, to ensure the reliability of the gas supply system.



APPENDIX III: ESG REPORTING CODE INDEX

Subject Areas, Aspects, General Disclosures and KPIs			Related Sections
A. Environmental Area			
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 emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	7.2 Low-Carbon Efficiency, Green Regeneration
	A1.1	Types of emissions and respective emissions data.	7.2 Low-Carbon Efficiency, Green Regeneration
	A1.2	Repealed 1 January 2025	/
	A1.3	Total hazardous waste produced and intensity.	7.2 Low-Carbon Efficiency, Green Regeneration
	A1.4	Total non-hazardous waste produced and intensity	7.2 Low-Carbon Efficiency, Green Regeneration
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	7.2 Low-Carbon Efficiency, Green Regeneration
	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.	7.2 Low-Carbon Efficiency, Green Regeneration
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	7.2 Low-Carbon Efficiency, Green Regeneration
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) and intensity.	7.2 Low-Carbon Efficiency, Green Regeneration
	A2.2	Water consumption in total and intensity.	7.2 Low-Carbon Efficiency, Green Regeneration
	A2.3	Description of energy use efficiency target(s) set, and steps taken to achieve them.	7.2 Low-Carbon Efficiency, Green Regeneration



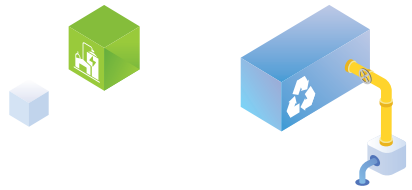


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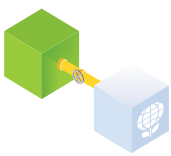
Subject Areas, Aspects, General Disclosures and KPIs			Related Sections
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	7.2 Low-Carbon Efficiency, Green Regeneration
	A2.5	Total packaging material used for finished products, and with reference to per unit produced.	Due to the nature of our business, no packaging materials have been used.
A3: The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	7.2 Low-Carbon Efficiency, Green Regeneration
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	7.2 Low-Carbon Efficiency, Green Regeneration
B. Social Area			
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare.	7.1 Empowering Talents, Creating New Future Together
	B1.1	Total workforce by gender, employment type, age group and geographical region.	7.1 Empowering Talents, Creating New Future Together
	B1.2	Employee turnover rate by gender, age group and geographical region.	7.1 Empowering Talents, Creating New Future Together







Subject Areas, Aspects, General Disclosures and KPIs			Related Sections
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) 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.	5.2 People-Centricity, Enduring Care
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	5.2 People-Centricity, Enduring Care
	B2.2	Lost days due to work injury.	5.2 People-Centricity, Enduring Care
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	5.2 People-Centricity, Enduring Care
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	7.1 Empowering Talents, Creating New Future Together
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	7.1 Empowering Talents, Creating New Future Together
	B3.2	The average training hours completed per employee by gender and employee category.	7.1 Empowering Talents, Creating New Future Together
B4: Labor 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 labor.	7.1 Empowering Talents, Creating New Future Together
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	7.1 Empowering Talents, Creating New Future Together
	B4.2	Description of steps taken to eliminate such practices when discovered.	7.1 Empowering Talents, Creating New Future Together



APPENDIX III: ESG REPORTING CODE INDEX

Subject Areas, Aspects, General Disclosures and KPIs			Related Sections
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	5.3 Collaborating in Unity, Nurturing with Sincerity
	B5.1	Number of suppliers by geographical region.	5.3 Collaborating in Unity, Nurturing with Sincerity
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	5.3 Collaborating in Unity, Nurturing with Sincerity
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	5.3 Collaborating in Unity, Nurturing with Sincerity
	B5.4	Description of practices used to promote environmental preferable products and services when selecting suppliers, and how they are implemented and monitored.	5.3 Collaborating in Unity, Nurturing with Sincerity
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, labeling and privacy matters relating to products and services provided and methods of redress.	5.1 Securing Production, Preempting Risks 8.2 Self-Discipline in Integrity, Constant Compliance with Laws
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	5.1 Securing Production, Preempting Risks
	B6.2	Number of products and service related complaints received and how they are dealt with.	6.1 Striving for Excellence, Committed to Integrity
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	8.2 Self-Discipline in Integrity, Constant Compliance with Laws
	B6.4	Description of quality assurance process and recall procedures.	5.1 Securing Production, Preempting Risks
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	8.2 Self-Discipline in Integrity, Constant Compliance with Laws

