



ENN 新奥

ENN Energy Holdings Limited

(Stock code: 2688)



2019

**ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT**



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ABOUT THIS REPORT

This Report is the third standalone of ENN Energy Holdings Limited on its environmental, social and governance (“ESG”) performances (hereinafter referred to as “this report”), this report reflects ENN Energy’s active fulfilment of its economic, social and environmental responsibilities to achieve sustainable development and its response to stakeholders’ concern. The company’s Board of Directors (“BOD”) has reviewed this report and is responsible for the authenticity and validity of the information contained.

Reporting Period

The content of this report covers 1 January to 31 December, 2019. The time period may be extended appropriately for some of its contents.

Scope of Report

This report focus on ENN Energy and its subsidiaries.

Data Source

All information and data herein are from the Company’s official documents, statistics and financial reports, as well as ESG information compiled, summarized and reviewed by the Company. The report is published in Chinese and English, if are any discrepancy between the two versions, the Chinese one shall prevail. Unless otherwise specified, the currency unit is RMB.

Preparation Basis

This report is mainly based on the reporting principles and the requirements of the Environmental, Social and Governance Reporting Guide under Appendix 27 of the Listing Rules of the Hong Kong Exchanges and Clearing Limited (“Stock Exchange”), and also refer to GRI Sustainability Reporting Standards (“GRI Standards”) of Global Reporting Initiative.

Note on Company Name

For ease of presentation and reading, ENN Energy Holdings Limited is hereinafter referred to as “ENN Energy”, “the Company” or “We” in the report.

Availability

This report is available for browse and download at the website of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.ennenergy.com/>).



MESSAGE FROM THE CHAIRMAN

03

As both the global energy and the global environmental crisis escalate, a new wave in the energy revolution is profoundly changing the world's energy landscape. The current problems – including uncontrolled mining, segmented production and inefficiency – urgently need to be rectified. An era of “Internet Energy” has arrived, which will enable humans and nature to coexist as well as internet and energy to interact.

ENN Energy is committed to building a modern energy system that combines the advantages of traditional primary energy and renewable energy. While promoting our own economic growth, we strive to interact with society and the environment in a harmonious manner. Focusing on issues such as sustainable development, mitigating climate change, the ecological environment, biodiversity and the green supply chain, we endeavour to create long-term and stable corporate value and to achieve sustainable development.

ENN Energy strives to achieve the mission of “Building modern energy system and improve the quality of people's lives”. We constantly improve city gas services and actively innovate in operation and management. On the other hand, we accelerate the large-scale development of integrated energy business. In 2019, we managed 217 city gas projects spreading across 22 provinces, municipalities and autonomous regions in China covering 104 million people. In addition, our integrated energy business has developed rapidly. In 2019, we operated 98 integrated energy projects. Sales of energy for steam, cooling, heating, electricity and other uses increased by 137.2 percent from 2018 to 6.847 billion kWh. In 2019, the company ranked 996th in Forbes Global 2000 - the World's Largest Public Companies.

While striving to add returns for shareholders, the company upholds “client-centric and satisfaction oriental” principles, improves service quality, builds diverse channels for service and communication, and provides clients with the best products and services, to establish a harmonious and win-win relationship with clients. We continually optimise our supply chain, to drive the growth of our value chain and partners. We promote healthy development of the business ecosystem and facilitate continuous progress of the industry and society.

As an internationally and domestically leading energy supplier, ENN Energy adheres to the safety management concept of “life first and safety development”. We actively build safety management systems, promote safe operations and safety culture, regulate emergency management, and builds a safe environment to achieve stable development.

Committed to green and low-carbon development, ENN Energy strives to “making our best efforts to build the future”. We help clients reduce greenhouse gas and pollutant emissions through the use of natural gas and integrated energy, and strictly control pollutants generated by our own operations. Through measures such as resource preservation, and the continued reduction and strict treatment of emissions, ENN Energy has achieved green management throughout the life cycle. We carefully consider the impact of the construction and operation process on the natural environment and endeavour to maintain a balance between biodiversity and nature.

Adhering to a people-centred principle, ENN Energy advocates equality and diverse employment, and protects the legitimate rights and interests of our employees. By building a broad career development platform, we encourage employees to make the most of their personal value and help them to realise their dreams. Externally, we are always grateful and give back to society. We actively participate in public welfare, disaster relief and anti-epidemic activities. While demonstrating our corporate social value and responsibility, we contribute to the construction of a harmonious society. In 2019, ENN Energy and its subsidiaries donated a total of RMB51.72 million in charity.

2019 was a year of profound changes in the external environment. It was also an extraordinary year that witnessed ENN Energy's efforts to forge ahead, innovate and develop. With our partners, we turned the corporate ENN into an ecological one, from safety work to data management we strengthened efforts to construct an ecological organisation driven by our company culture. Our steady operations won widespread market recognition. We will build our future in the present, keep promoting green and clean energy, and actively participate in the protection of the ecological environment and biodiversity. We will endeavour to create a system characterised by the complementary growth of multiple energy forms, and by the safe and efficient use of clean and low-carbon energy, to comprehensively maximise our economic, social and environmental value.

Chairman
Wang Yusuo



Demand for clean energy
104 million
Residential Users



Serve for
148,761
Commercial & Industrial Users



Charity donation of
RMB**51.72** million

ABOUT ENN ENERGY

ENN Energy Holdings Limited (stock code: 2688.HK) started its city gas distribution business since 1992. It is one of the largest clean energy distributors and leading integrated energy service providers in China. In addition to creating sustainable returns for shareholders, the Company is also committed to promoting green development and building a better China.

The principal businesses of the ENN Energy include the investment, operation and management of natural gas pipeline infrastructure, vehicle/ship refuelling stations and integrated energy projects, the sales and distribution of piped gas, liquefied natural gas and other multi energy products in China. We also carry out integrated energy business, energy trading business and provide other services in connection with energy supply in China. As of December 31, 2019, the Group had 217 city gas projects in 22 provinces, municipalities and autonomous regions in China, including Anhui, Beijing, Fujian, Guangdong, Guangxi, Hebei, Henan, Hunan, Inner Mongolia, Heilongjiang, Gansu, Jiangsu, Jiangxi, Liaoning, Sichuan, Shandong, Yunnan, Zhejiang, Shanxi, Shaanxi, Shanghai and Tianjin. We built a total length of 54,344 kilometres of natural gas pipelines, providing natural gas and related services for 148,761 industrial and commercial users and 20.92 million residential users. During the year, the Company's retail gas sales amounted to 19,924 million cubic meters, an increase of 14.7% year-on-year, and the wholesale gas sales amounted to 7,039 million cubic meters, an increase of 18.1% year-on-year.

Moreover, we comprehensively developed the integrated energy business in key regions of 17 provinces and municipalities in China. We provided tailor-made integrated energy solutions for local governments and users based on their multi-energy needs. While helping users meet the increasingly stringent policy requirements of the government with regard to environmental protection and emission reduction, we promoted energy efficiency and reduced energy consumption per unit of GDP, so as to realize the overall upgrade of energy use and supply. As of the end of 2019, the Company had a total of 120 integrated energy projects in operation and under construction. With these projects, we provided clients with energy for generating electricity, steam, cooling, heating and other types of energy in a more efficient way, and our potential annual sales reached nearly 30 billion kWh. In 2019, our integrated energy sales amounted to 6,847 million kWh, a significant year-on-year increase of 137.2%. The integrated energy solutions we provided not only brought sustainable benefits to the Group, but also successfully reduced energy consumption for clients by more than 227,437 tons of standard coal and 1,089,059 tons of carbon dioxide emissions. Thus, complying with the local requirement of energy conservation and emission reduction.

In addition to helping clients reduce greenhouse gas and pollutant emissions through the business of natural gas and integrated energy sales, we also strictly control pollutants generated during our own operations and achieve green management throughout the life cycle by conserving resources and reducing gas emissions. During the year, the "coal-to-gas" project we undertook was equivalent to a daily designed installed capacity of 5.81 million cubic meters offsetting the consumption of 2,318,183 tons of standard coal in the future. We will continue to optimize the use of resources, advocate the culture of green, low-carbon and sustainable development in our daily operations, to contribute to preserving the environment.



1 SUSTAINABLE DEVELOPMENT MANAGEMENT

05

ENN Energy always adheres to the core values of sustainable development and actively improves its sustainability management. While incorporating the requirements of sustainable development into the Company's daily management, we also integrate the concepts of sustainable development into our corporate culture. Besides, we take the initiative to communicate with stakeholders to fully understand their expectations and concerns, identify sustainability issues that are closely related to us and collect feedback from all parties with the objective of achieving sustainable development and a multi-win outcome.



1.1 ESG Governance and Management



Corporate Governance

ENN Energy build and improve its corporate governance structure in accordance with the Company Law of the People's Republic of China, Companies Ordinance (Cap. 622 of the Laws of Hong Kong), Code on Corporate Governance Practices under Appendix 14 to the Listing Rules issued by Stock Exchange to ensure a stable operation of the Company.

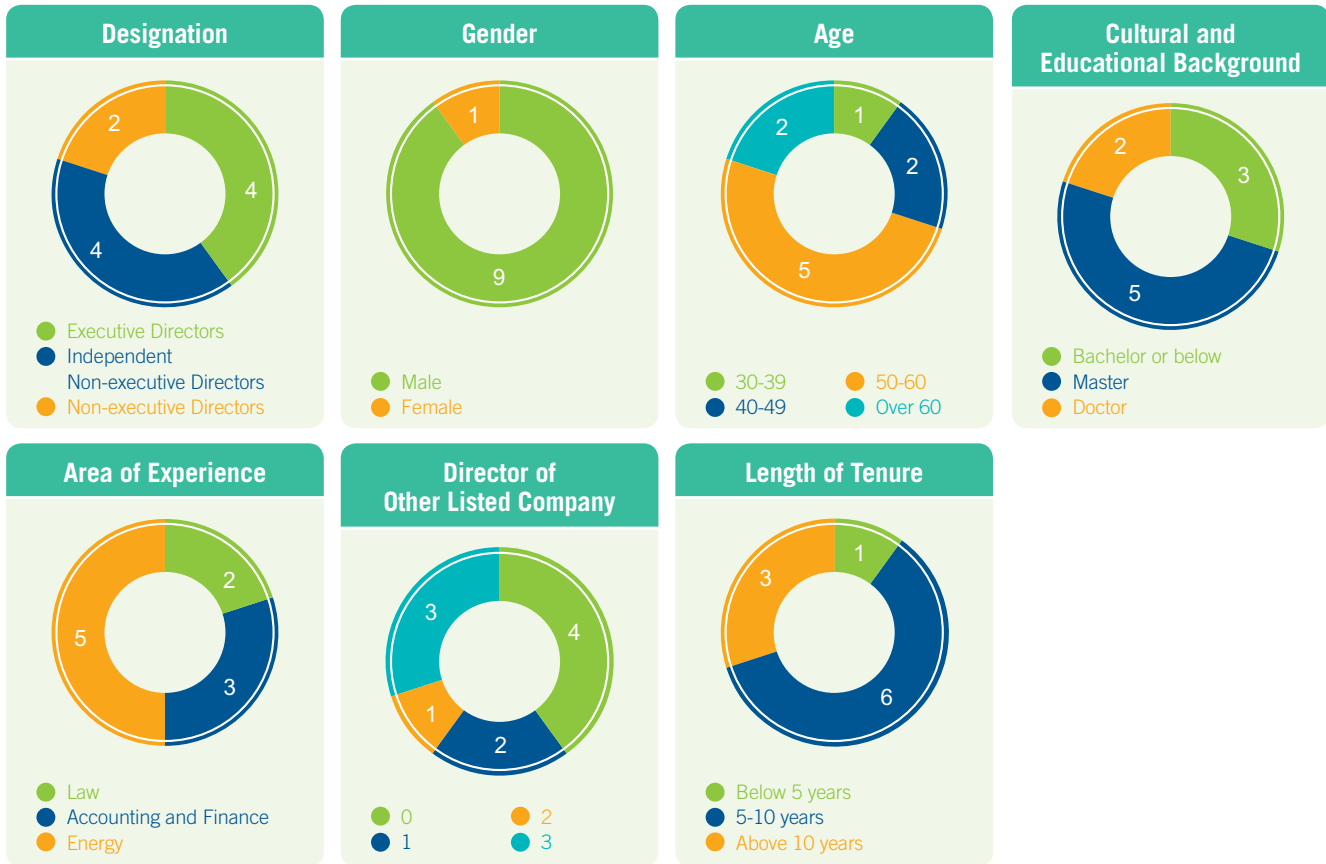
We actively promote and implement Policy on the Diversity of Board Members. In selecting and appointing a board director, the Nomination Committee considers the Company's business model and specific needs, and consider of various diversity factors, including but not limited to gender, cultural and educational background, professional experience, service tenure,

knowledge of the Company as well as a wide range of personal characteristics, interests and values. As of the release date of this report, our board of directors comprises a total of 10 directors including 4 executive directors, 2 non-executive directors and 4 independent non-executive directors. The BOD believes that the current composition has achieved diversity on the Board and appropriate balance of experience and skills. While retaining core members who have a long-term and in-depth understanding of the Group, new directors were also brought to the Board during the year to bring in perspectives and different experiences. In addition, the Nomination Committee assess the independence of independent

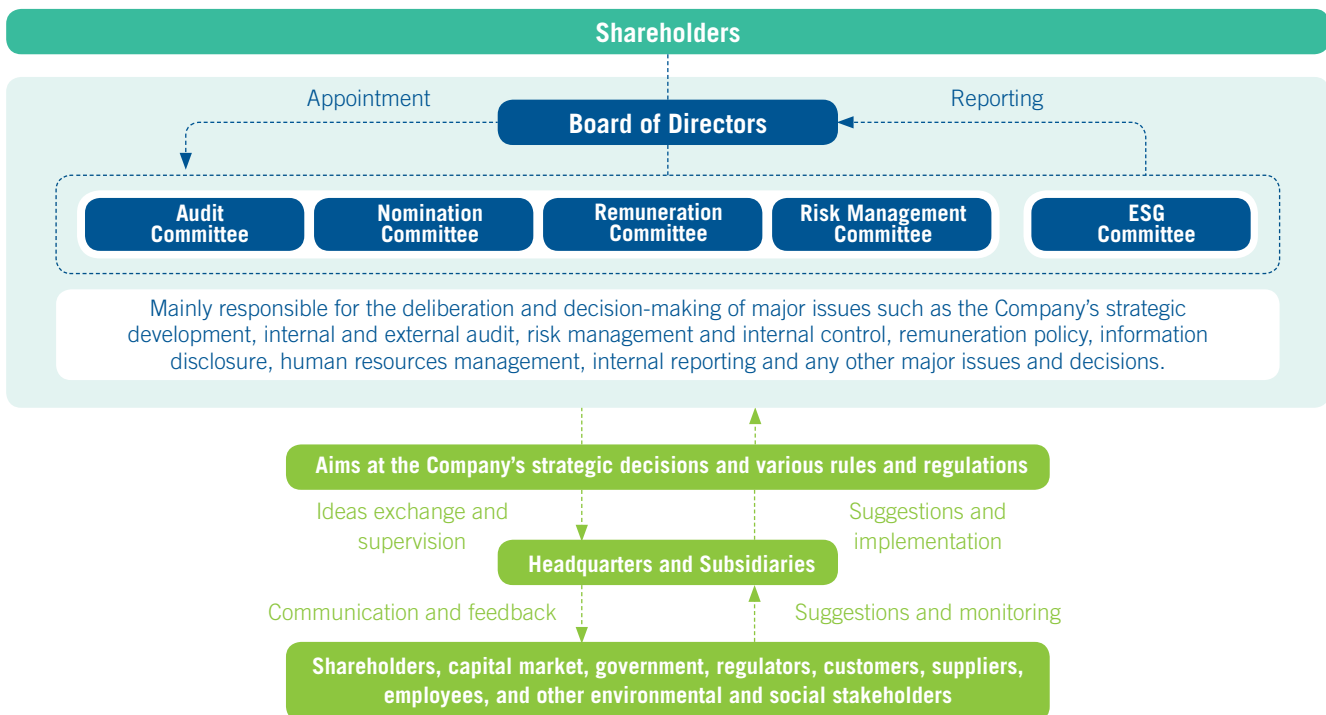
non-executive directors and make recommendations to the BOD to increase the proportion of independent directors in line with the Company's needs, therefore introduce sufficient independent opinions to the BOD. Currently, independent non-executive directors accounted for 40% of the board members. Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee and ESG committee, under delegated authority from the BOD, operate effectively as per their terms of reference to protect the rights of shareholders and ensure a solid development of the Company.

1 SUSTAINABLE DEVELOPMENT MANAGEMENT

A More Diversified Board Structure



Corporate Governance Structure



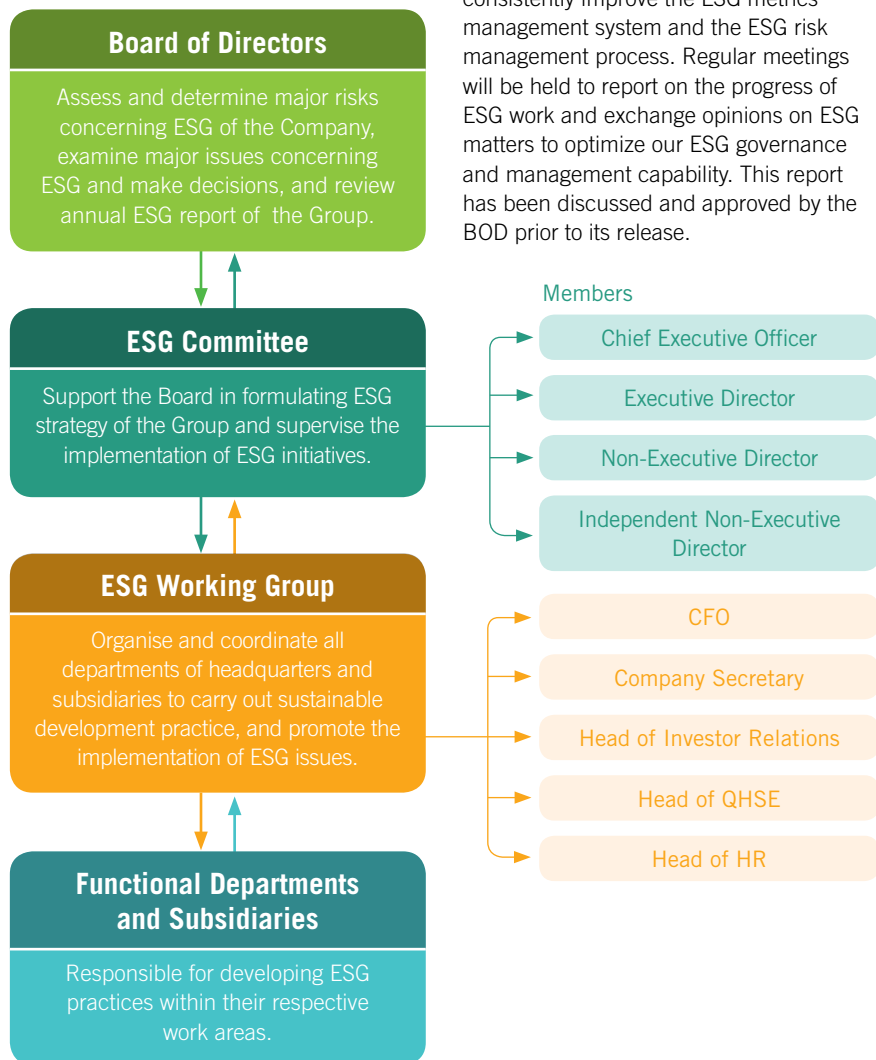
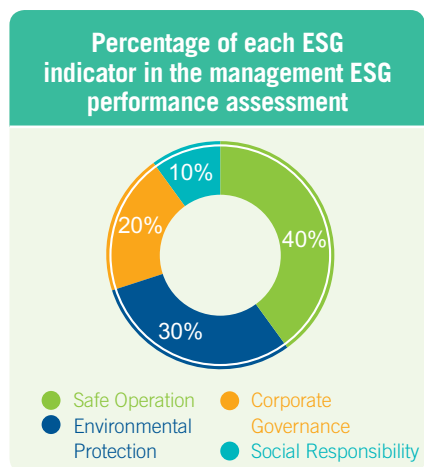
1 SUSTAINABLE DEVELOPMENT MANAGEMENT

ESG Management

In the way to manage the Company's ESG performance more effectively, ENN Energy established the ESG Committee on March 21, 2019. The ESG Committee comprises CEO, an executive director, a non-executive director and an independent non-executive director, to support the BOD in its work to develop the Company's ESG strategy and monitor the implementation of ESG initiatives. In addition, an ESG Working Group under the ESG Committee, consisting of CFO, Company Secretary, Head of Investor Relations, Head of QHSE and Head of HR, is responsible for ensuring ESG related-risks are properly managed and controlled to gradually optimize our ESG governance and management capability. The Company has developed the ESG Committee's Terms of Reference which clarifies the responsibilities of the committee including developing and reviewing the Company's ESG policy, reviewing and overseeing ESG training for senior management, formulating ESG-related codes of conduct, and reviewing and monitoring the Company's compliance. In addition, the company

links management's remuneration to the company's sustainable development and ESG performance, clarifies the management's responsibilities, and refines the specific tasks of each division for sustainability and climate change issues. At the same time, based on the national targets and the company's

realities, we plan to set mid and long-term carbon reduction targets and implement assessment based incentive measures in the future. The ESG Committee is also required to meet at least once a year and one meeting was held during the reporting period. Delegated by the BOD, the ESG Committee and the ESG Working Group consistently improve the ESG metrics management system and the ESG risk management process. Regular meetings will be held to report on the progress of ESG work and exchange opinions on ESG matters to optimize our ESG governance and management capability. This report has been discussed and approved by the BOD prior to its release.



1.2 Risk Control

ENN Energy has established a risk management and internal control system, and regularly evaluates and monitors the effectiveness of the system to safeguard the overall interests of the Company and its shareholders, thereby promoting its sustainable development. ENN Energy places emphasis on eight types of risks, namely policy and price risk, compliance risk, operational risk, media risk, legal risk, HSE (healthy, safety and environmental) risk, market risk, and financial risk. The

Risk Management Committee under the BOD is responsible for assisting the board in evaluating and determining the risk preference and appetite that the Company is willing to accept in achieving its strategic objectives, and manages and reviews various types of risks.

We introduced an enterprise risk management framework to effectively manage diverse risks covering healthy and safety, social and environmental aspects.

The management actively communicates with functional departments to ensure that the major risks with profound impacts on the Company are fully considered and controlled from bottom up in the process of risk identification. After defining the scope of risk assessment, the management prioritizes the risks according to their potential impact and probability of occurrence, then develops internal risk control measures and conducts continued reviews.



1 SUSTAINABLE DEVELOPMENT MANAGEMENT







1.3 Communication with Stakeholders

The Company highly values the opinions of our stakeholders. We listen to their requests and expectations and respond to them in a timely manner through a variety of engagement channels. While actively communicating with stakeholders, we also encourage their supervision. Stakeholders





can also obtain information about our sustainability practices both online and offline. In 2019, we conducted stakeholder surveys to internal and external stakeholder through social platforms, company's public accounts, emails and other means, and collected a total of 3,957 responses from

our stakeholders. We have developed extensive and efficient communication channels for stakeholders to strengthen mutual trust and respect, and better meet their expectations and requirements.

Stakeholders	Expectations	Means of Communication	Our Response
 <p>Shareholders</p>	<ul style="list-style-type: none"> • Excellent business performance • Sustainable and stable growth • Clean and transparent operation • Timely disclosure of information 	<ul style="list-style-type: none"> • Shareholders' meetings • Daily communications (including emails, phone calls and one-on-one meetings) • Announcements and circulars • Interim and annual reports • Company website • Roadshows • Social media 	<ul style="list-style-type: none"> • Regular disclosure of business information • Maintenance of sound profitability • Improvement in corporate governance
 <p>Government</p>	<ul style="list-style-type: none"> • Safe operation • Lawful operation • Promotion of industrial and regional economic development • Contributions to people's livelihood • Contributions to air pollution control • Efficient use of energy 	<ul style="list-style-type: none"> • Daily communication • Information reporting • Routine check • Special reports • Cooperation with government and enterprises • Participation in policy-making process 	<ul style="list-style-type: none"> • Improvement in safety level • Improvement in risk management • Compliance with relevant laws and regulations • Business operation in line with the needs of industrial and regional development • Active promotion of clean, low-carbon, safe and efficient energy supply model • Active promotion of "coal-to-gas" and "oil-to-gas"
 <p>Employees</p>	<ul style="list-style-type: none"> • Equal employment opportunities • Sound career development • Safe and healthy working environment • Education and training opportunities 	<ul style="list-style-type: none"> • Mobile application - iCome • Labor unions • Staff meeting • The "Employee Home" Platform • ENN University • Various internal and external training • Employee complaints and feedback 	<ul style="list-style-type: none"> • Diversified recruitment • Team-building activities • Care for employee health • "Self-driven and Sharing" culture • Online and offline training opportunities
 <p>Customers</p>	<ul style="list-style-type: none"> • Safe and stable gas supply • Effective and efficient service 	<ul style="list-style-type: none"> • National client service hotline: 95158 • Service quality supervision hotline: 400-86-95158 • Community service stations and business centre • Online business centre • Mobile access to customer service 	<ul style="list-style-type: none"> • Safety checks • Timely and effective response to client demands • Commitment to providing good customer service • Customer satisfaction survey

1 SUSTAINABLE DEVELOPMENT MANAGEMENT

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Stakeholders	Expectations	Means of Communication	Our Response
 <p>Suppliers and Business Partners</p>	<ul style="list-style-type: none"> • Transparent procurement • Localised procurement 	<ul style="list-style-type: none"> • Suppliers' meetings • Strategic cooperation • Regular interviews • Bidding 	<ul style="list-style-type: none"> • Public tendering • Establishment of a supply chain management system • Continuous improvement of policies • Improvement in management efficiency
 <p>Environment</p>	<ul style="list-style-type: none"> • Clean energy supply • Reduction of greenhouse emissions • Resource recycling • Protection of natural resources and ecology 	<ul style="list-style-type: none"> • Participation in environmental initiatives and actions • Environmental data disclosure • Periodically release of ESG reports • Cooperation with the government for air pollution control 	<ul style="list-style-type: none"> • Participation in international environmental protection initiatives • Formulation of operation and environmental protection plans • Enhancement of the management of energy conservation and emission reduction • Increase of resource efficiency • Promotion of green and clean energy • Promotion of environmentally friendly solutions • Continuous environmental monitoring • Active participation in environmental protection
 <p>Community</p>	<ul style="list-style-type: none"> • Safe operations • Contributions to community development • Public welfare activities 	<ul style="list-style-type: none"> • Popular science education • Community publicity events • Voluntary work • Charitable activities 	<ul style="list-style-type: none"> • Carry out charitable donations • Contributions to public welfare • Contributions to construction of harmonious community • Poverty alleviation and care for those in need • Community voluntary services • Care for the next generation
 <p>Media</p>	<ul style="list-style-type: none"> • Transparent disclosure • Easy access to Management • Maintenance of good relationships 	<ul style="list-style-type: none"> • Press conferences • Media site visits • Management interviews 	<ul style="list-style-type: none"> • Regular press conferences • Press releases • Business update on company website • Response to media enquiry • Communicate with media