Subject Areas, Aspects, General Disclosures and KPIs			Related Sections
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.	8.2 Self-Discipline in Integrity, Constant Compliance with Laws
	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.	8.2 Self-Discipline in Integrity, Constant Compliance with Laws
	B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	8.2 Self-Discipline in Integrity, Constant Compliance with Laws
	B7.3	Description of anti-corruption training provided to directors and staff.	8.2 Self-Discipline in Integrity, Constant Compliance with Laws
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.	6.3 Stand Together, Building a Better Future
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sports).	6.3 Stand Together, Building a Better Future
	B8.2	Resources contributed to the focus area.	6.3 Stand Together, Building a Better Future

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Part D: "Comply or Explain" Basis		
Climate-related Disclosures		
(I). Governance		
19 (a)	the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate related-risks and opportunities:	7.3 Climate Action, Inspiring the Future
	i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	7.3 Climate Action, Inspiring the Future
	ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	7.3 Climate Action, Inspiring the Future
	iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	7.3 Climate Action, Inspiring the Future
	iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	7.3 Climate Action, Inspiring the Future
19 (b)	management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities:	7.3 Climate Action, Inspiring the Future
	i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	7.3 Climate Action, Inspiring the Future
	ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	7.3 Climate Action, Inspiring the Future

Part D: "Comply or Explain" Basis	
(II). Strategy	
Climate-related risks and opportunities	
20 (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	7.3 Climate Action, Inspiring the Future
20 (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
20 (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
20 (d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
Business model and value chain	
21 (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	7.3 Climate Action, Inspiring the Future
21 (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated.	



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Part D: "Comply or Explain" Basis	
Strategy and decision-making	
22 (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation.	7.3 Climate Action, Inspiring the Future
i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	7.3 Climate Action, Inspiring the Future
ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	7.3 Climate Action, Inspiring the Future
iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	7.3 Climate Action, Inspiring the Future
iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	7.3 Climate Action, Inspiring the Future
22 (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	7.3 Climate Action, Inspiring the Future
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	7.3 Climate Action, Inspiring the Future
Financial position, financial performance and cash flows	
Current financial effect	
24 (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	7.3 Climate Action, Inspiring the Future
24 (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	



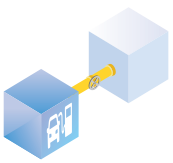
Part D: "Comply or Explain" Basis	
Anticipated financial effect	
25 (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: i) its investment and disposal plans; and ii) its planned sources of funding to implement its strategy; and	7.3 Climate Action, Inspiring the Future
25 (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	
Climate resilience	
26 (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	7.3 Climate Action, Inspiring the Future
26 (b) how and when the climate-related scenario analysis was carried out, including: i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); ii) the key assumptions the issuer made in the analysis; iii) the reporting period in which the climate-related scenario analysis was carried out.	7.3 Climate Action, Inspiring the Future



APPENDIX III: ESG REPORTING CODE INDEX



Part D: "Comply or Explain" Basis	
(III). Risk Management	
27 (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; v) how the issuer monitors climate-related risks; and vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	7.3 Climate Action, Inspiring the Future
27 (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	7.3 Climate Action, Inspiring the Future
27 (c) 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.	7.3 Climate Action, Inspiring the Future



Part D: "Comply or Explain" Basis	
(IV). Metrics and Targets	
Greenhouse gas emissions	
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as:	7.2 Low-Carbon Efficiency, Green Regeneration
(a) Scope 1 greenhouse gas emissions;	
(b) Scope 2 greenhouse gas emissions;	
(c) Scope 3 greenhouse gas emissions.	7.2 Low-Carbon Efficiency, Green Regeneration
29 (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	7.2 Low-Carbon Efficiency, Green Regeneration
29 (b) disclose the approach it uses to measure its greenhouse gas emissions including:	7.2 Low-Carbon Efficiency, Green Regeneration
i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	
ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	
iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	
29 (c) disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions;	7.2 Low-Carbon Efficiency, Green Regeneration
Disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	7.2 Low-Carbon Efficiency, Green Regeneration

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Part D: "Comply or Explain" Basis	
Climate-related risks, opportunities and carbon prices	
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	The Group has currently identified the potential scope of impact of climate-related risks and opportunities on key financial metrics, but has not yet conducted quantitative analysis in specific amounts or percentages. The next step will involve relevant data collection and economic impact assessments to gradually refine quantitative disclosures.
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	
34 (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	The Group has not yet adopted an internal carbon pricing mechanism, primarily as the coverage of the domestic carbon market and applicable industry regulations are still being refined. The Group is continuously monitoring policy trends and industry practices, and is evaluating the feasibility of introducing a carbon pricing mechanism.
34 (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;	
Remuneration	
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Climate factors have not yet been incorporated into the remuneration policy, and the feasibility of including relevant metrics will be evaluated in the future.
Industry-based metrics	
36. It is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	7.3 Climate Action, Inspiring the Future