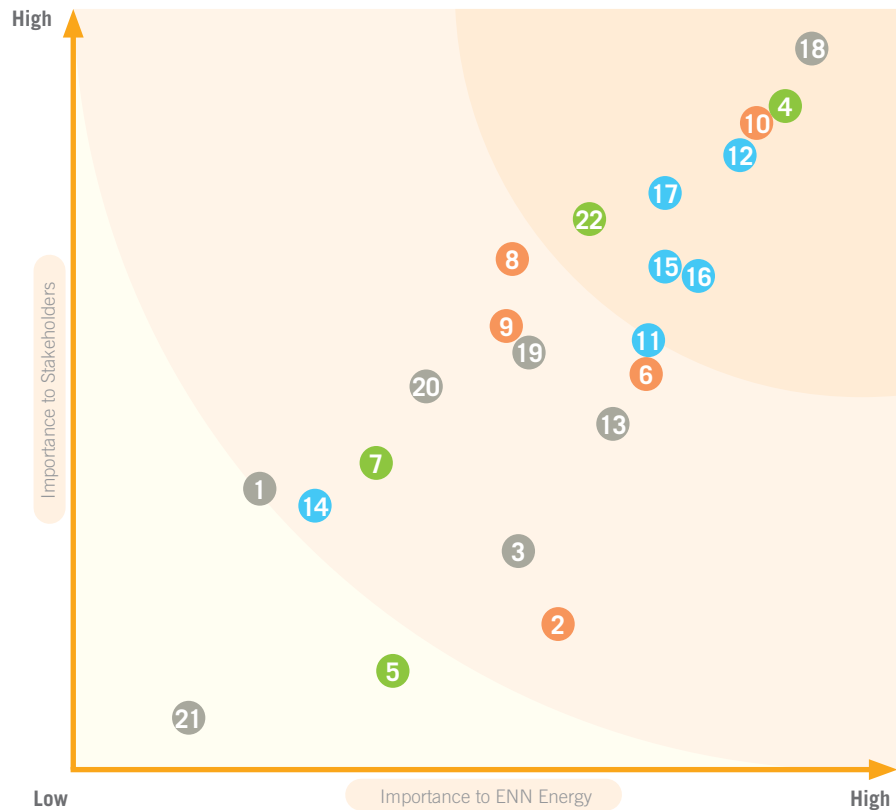
1 SUSTAINABLE DEVELOPMENT MANAGEMENT

1.4 Materiality Assessment



With reference to the requirements of the Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules issued by the Stock Exchange and international standards, we identified material ESG issues that have substantial impacts on both our business and stakeholders by referencing the result of stakeholder surveys and interviews, international and national industry peers benchmarking and our own business characteristics. We also analysed, categorized, sorted out and ranked these ESG issues and discussed the result to ensure their alignment of the Company's sustainable development strategy. These material issues will be disclosed in detail in subsequent chapters of this report.

2019 ENN Energy's ESG Materiality Matrix



- Employee/Customer related issues
- Environmental issues
- Social issues
- Economic issues

	Material Issues No.	Material Issues
Issues of High importance	18	Safe and stable gas supply
	4	Earnings and performance
	10	Preservation of resources and energy
	12	Protection of employee rights
	17	Protection of client privacy
	15	Occupational health and safety
	16	Client service
	22	Product and technological innovation
	11	Equal employment
Issues of moderate importance	6	Emissions of pollutants
	8	Biodiversity protection
	9	Climate change
	13	Management of suppliers
	19	Training and development
	20	IPR protection
	3	Protection of the rights at place of operation/of original residents
	7	Anti-corruption work
	2	Waste recycling
	14	Avoidance of forced labour and child labour
	1	Community relations
Issues of low importance	5	Anti-unfair competition
	21	Public welfare activities for communities

2 CORE ISSUES



2.1 Biodiversity and Land Use

ENN Energy is always aware of the importance of biodiversity protection and the restoration of biological habitats. In line with the Technical Guidelines for Environmental Risk Assessment on Projects in the People's Republic of China, the company chooses construction sites that are away from wetland, wildlife habitats or take protective measures. We have developed Biodiversity Protection Policy, which regulates that the company should take the initiative to reclaim disturbed land and habitat, and respect indigenous people and reduce the impact on their community. During the reporting period, there were **no major incidents** that resulted in lawsuits or corresponding penalties due to violations of environmental issues.

In the early stage of large-scale projects, we carry out preliminary assessment of environmental impact to comprehensively evaluate the types of flora and fauna around the project site and the possible impact of the project on soil, water sources, natural resources and surrounding communities, with response plans worked out:

- 1) We make our best efforts to adopt a trenchless pipeline construction approach to avoid damage to flora, fauna and soil.
- 2) We choose environmental friendly PE pipelines, stainless steel pipelines, and pressed plastic-coated steel pipelines as materials for the natural gas pipeline network to reduce the potential pollution of traditional steel and galvanized pipelines to the soil.
- 3) We recover the boil-off gas (BOG) produced in the process of storage, transportation, gas distribution and transmission while minimizing natural gas leakage from our construction and operation process to minimize the impact on the surrounding ecological environment.
- 4) We plant the most suitable tree species, increasing forest coverage, and engaging in mountain closure and afforestation.
- 5) We attach importance to the continuous improvement of the functions of wetland ecosystems, carrying out river pollution control and ecological restoration, and improving the rate of soil erosion control.
- 6) We integrate the bridge pipelines network for greening purposes to the ecological environment and restore the original appearance of the soil in strict accordance with the related evaluation report.
- 7) We reduce and avoid the impact of projects on the residents of the surrounding communities and on their living environment around the project site in the process of project location, design, construction and operation, and respecting the local culture and folk customs.
- 8) We strictly follow the urban planning for the construction of populous areas, and rationally deploying the production and living spaces to ensure that the original ecosystem is properly protected.
- 9) We conduct a comprehensive assessment and control of the near-end and far-end noise during the construction and operation phases of the project to mitigate the impact of noise on surrounding communities.
- 10) We regularly conduct questionnaire-based surveys on community residents and the public, fully informing and listening to community residents and the public's suggestions on project risk prevention and emergency management, learning about the concerns and demands of residents, taking improvement measures timely, and implementing the suggestions of the community residents and the public to minimize the possible impact.

We develop water and soil conservation plans for each construction project and take corresponding measures in strict accordance with the plans. Before construction, we carry out training and assessment of construction personnel with regard to soil and water conservation. In the construction, we introduce trenchless technology to reduce the damage of geological features outside the construction site. For projects that really need to be excavated, we adopt phased excavation, covering and other methods to reduce soil erosion and interference with biodiversity. After the construction, we promptly take actions to ensure soil and water conservation and landform restoration to facilitate the orderly development and management commerce, logistics and transportation for nearby residents.

2 CORE ISSUES



ENN Energy set up cofferdam in Luoxin Gas Pipeline Project

After the completion of the ENN Luoxin Gas Pipeline Project in Luoyang, we set up a continuous cofferdam to keep the water and soil and prevent the earth from collapsing, thus avoiding the impact on the surrounding farmland.



A cofferdam was built to keep water and soil

While strictly abiding by the principle of “three simultaneities” (The safety devices of a construction project must be designed, built and put into production and use simultaneously with the main part of the project) for design and construction, we earnestly complete the environmental impact assessment, emission assessment and full life cycle management, and conduct ecological

assessment of the construction area. We include construction projects involving water sources or situated along the river as key projects and ensure that they will not affect the habitats and spawning place of rare aquatic animals and birds. During the construction period, we prohibit felling of trees, destruction of vegetation and animal nests, and properly dispose of various types of hazardous waste such as waste

machinery oil in accordance with laws and regulations to prevent them from polluting the environment; after the construction is completed, we restore the landform in time, and introduce vegetations suitable for the growth of the environment and do ecological restoration. We have conducted land backfilling and landform restoration for 100% of pipelines construction projects.



ENN Energy takes various measures to protect the surrounding ecology of the Natural Gas Pipeline Project along the G330 National Highway in Lanxi City

In the Sub-high Pressure Natural Gas Pipeline Project along the G330 National Highway (Natural Gas City Gate Station-Wanggao Road) in Lanxi City, a pipeline passes through the “Lanxi City Forest Park”. This project is strictly controlled and managed in accordance with relevant protection requirements, with only one route that cannot bypass the area and occupy land. The project site will cover the soil with vegetation after the construction is completed. As there will be no deforestation for reclamation, quarrying or soil collection, no wastewater discharged during the operation period, and no exhaust gas discharged under normal operating conditions, the project will not affect the ecological function of the ecological zone. The project needs to traverse the “Qu River-Lan River Drinking Water Source Protection Area” and adopts a directional drilling method to cross the Qu River of this project. The directional drilling method is an advanced construction method for the crossing of the pipeline and it will not directly affect the water flow, temperature, conservancy conditions and environment in the riverbed. No wastewater will be discharged into Qu River during the construction and operation period, therefore it will not affect the habitats and spawning places of rare aquatic animals and the habitats of birds.



Various measures are taken to protect the surrounding ecology of the natural gas pipeline project

2 CORE ISSUES

We pay close attention to the rational use of natural resources and practice the concepts of resource conservation and green production throughout the entire business chain. In our Biodiversity Protection Policy, which regulates that we should sustainably manage the use of natural resources and raw materials, preferentially choose environmentally friendly raw materials and processes, conduct classified management and reuse

of wastes, and require suppliers to conduct environmental assessment to ensure green procurement.

We actively participate in environmental and public welfare undertakings, jointly organize various public welfare activities for environmental and ecological protection with external agencies and partners, and provide strong support to various projects for biodiversity protection and ecological

restoration. Every year we make plans and participate in public welfare projects for ecological protection by means of making donations and organizing member companies and employees to play a part. We pay continuous attention to energy conservation and environmental protection, promote the development of environmental undertakings, and strive for the improvement of human living environment.



CASE

Various companies engaged in afforestation and undertaken the clean-up work for waste in river channels

In 2019, a number of companies affiliated to ENN Energy actively organized or participated in tree planting activities to improve the urban ecological environment, and supported the improvement of the living environment of poor villages and the construction of ecological and liveable villages. Moreover, Xiangtan ENN kept holding the volunteer service known as "Rainbow Flower" for protecting the mother river and cleaned up waste on both sides of the Xiang River and the silt in the river channel. They made positive contributions to the restoration of the surrounding ecology and the improvement of the natural environment.



Various companies engaged in afforestation and undertaken the clean-up work for waste in river channels



CASE

The 10th "ENN Charity Day" focuses on the hot issues of waste classification and continues to advocate environmental protection

2019 marked the tenth year of our ENN Public-Welfare Day activities themed on environmental protection. On the Public-Welfare Day in 2019, eleven cities including Dongguan, Xiangtan, Guilin, Quzhou, Hefei, Huludao, Chuzhou, Jiaocheng, Langfang, Beihai and Ordos launched the event themed on "Waste classification for a better world", with more than 300 ENN volunteers participated. Volunteers explained the national policies for waste disposal, the significance and the correct way of waste classification to the public by scanning QR-code, on-site publicity, interactive quizzes, and simulation experience of waste classification. They aimed to raise public awareness on the waste problem, guide residents to actively practice waste classification and adopt a sustainable lifestyle. Over the past ten years, thousands of volunteers have made practical efforts to promote the low-carbon and environmentally friendly lifestyle and enhance the public's awareness of environmental responsibility, covering activities from the protection of forest resources, water resources, prevention of air pollution to the promotion of waste classification.



The 10th "ENN Charity Day"

2 CORE ISSUES



2.2 Carbon Emissions and Climate Strategy

Climate change is one of the world's most important and urgent challenges. Extreme weather caused by climate change has posed challenges for agricultural production, water resources, the ecological environment and energy development.

ENN Energy proactively explore the way on sets emission reduction targets and seeks effective measures to slow climate change and mitigate the great threat of its impacts on the environment, society and the economy. In 2019, we helped commercial and industrial customers replaced their coal boilers by natural gas boilers which were equivalent to a daily designed installed capacity of 5.81 million cubic meters offsetting the consumption of 2,318,183 tons of standard coal in the future and contribute to carbon reduction in our entire society.

Climate change and environmental performance are important criteria in our corporate strategy. We fully assess risks related to climate change, and develop targeted implementation plans. We strictly comply with relevant national laws and



Offsetting the consumption of
2,318,183 tons
of standard coal

regulations, actively implement a low-carbon development strategy, and have formulated environmental policies and regulations. We have also strengthened daily operations including consumption management, technological development and equipment monitoring to manage carbon emissions throughout our business life cycle. We have enhanced the application of energy saving and environmentally friendly technologies to improve the efficiency of our operations, to reduce emissions and environmental impact, and to achieve green and stable development.

2.2.1 Carbon Emissions

We strictly abide by laws and regulations – such as the Law of the People's Republic of China on Conserving Energy – to ensure compliant emissions during operations and to save energy.

We regularly evaluate existing technologies and actively introduce the advanced low-carbon production technology and concepts from China and overseas. We vigorously eliminate retrogressive production technologies and actively promote new energy sources. **We installed photovoltaic power generation devices in six integrated energy projects, with a total installed capacity of 8.35MW.** We explore methods such as carbon offsets to neutralise greenhouse gas emissions. We strive to combine existing integrated energy businesses and technologies to develop new ways to reduce carbon emissions.

We will keep pursuing the concept of carbon-free energy and apply more clean energy forms – such as solar energy, geothermal energy and seawater source – to further reduce emissions.



CASE

ENN Energy Langfang Science and Technology Park photovoltaic demonstration project

We invested in the renewable photovoltaic power generation project at ENN science Park, Langfang Development Zone, Hebei Province. This system includes BIPV curtain wall power generation system, BIPV roof power generation system and photoelectric thermal integrated system, and photovoltaic parking shed system. The total installed photovoltaic capacity is 500KW. The power generated by this system is integrated into the science park's ubiquitous energy microgrid and works in conjunction with natural gas power generation and storage systems to provide electricity to the users at the science park. In 2019, the total consumption of the renewable energy at Langfang ENN Science Park is 15,830.70 kWh.



Langfang ENN science park project

Methane Emission Management

ENN Energy makes sustained efforts to address greenhouse gas emissions caused by methane leakage. With ongoing investment in environmental protection and technological upgrades, we recover boil-off gas (BOG) generated during distribution, transmission, storage and transportation. The recycling of BOG can greatly reduce greenhouse gas emissions, thereby reducing the impact on the environment.

Since 2014, we have deployed technical strategies for gas reduction, emission reduction and BOG recovery at filling

stations. Any remaining BOG in liquefied natural gas (LNG) vehicles and tanks is recycled through BOG compressors and compressed natural gas (CNG) compressors to reduce emissions. In 2019, ENN Energy operated 165 BOG recovery units, with a total recovery volume of 36,570,800 cubic meters.

To reduce methane leakage, we suspend supply 24 hours before a natural gas pipeline is repaired. Only when as much residual gas as possible has been consumed do we open the pipeline. During the repair, we control the valves and try to



Operated 165 BOG recovery units,
with a total recovery volume of
36,570,800 cubic meters

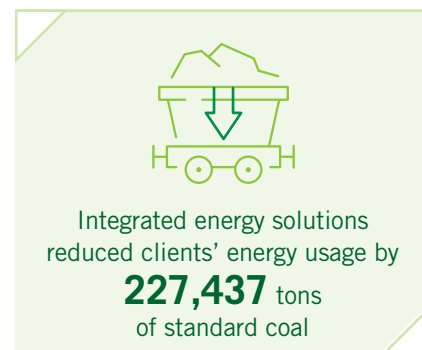
handle and recycle the small amount of methane in a timely manner.

2 CORE ISSUES

Localized Energy Solutions

As the country's energy structure accelerates its transition to a clean, low-carbon and efficient mode, ENN Energy keeps exploring new solutions to improve energy efficiency and reduce unit consumption. We have used our experience to develop and promote energy efficiency solutions, to resolve the urgent need of energy users to resolve the conflict between clean, low-carbon practice and their financial constraints. Focusing on the development and utilisation of the entire energy value chain, we adopt natural energy, biomass, industrial waste heat, and photovoltaic, geothermal and other clean energy sources according to local conditions. Our low-cost, clean, low-carbon, livelihood-beneficial strategy involves top technical personnel and 147 patented technologies. Based on client needs and local conditions, we design and develop integrated energy solutions

that, throughout their life cycle, achieve our low-carbon and environmental objectives. We conduct multidimensional selection based on the types, quantities, time, prices and supply characteristics of clients' energy consumption in their region, help asset owners increase their income and reduce expenditure for energy user. By doing so, we have created a leading model for integrated energy. We have solved problems such as inefficient waste, environmental pollution and hidden hazards in energy use, production, transportation, distribution, transmission and storage. We have also promoted fundamental changes in the industry, thus contributing to the country an increasingly safe, efficient, clean, economical and modern energy system. As of the end of 2019, we were operating 98 integrated energy projects. Another 22 are under construction. In 2019, through our integrated energy projects we reduced



clients' energy usage by 227,437 tons of standard coal.

Utilization of Deep Geothermal Energy

We actively experiment with technologies for renewable energy use and development. For example, non-water deep heating that stores heat in rocks achieves our low-carbon and environmental objectives, with added economic benefits.



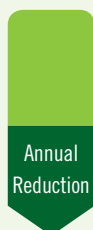
Using geothermal heating to provide low-carbon solutions for communities

Innovative heat pump technology developed by ENN Energy yielded its first results. The technology utilises heat stored in rocks to provide heating for communities and industrial parks.

This patented technology was piloted in Qingyunlinhai, Xinxiang, Henan Province – an area with abundant geothermal resources. On the banks of the Yellow River, Qingyunlinhai stands on a geological structure that is conducive to the development and utilisation of mid-deep geothermal energy. The feasibility of the project was confirmed with preliminary work involving geophysical exploration, optimised thermal well and computer room designs, and an underground heat exchange simulation.

Bidding, procurement and construction ensued, before the demonstration project was completed in June 2018. It improved the traditional technological route for the utilisation and recharging of underground hot water. Closed loop pipes circulate water, transmitting underground heat yet having no impact on groundwater.

Making full use of underground renewable resources, the project demonstrated how saving energy generates significant economic and environmental benefits. The operating cost is 40-60 per cent lower than traditional gas boiler heating. The project can save 60 per cent of energy use. Per year, carbon dioxide emissions are reduced by approximately 340 tons and sulphur dioxide emission by 5.13 tons.



CO₂
Carbon Dioxide Emissions
340 tons

SO₂
Sulphur Dioxide Emission
5.13 tons



Workshop of our innovative geothermal heating solution

2 CORE ISSUES

Utilization of Biomass

As the fourth major energy source, biomass energy enjoys a number of advantages such as cleanness, low-carbon emission, renewability, abundant raw materials and diversified utilizations. Based on local conditions, we have planned and designed seven industrial parks in areas including Yangpu in Hainan Province, Shanwei in Guangxi Province and Mudanjiang in Heilongjiang Province. Biomass is a primary energy source in those industrial parks. On completion, the project will provide integrated energy for users in the parks.



CASE

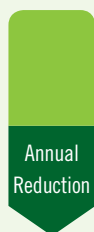
Utilising biomass in Jiangan New District, Mudanjiang Economic Development Zone

Mudanjiang and its surrounding area in Heilongjiang Province have abundant biomass resources, and crops such as corn, soybean and rice. Mudanjiang Economic Development Zone the most important local economic development platform was upgraded to a national-level zone in 2006. It is now the base of more than 100 enterprises, including Heilongjiang Tobacco Industry Co., Budweiser, Zhongding Dairy, Inspur Cloud Computing, Yongchang Paper, Beixin Building Materials and Master Kong. Enterprises in the zone require steam and heating energy, with a total annual demand of 505 million kWh.

Construction of the project was commenced in 2019 with an expected investment amount of RMB62.78 million, a 50,000 tons/year poly-generation (pyrolysis) system for biomass based renewable energy, and ancillary equipment will be installed. Wood chips, rice husks, corncobs and other biomass from Mudanjiang will be used to generate biogas and liquid fuel, via pyrolysis, for a centralised steam supply. Waste heat generated by the operation of the equipment will be also recovered and used to feed water into the boiler in summer and to supply heat in winter.

The project's core has adopted the proprietary technology known as "rapid pyrolysis for thermal carrier biomass", for which we hold the intellectual property rights. It enables the biomass to be disposed of in a "harmless, resource-generating, and high-value" manner. The equipment is the first of its kind in the world, and its main products are bio-char, biogas and bio-oil. With a 100 per cent biomass utilisation efficiency, the technology is cutting-edge in terms of production, commercial application and technological application.

The project will treat 50,000 tons of biomass waste each year. It will meet the energy demand of clients in the park, help local government to dispose of agricultural and forestry waste, comply with national industrial policy, and yield environmental and social benefits. Bar a small amount of cooling water used to irrigate vegetation, the pyrolysis unit will discharge no wastewater. Waste gas generated will have limited impacts on the environment and will meet the local emission standards, without additional desulphurisation and denitrification needed. The project will save energy equivalent to 25,800 tons of standard coal for clients every year and reduce carbon dioxide emissions by 67,300 tons. In addition, the project will incorporate reuse of biomass waste, which very much matches the National industrial policy. It will also promote the development of the energy infrastructure and the recycling industry in Mudanjiang, and facilitate a local ecological economy.



Annual
Reduction



Standard Coal
Reduce
25,800 tons



Carbon Dioxide
Emission
67,300 tons



Rendering for the Mudanjiang project

2 CORE ISSUES

Funding for Renewable Energy R&D

To support renewable energy R&D, we invested RMB15 million to jointly establish the “ENN Tongji Ecological Park” with Tongji University in 2008. It was completed in 2011, mainly focusing on an environmental business model that included straw-crushing, biogas production, papermaking and concentrated liquid fertilizer production.

The project has won three honours including one granted by the National Natural Science Foundation of China. It has contributed low-resource-consumption and reduced pollution concepts to the circular economy and the green economy.

With the establishing of biomass energy R&D, the eco-park project has assigned more than 10 research teams to fields such as clean energy, energy conservation

for buildings, and modern agricultural engineering. It has become a platform for modern agricultural engineering and new energy research, and has made outstanding contributions to Tongji University's development of related disciplines. ENN Energy will continue to vigorously support investigation in universities, fulfil corporate social responsibilities, and support scientific research.



ENN Tongji Ecological Park



ENN Tongji Ecological Park Energy Efficiency Test Platform



The project has won **3** honours including **1** granted by the National Natural Science Foundation

2.2.2 Climate Strategy

Climate change has become a global consensus. The Chinese government has set emission reduction targets for 2030. It plans to reduce CO₂ emissions per unit of GDP by 60-65 per cent compared to 2005. ENN Energy regards tackling climate change as an essential responsibility. We actively identifies risks and potential opportunities to the company posed by climate change and develops effective responses.

	Potential Climate Risks and Opportunities	Our Approach
Operational level	Extreme weather events such as typhoons and rainstorms affect construction and operation.	We actively improve our intelligent operation and management and have visualising functions for infrastructure and engineering construction. We improve the quality of pipeline construction, to enhance its ability to withstand severe weather.
Market level	In response to climate change, the country is accelerating the transformation of the energy structure. New players are entering the clean energy arena and making it competitive. In the face of climate change and a complex changeable market, such as global warming, extreme hot and cold weather, it will affect the downstream gas demand and logistic supplies.	We actively develop integrated energy business and value-added business centred on satisfying client needs, to better retain existing clients and attract new ones. We predict demand at the initial stage of the project construction. We make preliminary estimates of climate, temperature and the gas consumption of downstream clients. We conduct temperature and climate analysis based on annual meteorological data, evaluate supply and demand in winter and summer, and implement allocation plans and response measures.
Policy level	The government is accelerating the implementation of policies regarding natural gas use, coal-to-gas conversion and the “Blue-Sky Project”. These will benefit suppliers of natural gas and other clean energy.	We actively expand procurement channels for natural gas sources and enrich comprehensive solutions for natural gas utilisation. We also use alternative clean energy according to local conditions to meet client needs.

2 CORE ISSUES

To cope with the impact of climate change on the economy, the country is gradually adjusting its energy structure. This presents opportunities to ENN Energy. The development of clean energy is key to transformation and upgrading. Efforts to raise the proportion of natural gas in industrial, commercial and residential consumption are being accelerated. We expect the government to promulgate and implement stricter laws and regulations regarding energy conservation and emission reduction. This will usher in medium and long-term opportunities for us as a clean energy distributor.

Emergency plans for winter gas supply

Based on temperature trends, we make predictions for winter. When roads are closed by heavy rain or snow, we estimate the energy gap, and regulate and guarantee the supply for downstream businesses.

In extreme weather, to ensure gas supply in winter, we coordinate the supply of pipeline gas and non-pipeline gas according to an emergency plan. For example, before the advent of extreme weather, storage tanks are fully filled to ensure the supply of natural gas for downstream customers.

Considering climate change risks during project design

We gauge hydrological, geological and climatic conditions in the preliminary environmental impact assessment for large-scale projects. This mitigates environmental and economic risks during construction and operation.

2.3 Labour Practices and Employees' Health and Safety



We adhere to a people-oriented concept and the practice of equal and diverse employment. We protect the legitimate rights of employees and motivate them to make the most of their value. We pay attention to health and safety, and help employees realise their worth, to jointly promote the company's ongoing development.

2.3.1 Labour Practice

Harmonious labour relations are the foundation of our development. We are people-oriented and continually optimise our HR management. Dedicating to diverse, transparent, equal and compliant employment, we provide fair and reasonable compensation and benefits while protecting the legitimate rights and interests of employees.

ENN Energy strictly abides by the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Employment Promotion Law of the People's Republic of China, the Decision of the State Council on Amending Regulations of the State Council on the Working Hours of Employees and the Social Insurance Law of the People's Republic of China and other national laws

and regulations. Through formulating the ENN Energy Holdings Limited Talent Development and Employment Policy, the Regulations on Recruitment Management, the Rules for Employee Appointment, the Measures for Attendance and Vacation Management and other internal policies, we have strictly standardised recruitment and employment, and protected the legitimate rights and interests of employees. We ensure that employees have the freedom of association and the right to collective bargaining. The collective bargaining agreement covers 80 percent of our employees.

ENN Energy prohibits discrimination of gender, ethnicity, belief, age, nationality, regional origin and political position. We resolutely avoids child labour, forced labour and other illegal employment. If violations are found, we take prompt corrective measures, dissolve our labour relationship with the offenders, and require relevant personnel to take responsibility. During the reporting period, ENN Energy's recruitment did not violate any regulations on child labour and forced labour. We followed up and resolved all 21 labour related complaints, with a handling rate of 100 percent.