Part D: "Comply or Explain" Basis	
Climate-related targets	
37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	7.3 Climate Action, Inspiring the Future
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	7.3 Climate Action, Inspiring the Future
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	7.3 Climate Action, Inspiring the Future

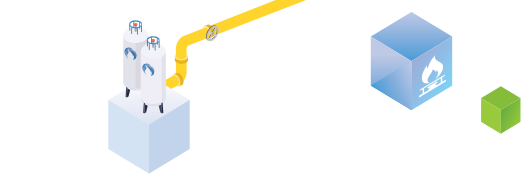
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Part D: "Comply or Explain" Basis		
40.	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	7.3 Climate Action, Inspiring the Future
	(a) which greenhouse gases are covered by the target;	
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	
	(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	
	(d) whether the target was derived using a sectoral decarbonization approach; and	
	(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	The Group has not currently purchased or used any carbon credits to achieve greenhouse gas emission reduction or net-zero targets.
	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	
	(ii) which third-party scheme(s) will verify or certify the carbon credits;	
	(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	
	(iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	
Applicability of cross-industry metrics and industry-based metrics		
41.	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metric sand industry-based metrics.	Not applicable

APPENDIX IV: GRI CONTENT INDEX

Instruction for Use	**Beijing Gas Blue Sky Holdings Limited has reported the performance of sustainable development within the reporting period covering from 1 January 2025 to 31 December 2025 with reference to the GRI Sustainability Reporting Standards of 2021.**
GRI used	**GRI 1: Foundation 2021**

GRI Standard	Disclosures	Location in the Report
GRI 2：General Disclosures 2021	2-1 Organizational details	3. About Beijing Gas Blue Sky
	2-2 Entities included in the organization's sustainability reporting	1. About This Report
		4.3 Communication with Stakeholders
	2-3 Reporting period, frequency and contact point	1. About This Report
	2-4 Restatements of information	1. About This Report
	2-6 Activities, value chain and other business relationships	3. About Beijing Gas Blue Sky
	2-7 Employees	7.1 Empowering Talents, Creating New Future Together
	2-9 Governance structure and composition	4.2 Sustainability Management System
	2-10 Nomination and selection of the highest governance body	8.1 Balancing Prevention and Control, Strengthening the Foundation/2025 annual report
	2-11 Chair of the highest governance body	8.1 Balancing Prevention and Control, Strengthening the Foundation/2025 annual report
	2-12 Role of the highest governance body in overseeing the management of impacts	4.2 Sustainability Management System
	2-13 Delegation of responsibility for managing impacts	4.2 Sustainability Management System
	2-14 Role of the highest governance body in sustainability reporting	4.2 Sustainability Management System
	2-15 Conflicts of interest	8.2 Self-Discipline in Integrity, Constant Compliance with Laws/2025 annual report
	2-16 Communication of critical concerns	7.1 Empowering Talents, Creating New Future Together
	2-17 Collective knowledge of the highest governance body	4.2 Sustainability Management System

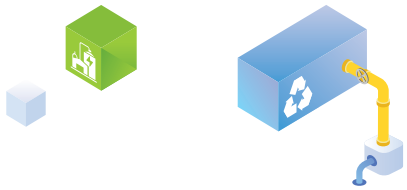


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GRI Standard	Disclosures	Location in the Report
	2-22 Statement on sustainable development strategy	4.2 Sustainability Management System
	2-26 Mechanisms for seeking advice and raising concerns	6.1 Striving for Excellence, Committed to Integrity
		7.1 Empowering Talents, Creating New Future Together
	2-27 Compliance with laws and regulations	7.1 Empowering Talents, Creating New Future Together
		7.2 Low-Carbon Efficiency, Green Regeneration
		8.2 Self-Discipline in Integrity, Constant Compliance with Laws
	2-28 Membership associations	4.3 Communication with Stakeholders
	2-29 Approach to stakeholder engagement	4.3 Communication with Stakeholders
GRI 3: Material Topics 2021	3-1 Process to determine material topics	4.4 Materiality Assessment
	3-2 List of material topics	4.4 Materiality Assessment
	3-3 Management of material topics	4.4 Materiality Assessment
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2025 Annual Report
	201-2 Financial implications and other risks and opportunities due to climate change	7.3 Climate Action, Inspiring the Future
GRI 205: Anti-corruption 2016	205-2 Communication and training about anticorruption policies and procedures	8.2 Self-Discipline in Integrity, Constant Compliance with Laws
	205-3 Confirmed incidents of corruption and actions taken	8.2 Self-Discipline in Integrity, Constant Compliance with Laws