The collective bargaining agreement covers **80%** of our employees

ENN Energy values diversity. Via campus recruitment, social recruitment and other methods, we ensure a balanced distribution of employees of diverse nationalities, ages, genders and ranks. We provide jobs for people with disabilities and sign labour contracts with employees in accordance with the law, to fully protect their rights and interests. In 2019, all employees had signed contracts, the total number of employees reached 35,735, including 44 disabled and 1,033 minority people. The year saw the departure of 3,499 employees – **a turnover of 9.8 per cent.**

2 CORE ISSUES



CASE

Showcasing diversity and equality at Liaocheng ENN

In June 1999, Xiao Li (alias) sought a job at Liaocheng ENN Gas Co. During the interview, he revealed that he had a physical disability owing to an epidemic. Liaocheng ENN upheld its social responsibility, admired the hardworking spirit he showed in the interview, and hired him. He was assigned to jobs including master data maintenance and the operation of the storage and distribution station.

By 2019, he had been diligently working in ENN for more than 20 years had won the unanimous recognition of his managers and colleagues. Xiao Li's experience showcases ENN Energy's belief in equal and diverse employment.



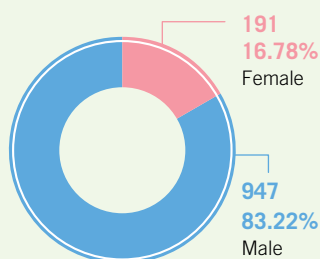
CASE

Helping disabled employees adapt to the working environment

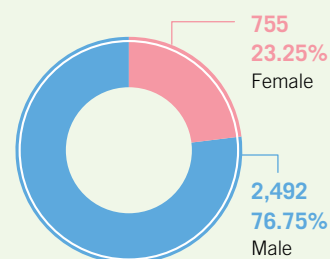
Guigang ENN Gas Co., Ltd. set up an employee cafeteria in July 2019. After recruitment and testing, it hired Xiaojin (alias) – who has a disabled leg due to childhood polio – to cook.

Once worried about his future, Xiaojin was given the opportunity to work. We provided social insurance for him, and his colleagues in the company helped him to adapt quickly to the working environment. They also encouraged him to study hard and learn from others.

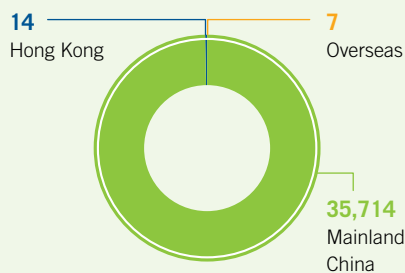
Indicators	Unit	2019	2018
Employees	Persons	35,735	33,508
Male employees	Persons	26,464	24,321
Female employees	Persons	9,271	9,187
Senior management employees	Persons	1,138	1,098
Middle management employees	Persons	3,247	3,052
General employees	Persons	31,350	29,358



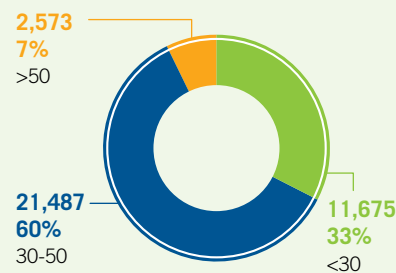
Senior Management Employees by Gender (Persons)



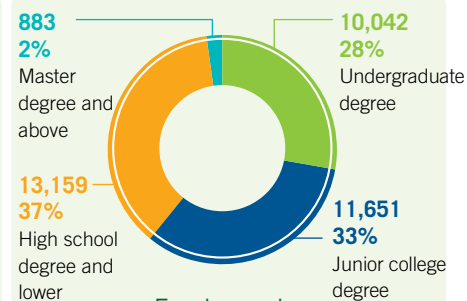
Middle Management Employees by Gender (Persons)



Employees by Region (Persons)

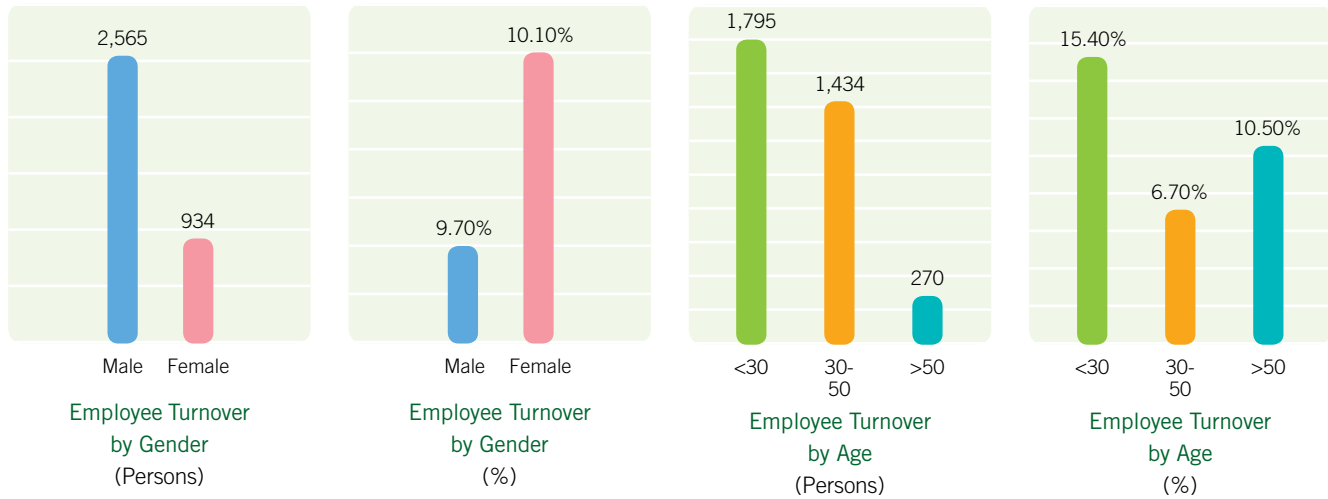


Employees by Age (Persons)



Employees by Education (Persons)

2 CORE ISSUES



2.3.2 Health and Safety

ENN Energy adheres to a people-oriented and safe development management concept. We have improved our occupational health and safety (OHS) system, with the objective of **achieving “the three zeros”: zero accidents, zero personal injuries and zero environmental losses.**

We actively carry out OHS system certification work and encourage our member companies to be certified.

As of the end of 2019, six member companies held OHSAS 18001 or ISO 45001 certification. Shanghai ENN Energy Technology Co., Ltd. achieved certification for the first time in 2019, while Langfang Gas and Luoyang Xinao Huayou Gas had their ISO 45001 certificates renewed. We will continue developing our OHS system,



and encourage our member companies to implement systems that accord with ISO and other international standards. We plan to facilitate more members to obtain ISO and other relevant international certifications, and to reach a leading level among our industry peers.



ENN Energy provides employees with strict personal protection measures, endeavours to create a safe working environment and conducts various safety-themed cultural activities. During the reporting period, we invested RMB713.59 million in OHS.

Indicators	Unit	Data in 2019
Employee deaths attributable to production accidents	person	1
Number of employee injury cases	case	74
Employee injury rate (excluding deaths)	%	0.25
Lost working hours attributable to employee injury ¹	hours	53,659.00
Injury rate per million working hours ²	/	1.04
Industrial accident rate per thousand people ³	/	2.07

¹ Hours lost due to accident or injury during work or commuting

² Injury cases/total working hours*1000000

³ Industrial accident rate per thousand people=1000* number of employee injury cases/number of total employees

2 CORE ISSUES

ENN Energy strictly abides by laws and regulations including the Safe Production Law of the People's Republic of China, the Occupational Disease Prevention Law, the Regulations on Occupational Health Supervision and Management of Industrial Sites, the Selection Standards for Personal Protection Equipment and the Management Regulations on the Training and Assessment of Safety Technology for Special Operations Personnel. We have developed ENN Energy Regulations for Safety Management, Management Regulations for Safe Production, Management Regulations for the Red and Yellow Safety Lines, Regulations of ENN Energy Holdings Limited for the Reporting,

Investigation and Handling of Accidents, Management Measures for Emergency Response to Production Accidents and other OHS systems, and have revised the ENN Energy Holding Limited Health, Safety and Environment (HSE) Policy.

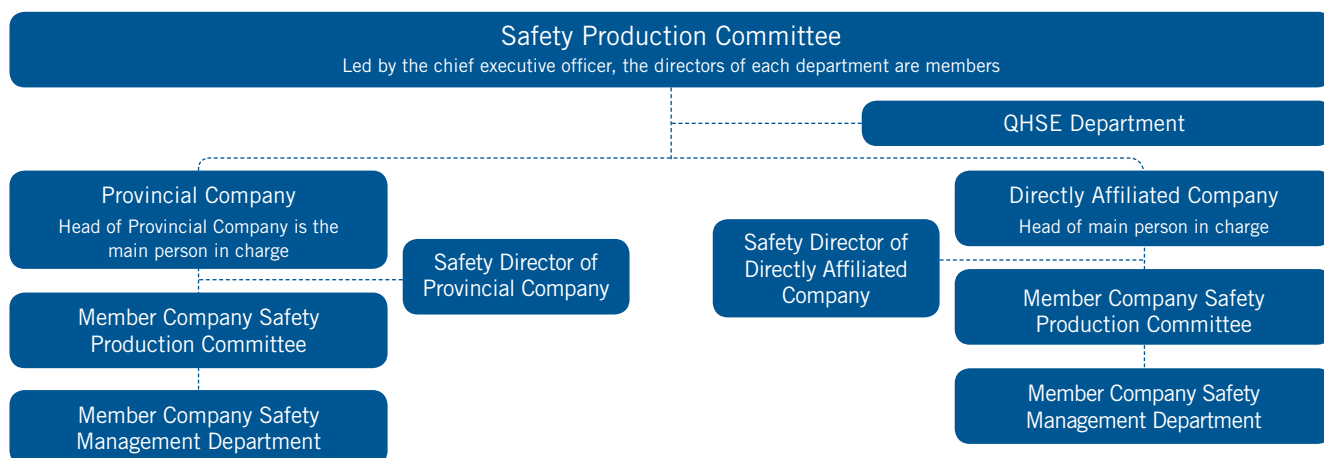
ENN Energy has a quality, health, safety and environment (QHSE) plan consistent with our sustainable development strategy. That plan involves QHSE performance indicators for each member company. We will set up health and safety management goals that include contractors' health and safety performance goals, and regularly review the performance against the goals.

Safety committee

Our QHSE framework defines the safety responsibilities of our senior managers, junior managers and employees at all levels. It strictly guarantees the investments in OHS to ensure the maximum health and safety of employees.

Since January 1, 2019, ENN Energy's headquarters and member companies have had a Safe Production Committee, responsible for health and safety management and performance. Our Safety Management Document No. 1 clarifies the rights and responsibilities of safety committees at all levels. The company-level committee is led by the CEO, and those of member companies by their respective general managers.

Safety Management Organization System



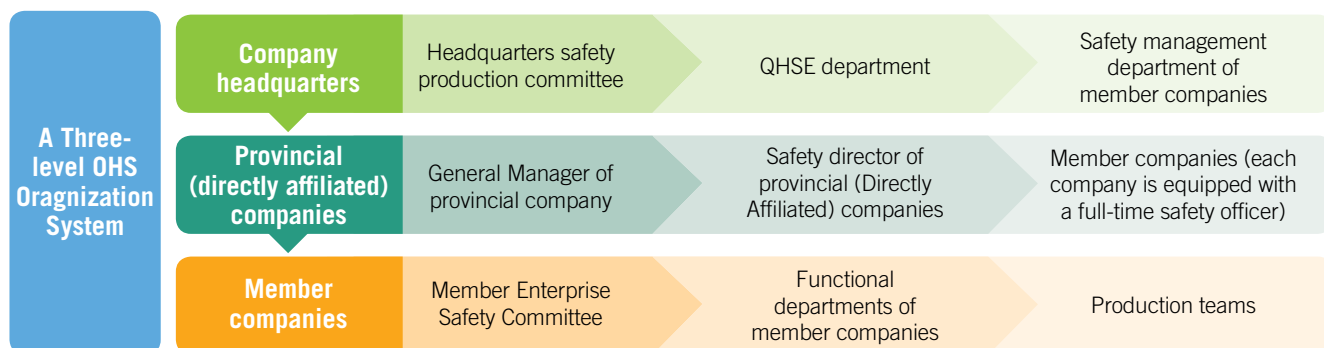
Safe working environment

A three-level safety management system comprised of ENN Energy headquarters, provincial companies and member companies has been formed. We have also established a three-level safety management network among companies, departments and teams at member companies.

We are committed to providing employees with a healthy and safe working environment,

and ensuring their physical and mental wellbeing. Our safety and anti-accident measures centre on three tasks: regularly detecting occupational disease hazards, monitoring employees' health, and providing position-specific protection. By 2019, ENN Energy had 643 full-time safety management personnel. We undertake special health examinations for staff in positions involving hazards. Regular employee bodycheck coverage reached 100 percent.

Regular employee bodycheck coverage reached **100%**



2 CORE ISSUES



Regular detection for occupational hazards

- Identification of hazardous and harmful factors in new projects.
- Adoption of control measures.
- Updating of the list of hazardous and harmful factors.
- Regular monitoring and assessment of occupational hazards.



Monitoring employee health

- New employees are provided with pre-job medical examinations which includes routine examinations and targeted examinations for hypertension, heart disease, and hearing.
- Employees with high blood pressure, heart disease or hearing impairment are not assigned to jobs with occupational health hazards at gas stations or inspection station.
- For positions with occupational health hazards, at least one physical examination is conducted every year.
- Records are kept of occupational health checkups. If employees are found to be suffering from occupational-type diseases after resignation, the records are used to determine whether the diseases were caused during their employment. If so, the employees can apply for an allowance even after resigning. The retroactive period is ten years.



Providing position-specific protection

- Protective equipment and reasonable rotation hours are provided for positions with occupational hazards.
- Employees who work in a noisy environment for a long time are required to wear protective equipment such as earplugs and to take turns to rest.
- Positions involving high temperatures are arranged in varying shifts, to avoid working in high temperatures for a long time. Heatstroke medicine is provided.

Developing a safety culture

Activities such as Safe Production Month, a 100 Days Without Accidents programme and the OHS-themed Ankang Cup promote our safety culture, improve employee awareness and achieve desirable results. ENN Energy attaches great importance to employees' safety education and

training. We provide educational videos, external professionals give lectures, and we host safety knowledge contests and workshops for sharing opinions. For roles with particular hazards, we have targeted training, such as a course on dual control (this is a dual prevention mechanism for hierarchical management and control of

production risks and troubleshooting), and three-level training for new employees, to strengthen the awareness of those in special positions.

In 2019, 200,132 employees were trained and 2,627 emergency drills were conducted by ENN Energy.



2 CORE ISSUES



CASE

Undertaking safety training at Langfang Gas

On May 14, 2019, Langfang Gas held safety education and training for members of the decision-making team, gas station managers, energy station heads and other personnel. The training centred on three major topics: the safe production law and other laws and regulations regarding natural gas; safe production scenarios; and safety production knowledge. The training enhanced the abilities of mid-level and higher-level managers in emergency management, safety inspections and dangerous operations.



Safety education and training at Langfang Gas



CASE

Training on the dual prevention mechanism at Zhejiang Branch

From December 14 to 15, 2019, the Zhejiang Branch held training on the construction of a dual prevention mechanism against production accidents and the cultivation of a self-motivated safety culture. During training led by the director, the participants engaged in lively discussions, then took an exam. Participating enterprises reported their progress in safety culture construction, and external experts delivered lectures. These activities laid the foundation for the 2020 implementation of the dual mechanism.



Trainees in a safety knowledge exam

Management of contractors' safety

ENN Energy has developed the **Management Measures for Suppliers' Construction Safety** and revised the **ENN Energy Holdings Limited Supplier Health, Safety and Environment (HSE) Policy** to incorporate contractors' health and safety management into our overall safety assessment. On-site management measures guarantee contractors' construction safety and ensure that they provide stable, certified, safe and healthy products and services on a long-term basis.

We set targets for contractors' safety, accidents must be reported to headquarters and corrective measures must be taken. Contractors must complete safe production training and pass an assessment before construction and operation. Personnel in key positions must hold qualification certificates for the work they undertake, and must undergo our training and assessment with regard to safe production and engineering standards before taking up their post. This ensures that external workers have the safety awareness and emergency response ability. Contractors must provide

employees with protection equipment that meets requirements, and conduct regular spot checks and records. We encourage and help contractors to identify and eliminate hidden dangers and risks in the production process. We install cameras on construction sites to monitor projects and enhance on-site management and inspections of hazardous operations. In the event of violations, those responsible are investigated and held accountable. This will affect their personal performance assessment.



2 CORE ISSUES



2.4 Customer Privacy and Information Security

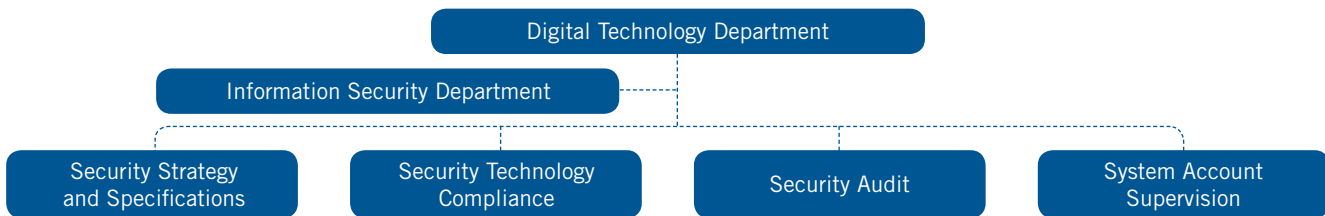
We attach great importance to customer information and privacy protection and strictly adhere to relevant laws and regulations in relation to information security. We continuously optimise our information security policies and management system and also improve employees' awareness of information security. Besides, we set out the proper procedures of using information system to ensure that customer privacy and information is handled in a proper and secure manner.

We strictly follow the requirements of the Law of the People's Republic of China

on Protection of Consumers' Rights and Interests regarding the collection and use of customer information and formulated the ENN Energy Regulations for Information **Security Management, ENN Energy Management Measures for Information Security Risk, the ENN Energy Holdings Limited Data Privacy Policy** and complementary rules in accordance with the E-Commerce Law of the People's Republic of China, the Cybersecurity Law of the People's Republic of China and the Guidance on Internet Personal Information Security Protection. Meanwhile, we established information security

governance with the support of Digital Technology Department in a coordinated manner. The Information Security Department engages in planning, making decisions, and monitoring ENN Energy' security strategy and planning, information technology security organizations, security audits, and system accounts. It also collaborates with the IT Department to identify, evaluate, control and continuously mitigate the information security risks as part of the efforts to optimize our systems and policies to improve information security management.

ENN Energy Information Security Organizational Chart



We have incorporated information security risks into the Company's risk management framework and established prevention and handling mechanism governing the process from risk identification, management to mitigation. We carry out regular information security inspections and oversee material security risks on a day-to-day basis. ENN Energy specifies the requirements of daily information and data handling for employees and also prevent corporate confidential data leakage by monitoring and protecting employees' computers with

the use of security software. We imposed stringent controls over areas stored with sensitive information and developed a strict access control system to keep track of all personnel's access information. In addition, we work to improve our information security mechanism to safeguard customer privacy by a wide range of measures such as privatisation of information system, classified authority system for access approval, encryption of important information and confidentiality agreement in contract. To prevent losses caused by

sudden information security incidents, we have formulated an emergency plan in case of incidents and hold the BOD accountable for handling significant incidents.

In 2019, ENN Energy achieved 100% privatization of customer service system and 100% customer service staff signed specific privacy protection agreements. We also received no complaints regarding leakage of personal data or violation of customer data privacy.

2.5 Business Code and Supply Chain Management

We recognise the importance of business integrity and are committed to building an ethical, transparent, and responsible corporate image. We follow the code for business conduct and eliminate any violations of business integrity. Adhere to our commitment to responsible procurement, we strive to develop a sustainable supply chain to drive shared growth with suppliers.

2.5.1 Business Code

ENN Energy strictly abides by the Supervision Law of the People's Republic of China, the Company Law of the People's Republic of China, the Anti-Monopoly Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, the Interim Provisions of the State Administration for Industry and Commerce for the Prohibition of Commercial Bribery and other applicable laws and regulations related to anti-corruption and business ethics. We have formulated Employee Code of Conduct, requiring employees to fully comply with the law and disciplinary rules and maintain integrity in their daily work to uphold employees' business ethics.

ENN Energy adopts a zero-tolerance stance for unethical behaviours such as embezzlement, corruption and fraud, and has formulated a series of anti-corruption management approaches such as the ENN Energy Measures for the Penalty of Employees' Violation of Rules and Discipline and the ENN Energy Holdings Limited Anti-Fraud, Corruption and Bribery Policy. We conduct anti-corruption and internal audits on a regular basis, link disciplinary violations and frauds with salary review and have established an effective mechanism of fraud prevention and punishment. In order to further combat corruption and other unethical business practices, ENN Energy not only requires employee's compliance with the law and disciplinary rules and maintain integrity but also encourage employees to report any misconduct or malpractice through channels such as hotline, mailbox. Upon receipt of any complaints, we conduct a serious investigation and handle information of whistleblower in strict confidence.

In 2019, we continued to foster a culture of ethics and integrity by strengthening

publicity of daily promotion and education on anti-corruption and ethics and integrity. We organise anti-corruption training for the management team, department heads and general employees with an aim of raising their awareness of compliance with anti-corruption and ethics and integrity. During the reporting period, ENN Energy provided 21 training sessions on ethics and integrity with a total of 1,680 participants.

Under our stringent monitoring and management, there were **no anti-corruption cases brought against the Company.**



We provided **21** training sessions on ethics and integrity



2 CORE ISSUES

Indicators	Unit	2019
Number of effective and significant complaints investigated in 2019	case	0
Number of concluded legal cases regarding corruption practices in 2019	case	0
Number of senior management received anti-corruption training	Persons	670
Number of employees in key positions received anti-corruption training	Persons	590
Total number of employees received anti-corruption training	Persons	1,680

2.5.2 Supply Chain Management

We fully comply with the Tendering and Bidding Law of the People's Republic of China and other relevant laws and regulations, and have adopted a series of supply chain management policies, including the Measures for Supplier Access and Management, the Measures for Supplier Performance Evaluation, the Notice on Regulating the Bidding Practice of Gas Project Construction Units, the Implementation Measures for the Access, Evaluation and Exit of Partners in the Integrated Energy Ecology (Product and Service Suppliers), to make constant efforts to improve our supply chain management. In addition, all suppliers are required to follow the **Code of ENN Energy Holdings Limited Supplier Corporate Social Responsibility Code of Conduct** to uphold our highest standard of business ethics and integrity.

Supplier Selection

In managing and recording supplier information on material procurement platform, we conduct supplier performance assessments to achieve a dynamic management from supplier selection to system removal. To ensure that suppliers meet the CSR performance and practice green and responsible procurement, we take into the account of the suppliers risks and performance on environmental, social and governance during supplier selection. We also incorporate the consideration of supplier's management

system certifications such as ISO14000 and ISO9000 into assessment criteria. Suppliers obtained relevant certification can receive a higher score. In 2019, 82% of our suppliers are accredited with ISO14000 certification.

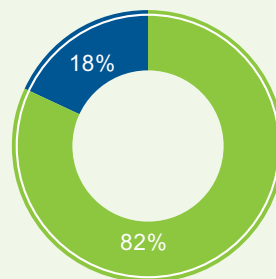
Monitoring and Evaluation

To ensure an open, fair and equitable material procurement platform, we have established a "supplier blacklist" mechanism. Suppliers suspected of fraudulent or malicious behaviour during supplier assessment or factory inspection will be listed in the publicly disclosed "blacklist". Besides, we regularly conduct supplier sampling inspections, assessments and evaluations of their product supply performance, and provide

feedback in an open and transparent manner. We also rank the suppliers based on the assessment results and revoke the contract with suppliers who received unsatisfactory performance in the assessment. Moreover, **we require all suppliers to sign the Integral and Clean Practice Agreement** when signing the contract and maintain suppliers' integrity record on the procurement platform so as to strengthen our anti-corruption management.

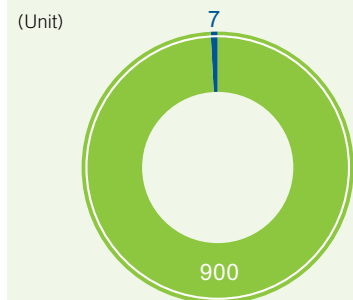
As of December 31, 2019, we had a total of 907 suppliers, of which seven were from overseas, Hong Kong, Macao and Taiwan, and the top 20 key suppliers accounted for 50% of the total purchases.

Ratio of Supplier Obtained ISO14001 Certification



- Obtained
- Not obtained

Key Suppliers Received Factory Inspection in 2019



- Number of domestic suppliers (Mainland China)
- Number of overseas suppliers (Hongkong, Macau and Taiwan included)



3 OUR SUSTAINABLE PERFORMANCE



3.1 Intelligent Operations

ENN Energy regards itself as “a promoter of the modern energy system and a globally respected clean energy company”. Encouraged by the call of the national supply-side reform of the energy structure, we vigorously carry out technological innovation and intelligent operations. While providing integrated energy solutions, the company keeps improving its service quality, stabilising gas supply and supporting people’s livelihoods.

3.1.1 Integrated Energy Ecosystem

As a pioneer of “modern energy” and “Internet +” intelligent energy supplier, ENN Energy is committed to innovation in the field of clean energy. Guided by the ENN Energy Holdings Limited Sustainable Development Policy, we vigorously promote the development of the integrated energy business and work to build an integrated ecosystem.

According to our in-depth understanding of clients’ needs and operation, and local resources and conditions, we utilise natural gas, biomass, industrial waste heat, photovoltaic, geothermal and other clean energy. We select technological

approaches and provide optimal, customised solutions. We build digital network platforms and use technology to assist the intelligent management of energy for our clients.

Our solutions include:

- Integrated energy and intelligent energy management for individual industrial users, industrial parks and other projects. We help them – real-time monitor equipment operation data. – analyse energy efficiency and engage energy conservation and consumption reduction;
- Digital solutions for transport hubs such as airports and railway stations. We forecast demand – based on information such as changes in ambient temperature and passenger numbers – to reconcile demand and supply, improve efficiency and facilitate intelligent upgrades;
- Supplying energy for the construction of intelligent cities. With urban demand as the guide, the integrated energy system as the physical support, and the digital energy platform as the intelligent hub, we optimise the allocation of resources, and hence contribute to the energy ecosystem.



3 OUR SUSTAINABLE PERFORMANCE

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CASE

Enabling digital management at the Sino-German Eco-park Integrated Energy Project

The Sino-German Eco-park – a cooperative project between the Chinese and German governments – is committed to becoming a high-end, internationally significant ecological zone demonstration project. It aims for a per capita carbon emission intensity lower than the national level, and lower even than the average level of developed countries.