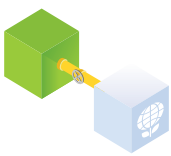




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GRI Standard	Disclosures	Location in the Report
GRI 302: Energy 2016	302-1 Energy consumption within the organization	7.2 Low-Carbon Efficiency, Green Regeneration
		7.2 Low-Carbon Efficiency, Green Regeneration
	302-3 Energy intensity	7.2 Low-Carbon Efficiency, Green Regeneration
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	7.2 Low-Carbon Efficiency, Green Regeneration
	303-2 Management of water discharge-related impacts	7.2 Low-Carbon Efficiency, Green Regeneration
	303-3 Water withdrawal	7.2 Low-Carbon Efficiency, Green Regeneration In this Report, water withdrawal refers to 'water consumption', representing the amount of water we received from municipal services and directly used in our operations. The water resources for each project mainly sourced from the municipal water supply system of the city where it is located. Specific sources of water resources, such as surface water or groundwater, are not applicable.
	303-4 Water discharge	7.2 Low-Carbon Efficiency, Green Regeneration Wastewater generated from each project was transported to the municipal wastewater system of the city where it is located for discharge.
	303-5 Water consumption	7.2 Low-Carbon Efficiency, Green Regeneration

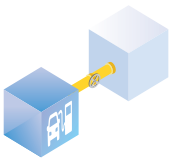


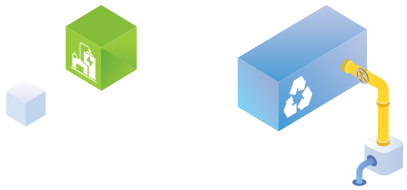


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GRI Standard	Disclosures	Location in the Report
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	7.2 Low-Carbon Efficiency, Green Regeneration
	305-2 Energy indirect (Scope 2) GHG emissions	7.2 Low-Carbon Efficiency, Green Regeneration
	305-3 Other indirect (Scope 3) GHG emissions	7.2 Low-Carbon Efficiency, Green Regeneration
	305-4 GHG emissions intensity	7.2 Low-Carbon Efficiency, Green Regeneration
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	7.2 Low-Carbon Efficiency, Green Regeneration
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	7.2 Low-Carbon Efficiency, Green Regeneration
	306-2 Management of significant waste-related impacts	7.2 Low-Carbon Efficiency, Green Regeneration
	306-3 Waste generated	7.2 Low-Carbon Efficiency, Green Regeneration
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	5.3 Collaborating in Unity, Nurturing with Sincerity
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	7.1 Empowering Talents, Creating New Future Together
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	7.1 Empowering Talents, Creating New Future Together

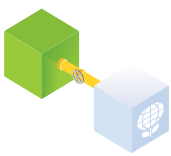




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GRI Standard	Disclosures	Location in the Report
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	5.2 People-Centricity, Enduring Care
	403-2 Hazard identification, risk assessment, and incident investigation	5.2 People-Centricity, Enduring Care
	403-3 Occupational health services	5.2 People-Centricity, Enduring Care
	403-5 Worker training on occupational health and safety	5.2 People-Centricity, Enduring Care
	403-6 Promotion of worker health	5.2 People-Centricity, Enduring Care
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.2 People-Centricity, Enduring Care
	403-9 Work-related injuries	5.2 People-Centricity, Enduring Care
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	7.1 Empowering Talents, Creating New Future Together
	404-2 Programs for upgrading employee skills and transition assistance programs	7.1 Empowering Talents, Creating New Future Together
	404-3 Percentage of employees receiving regular performance and career development reviews	7.1 Empowering Talents, Creating New Future Together

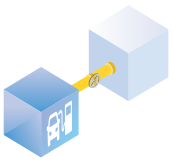




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GRI Standard	Disclosures	Location in the Report
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	4.2 Sustainability Management System
		7.1 Empowering Talents, Creating New Future Together
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	7.1 Empowering Talents, Creating New Future Together
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	5.3 Collaborating in Unity, Nurturing with Sincerity
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	5.1 Securing Production, Preempting Risks
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	6.1 Striving for Excellence, Committed to Integrity
	417-2 Incidents of non-compliance concerning product and service information and labeling	6.1 Striving for Excellence, Committed to Integrity
	417-3 Incidents of non-compliance concerning marketing communications	6.1 Striving for Excellence, Committed to Integrity
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	6.1 Striving for Excellence, Committed to Integrity





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