To empower the eco-park, our intelligent solution – the “Ecopark Energy Monitoring and Management Platform” – offers digital and visual management. Based on the weather forecast and historical data, we predict the terminal energy load, and provide decision-assistance for the operation of the energy stations, to optimise start and stop sequences and the load distribution of equipment, to balance supply and demand, and enable real-time, optimised control. The platform enables climate compensation and remote room temperature monitoring. This controls the water temperature according to the outside and the room temperatures on the user side, to minimise energy waste. Digital management enables safe, efficient and stable supply, saves more than 900 tons of standard coal each year, and significantly improves operating efficiency.



Annual Reduction

Standard Coal Reduce
900 tons

Sino-German Eco Park Integrated Energy Project



CASE

Promoting the “Green and Intelligent” evolution of the Changsha Huanghua International Airport

ENN Energy employs integrated energy technology to refine energy use at the Changsha Huanghua International Airport. Via our intelligent energy management platform, we optimise water, electricity, cooling and heating resources, unifying and controlling the entire process of energy digitization. ENN Energy helped the airport optimise its energy structure, ensuring supply and demand, and supporting multi-energy matching.

Firstly, through the collaborative optimisation system at the integrated energy station and based on information of energy, weather, flights, terminal temperature and humidity at each subsidiary integrated energy station we employ the main station's energy management and load forecasting technology to conduct unified control and intelligent management of energy supply equipment at the airport's energy station and that of surrounding users. Secondly, we use the collaborative optimisation system monitors and controls the temperature of each room in the building. Through early opening and closing of the system, setting minimum and maximum temperatures, and other optimised time and temperature methods, we improve customers' comfort, reduce energy waste, save integrated energy consumption and reduce carbon emissions by end users.

The project has saved annual energy expenses at the airport by RMB40 million, and the operating cost by more than RMB500,000. Primary energy use is reduced by 3,300 tons of standard coal per year and carbon dioxide emissions by about 8,100 tons per year. Sulphur dioxide and dust particles are also reduced, with clear environmental benefits.



Annual Reduction

Standard Coal Reduce
3,300 tonsCarbon Dioxide Emission
8,100 tons

Changsha Huanghua International Airport

3 OUR SUSTAINABLE PERFORMANCE

3.1.2 Leading the Industry's Development with Innovative Technology

Research is key to ENN Energy's vigorous development. To improve efficiency and enhance the energy structure as proposed in the 13th Five-Year Plan for Energy-related Technological Innovation – we strengthen R&D and technological innovation, centring on low-cost, clean, low-carbon and livelihood-beneficial

solutions, and promote the development of renewable energy.

The ENN Energy Measures for Awarding Intellectual Property and Research Papers provide a platform for innovation, and help connect research institutes with the innovation departments of our member companies. We are building a database of experts and invite them to review

innovations and new technologies.

We hire specialists to protect our intellectual property rights for technology R&D, to analyse and warn of patent infringements, and to develop plans for prevent patent infringements. We cooperate with industry peers, universities and research institutions, and participate extensively in academic exchanges.



CASE

Learning about jinchuan group's technological innovation

From July to August 2019, key delegates from departments and branches of ENN Energy visited metals producer the Jinchuan Group to study their technological innovation model. We visited the National Key Laboratory for Comprehensive Utilization of Nickel and Cobalt Resources, the Innovation Centre for Nickel and Cobalt-based New Materials, and the Specialized Crowd Creation Space for the Utilization of Nickel and Cobalt Resources.

Our delegates learned about the group's innovation at employee and core member level, and visited the Model Workers' Innovation Workshop for a discussion. The study tour enhanced our understanding and promoted the innovation and development of both parties.



ENN Energy staff visit the Model Workers' Innovation Workshop



CASE

Exchanging intelligent pipeline ideas with the China National Petroleum Corporation

On November 11, 2019, ENN Energy's Technology and Innovation Empowerment Group, Delivery Operation Enabling Group and other staff toured China Petroleum Pipeline Engineering Co., Ltd., to exchange ideas on intelligent pipeline technology.

These discussions covered construction and management of intelligent pipelines, and focusing on topics about the full digital handover of intelligent pipelines and intelligent operation (including intelligent production, operation and management, station management and centralised control), business coverage, life cycle management (electronic labels, intelligent logistics tracking technology, etc) and development of the intelligent pipework (data integration, system integration and interconnection, cognitive interaction and visualisation). The two sides held technical exchanges to learn about the latest updates for intelligent pipeline construction and core technologies for the Internet of Things, cloud computing, big data, and artificial intelligence. These exchanges created a solid foundation for innovation and cooperation.



Technological exchanges at the China National Petroleum Corporation

Our system integration centre carries out integrated management over different energy supply models. It forecasts and prevent risks throughout the life cycle. Through simulated budgeting, the centre allocates costs and resources optimally and continuously improves energy supply, thus laying the foundation for efficient and high-quality bidding and tendering.

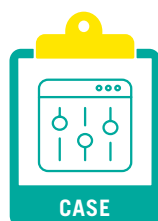
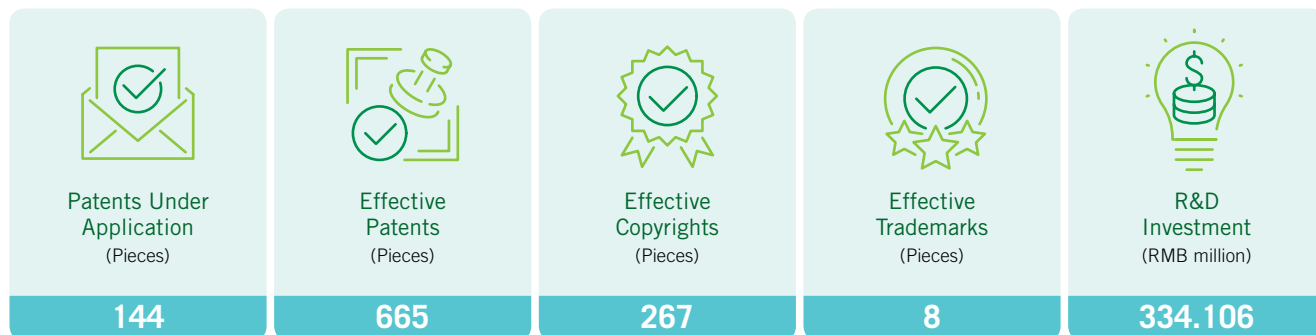
Supporting the vigorous development of the renewable energy industry, we are spearheading the use of clean energy such as biomass energy, mid-deep geothermal energy, and innovating the heating and the CHP modes. While meeting the market's energy demand, the above efforts are also conducive to improving environmental benefits and promoting energy conservation.

Through technological transformation, we develop and promote energy-saving and environmentally-friendly products, to reduce energy consumption, and promote the low-carbon transformation of the industry.

In 2019, ENN's innovation and R&D investment amounted to RMB334.106 million, and we applied for 144 patents, trademarks and copyrights.

3 OUR SUSTAINABLE PERFORMANCE

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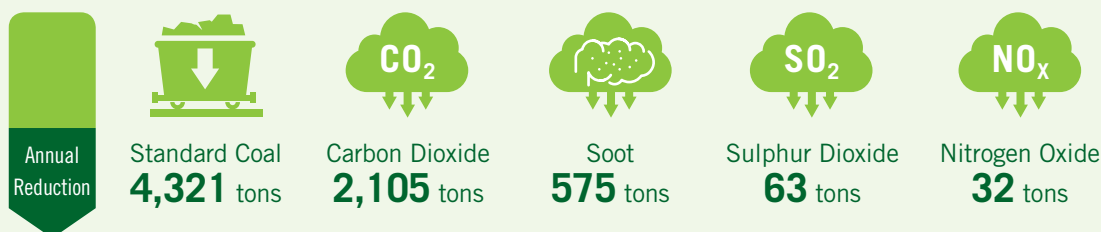


Improving conditions in the industrial cluster zone of Mengzhou City

In the industrial cluster zones of Mengzhou City, coal is the primary energy source. Clean energy is underutilised and there is a lack of overall management. To improve this situation, ENN Energy has implemented heating pipeline construction in the industrial cluster zones. This will significantly improve the utilisation of facilities, reduce costs, and ease environmental pressure and polluting emissions. After analysis of the demand-supply balance in the steam load, ENN Energy proposed a two stage integrated energy solution:

- Utilising existing facilities more efficiently + platform-based operation and transactions;
- Coordination of incremented energy consumption + substitution by clean energy + platform-based transactions.

Per year, the project will potentially save 4,321 tons of standard coal, and reduce carbon dioxide by 2,105 tons, soot by 575 tons, sulphur dioxide by 63 tons, and nitrogen oxide by 32 tons, compared to the original small and medium coal-fired boilers. The environmental benefits are substantial.



The central heating project at the guzhen economic development zone and the tongling industrial park in bengbu

The Guzhen Development Zone is ten kilometres from the Tongling Industrial Park in Bengbu. Both are provincial development zones. At the request of the government, to fulfil their social responsibility for sustainable development, the two zones implemented a coal-to-gas policy, banned non-clean energy boilers, and undertook review and rectification of central heating projects.

Based on our analysis of existing facilities in the two zones, ENN Energy proposed to build heating stations and pipework that would accommodate future needs for electricity and steam. Intelligent energy will be factored into integrated planning and design, heating stations will operate in line with the integrated energy concept.

These measures will promote energy transformation and improve the zones' environmental benefits.

3.1.3 Safeguard Stable Supply of Gas to Support Livelihoods

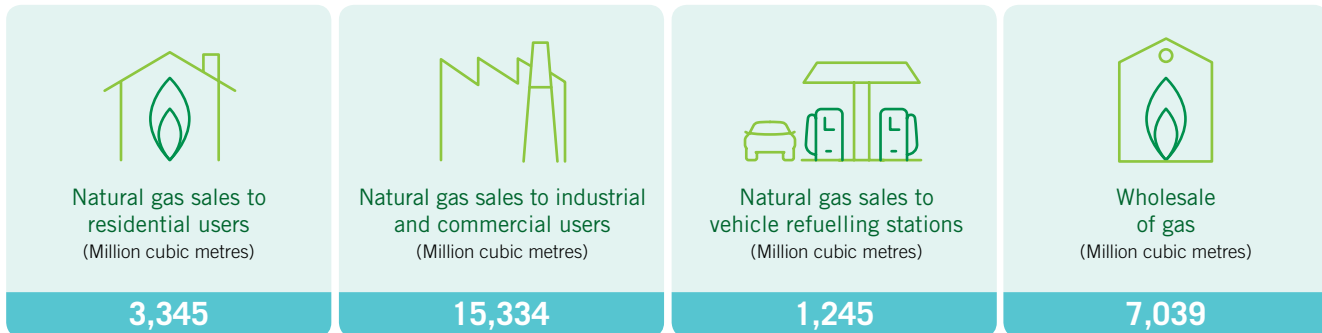
Supporting the trend of accelerated transition to clean and low-carbon energy, ENN Energy prioritises the maintenance, safety and stable supply of natural gas, and actively fulfils its duty to ensure basic

livelihood needs. Each member company creates a quality management system in accordance with ISO 9001 standards and provides a management foundation for safe and stable supply. As of the end of 2019, five member companies hold ISO 9001 certification.



3 OUR SUSTAINABLE PERFORMANCE

FY2019 Gas Sales Volume



Ensuring a stable supply of natural gas in winter is among our primary responsibilities. We forecast operations in the season from November to March, analyse and forecast temperature and climate according to provincial statistics, estimate the demand and gaps in advance, and formulate a plan

based on available resources.

To ensure stable supplies, we have expanded our gas sources from home and abroad, and strengthened our capabilities in transportation, urban pipework operation, gas peak shift and storage. In 2019, we built a gas source management

platform that uses big data and digitisation for ensuring the winter supply.

To ensure a stable supply during emergencies, ENN Energy developed a plan for peak shifting consumption through the construction of an LNG gas storage base.



Hunan branch ensures energy supply in winter

In January 2019, the temperature in Hunan dropped to minus-8 degrees. The supply of natural gas was challenging throughout the Province. But before the peak season, our Hunan Branch developed and implemented a plan for ensuring safe supply and for special indication, including an indoor security inspection. With a solid emergency plan and orderly on-site operations, the branch took the lead in providing a sound solution for fully guarantee the supply in winter.



Ensuring a stable gas supply in the flood season

Heavy rain hit many southern provinces of China in July 2019. Amid emergency flood control and rescue, ENN Energy's priorities were to protect lives and maintain stable gas consumption.

A disaster event requires an immediate response. Our safety empowerment team rushed to the frontline to work on flood relief and gas supply. Deploying new technologies such as QR code and inspections via drone alongside visual security inspections, we carefully surveyed the on-site topography and safety facilities. We strengthened monitoring and inspection of city gas consumption, to ensure residents' stable gas supply, and to fulfil our responsibility for society and livelihoods.

To ensure the pipework safety, ENN Energy conducts impact assessments before any pipework is built, to avoid adverse effects on the community during operation. We carry out patrols and door-to-door inspections during construction and operation and replace the traditional manned inspections with high-tech drones. These efforts improve the efficiency of inspections, optimise management and control of the pipeline database and hazards, and greatly enhance the safety of high-pressure pipelines. We also conduct

annual gas inspections for residential customers, exceeding the national stipulation for such inspections every two years.

For coal-to-gas customer, we actively promote a visual system of door-to-door inspections, to strengthen safety and ensure daily gas supply.



At least **once**
safety inspection
a year for
ordinary users



At least **twice**
safety inspections
a year for
"coal-to-gas" users

3 OUR SUSTAINABLE PERFORMANCE

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CASE

Drones facilitate the intelligent inspection of high-pressure gas pipelines in Quanzhou

On December 20, 2019, Quanzhou Gas conducted high-pressure pipeline inspections with drones for the first time. This marked a milestone for ENN Energy's intelligent operation.

Most of the company's high-pressure pipelines of Quanzhou are overhead pipelines or buried in mountains, rivers and swamps, dead zones not covered by manned inspections. To fill these gaps and ensure safe and stable operation, a "patrol team of drones has been formed by ENN energy for rapid inspection of high-pressure pipelines. They also searched for hidden dangers, investigated the environment, and conducted full-spectrum monitoring, filming and fault-monitoring for overhead pipelines.



A Quanzhou Gas employee conducts an inspection using a drone



CASE

Improving intelligent security inspections

ENN Energy is committed to transforming and upgrading the household gas services via big data and AI technology. A new platform combines, healthy services and quality services.

Focusing on safety, we build a "blue-collar service credit system" and explore an inclusive development model that integrates "payment-security inspections-insurance" scenarios.

Smart kitchens equipment, smart lock and other home security products make it easier to monitor domestic gas equipment, its usage and identify possible hazards.

For customer whose homes are not accessible to indoor inspections, we use remote infrared and drone-based alternatives. – and therefore strengthen the safety of family gas use.

Compared with 2017, the number of hidden dangers discovered in 2019 increased by 85 per cent, the rectification of hidden dangers by 56.8 per cent, and household gas inspections by 6.42 per cent.



The rectification of hidden dangers by **56.8%**

3.1.4 Establishing Diversified Channels for Services and Communications

ENN Energy attaches great importance to service quality. Via our hotline, channels for client complaints and feedback, and satisfaction surveys, we strengthen communication with clients. And we continually optimise service quality and improve client satisfaction.

The ENN Energy Manual for the Service System and the ENN Energy Management Measures for Customer Complaints make available our internal complaint channels, including the national hotline for service quality supervision (400-86-95158), the 24/7 service hotline 95158, the supervisory

and whistleblowing hotline, online client service, the corporate internal complaint hotline and an email inbox. Our office platform iCome provides an efficient online feedback mechanism for client complaints.

As of December 31, 2019, we received a total of 341 complaints and reports. All cases were closed.

To further improve our service, ENN cooperated with a third-party organization to gauge client satisfaction in 2019, via on-site interviews, telephone surveys, online surveys and clients interviews. The results showed that ENN's client satisfaction reached 93 per cent, exceeding the 90 per cent target set at the beginning of 2019.



Resolution rate **100%**



Client satisfaction reached **93%**

3 OUR SUSTAINABLE PERFORMANCE



The "Listen to Clients" event

To improve the handling of problems reported by clients, and to improve service quality and client experience, ENN Energy has held monthly "Listen to clients" events since August 2019. Employees listen to recordings of client complaints, to learn how to identify and correct problems. In exchange workshops at our companies, we promoted sharing of experiences, to improve service across our business.

We use intelligent channels to enhance the efficiency and quality of our service. An online intelligent platform strengthens management and analysis of business data. Speech engines enable online interactions and self-service payment via terminals.



"ENN Huiyongneng" app facilitates self-service for payment

Following the launch of the online business hall for domestic user, we released the "ENN Huiyongneng" app in 2019. This enables online invoicing and payment for customer with gas meters, Internet of Things meters and Bluetooth cards, in 38 cities across the country. Industrial and commercial users can check their energy consumption, anytime and anywhere, on their smartphones and make self-service payments. We are streamlining the user operation process and uplifting the client experience.



Enables online invoicing and payment for customer in **38** cities across the country



The Intelligent Voice Interaction project

In 2019, we collaborated with Alibaba Cloud to utilise AI for predicting user demand and meeting the need for broad and intelligent service. Integrating AI into ENN Energy's hotline, business and big data systems marked the debut of our "AI + client service" model. ENN is the first gas company in China to successfully launch an intelligent speech engine, engaging customers through smart and human-like communication.



3 OUR SUSTAINABLE PERFORMANCE

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3.2 Green and Environmental Practice

Clear waters and green mountains are natural resources that need our care. ENN Energy practises green development and regards environmental protection as an inherent responsibility. To mitigate negative impacts on the environment, we strictly control the discharge of pollutants, advocate energy conservation and emission reduction, optimise the use of resources and strive to reduce waste. An internal environmental management system standardises regional operations and construction. We promote business and technological innovation, recycling and new energy use.

3.2.1 Management of Emissions

ENN Energy strictly abides by the Law of the People's Republic of China for Environmental Protection, the Law of the People's Republic of China on Air Pollution Control, the Law of the People's Republic of China on the Prevention of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution of Solid Wastes, the Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution and other laws and regulations. Internally, our Management Measures for Responsible Construction regulate waste disposal during construction.



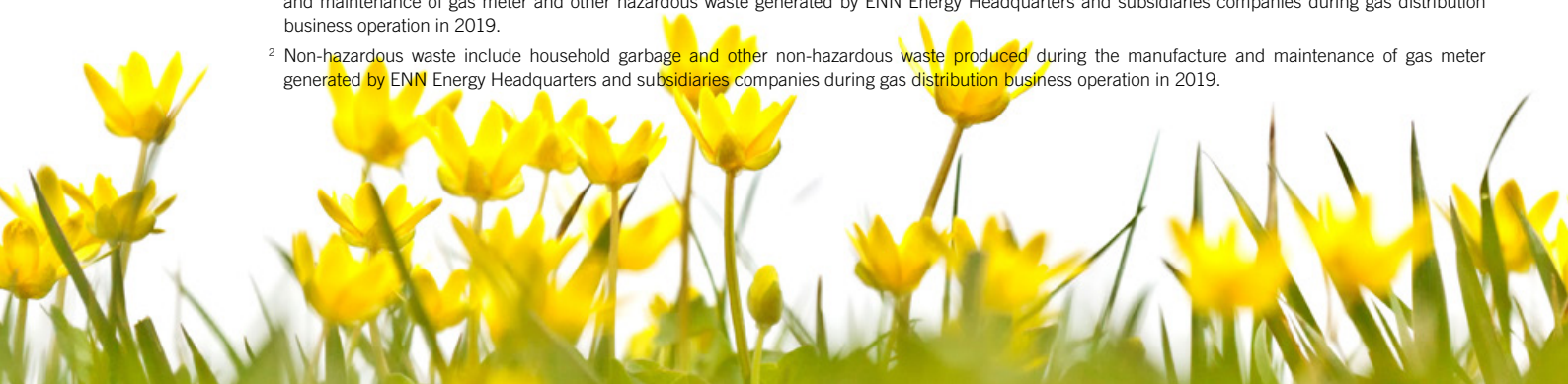
ENN Energy encourages member companies to standardise their environmental management and to accord with ISO standards. As of the end of 2019, six member companies held ISO 14001 certification.



Notes:

¹ Hazardous waste include waste machinery oil, odorant waste barrels, waste chemical packaging, scrapped circuit boards produced during the manufacture and maintenance of gas meter and other hazardous waste generated by ENN Energy Headquarters and subsidiaries companies during gas distribution business operation in 2019.

² Non-hazardous waste include household garbage and other non-hazardous waste produced during the manufacture and maintenance of gas meter generated by ENN Energy Headquarters and subsidiaries companies during gas distribution business operation in 2019.

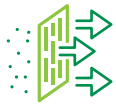


3 OUR SUSTAINABLE PERFORMANCE

We mitigate the impact of wastewater, waste gas, solid waste and noise generated by our operations via project management, upgrading equipment and information campaigns on environmental protection. These measures ensure compliant discharge and green operations.

We have strict project management measures to control the disposal of waste:

- Dust pollution: construction sites are semi-enclosed.
- Water pollution: we discharge sewage into urban pipes network after it has been treated to meet discharge standards.
- Noise pollution: as much as possible, we avoid construction at night or during normal rest times and – depending on site conditions – we implement sound insulation to minimise the impact on nearby residents.
- Hazardous waste: we have set up the management systems and emergency plans. We collect such materials in a unified manner, and entrust its treatment to qualified disposal plants.
- Non-hazardous waste: we collect and process such waste separately.



Dust pollution management

- Dust-proof nets and felt cloth mitigate dust during earthwork excavation and backfilling.
- Sprinklers, fog guns and dust collectors prevent air pollution caused by dispersed dust.



Water pollution management

- Drainage ditches are dug on-site to settle wastewater generated during construction.
- During directional drilling, a pond is dug to collect and treat mud generated, and to stop its seepage into groundwater or rivers.



Noise pollution management

- When construction is close to residential areas, we implement measures such as sound absorption, and insulation of the main sources, such as forklifts.
- To prevent noise generated by machinery – such as cutting and drilling – affecting nearby residents, pipes are placed in open areas where possible.
- We build a wall around the pressure-regulating station of the compressed natural gas station, and install sound insulation, to reduce the impact of the compressor on nearby residents.



Hazardous waste management

- We strictly sort and store hazardous waste.
- We strengthen fire prevention in the storage facility.
- Toxic and hazardous waste are strictly forbidden from use as backfill material.
- Kitchen waste is handed to the Sanitation Department of Langfang City, and treated at the waste transfer station.



Non-hazardous waste management

- Office waste, domestic waste, waste pipes, waste lamps and non-hazardous parts produced during the manufacture and maintenance of gas meters are collected and processed separately.
- After each day's work, on-site waste should be cleaned in a timely manner and placed in a specified storage facility, to avoid secondary pollution.

3 OUR SUSTAINABLE PERFORMANCE

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We are committed to the technical transformation of equipment and facilities, and – through the application of innovative technologies – controlling dust dispersion and noise pollution. In 2019, we promoted portable flue gas analysers, gas boiler and burner mufflers, and low-nitrogen boilers. This reduced waste and environmental impact.



To ensure that gas boiler emissions met standards, we purchased portable flue gas analysers that enable self-monitoring at each emission site. The gas is treated and handled if it breaches emission standards.



Mufflers were installed at the gas boiler and burner of the Central Hospital's energy station. This reduced noise by 8-10 decibels.



Low-nitrogen transformation was conducted for eight gas boilers, including those at the Sinopharm Energy Station, the North Jiake Energy Station, Thermal Power Station No. 5 and Jingbin Station No. 1. Their nitrogen oxide emissions were reduced from 80mg/m³ to less than 30mg/m³. To ensure that the emissions meet standards, we purchased portable flue gas analyzers to enable monitoring at each site.



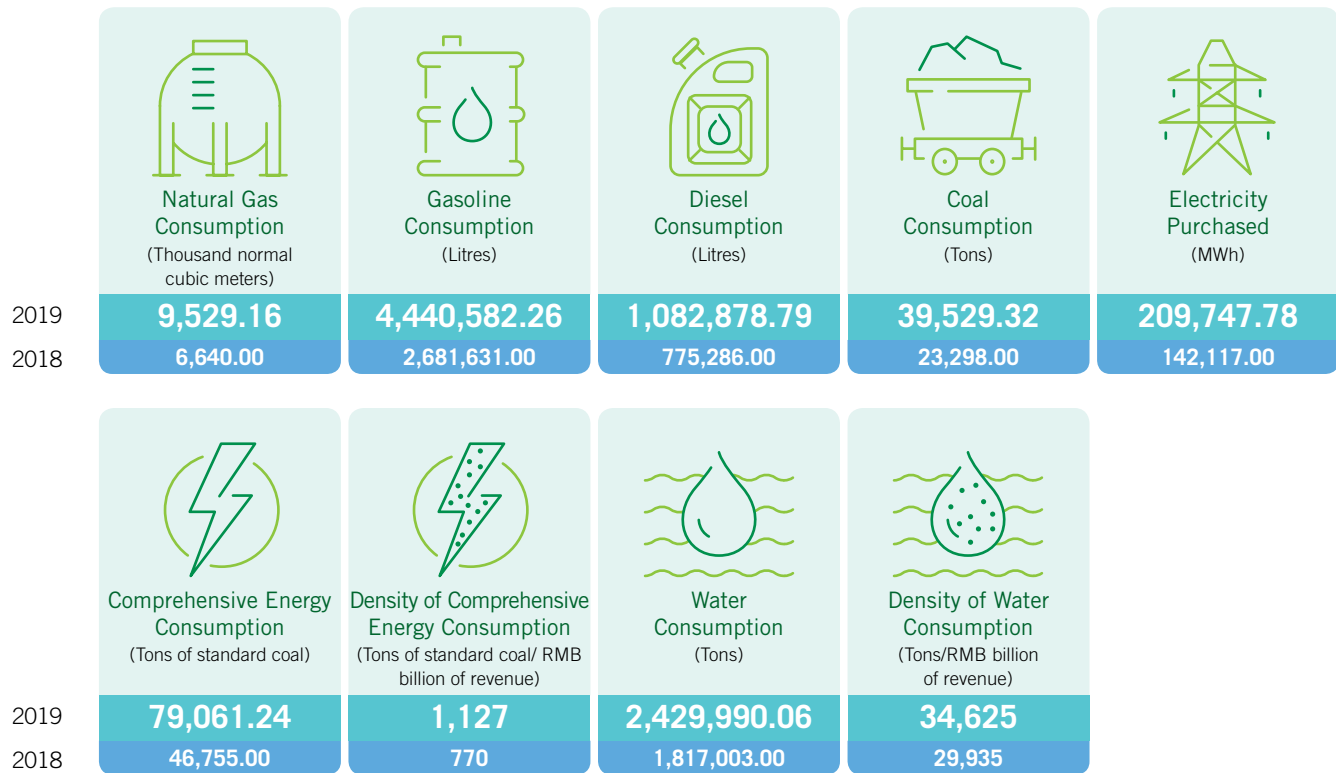
3 OUR SUSTAINABLE PERFORMANCE

We promote a culture of environmental protection to employees during daily work, to heighten their awareness and reinforce the concept of clean production and operation. With bulletin boards, posters, articles on our WeChat public account and cultural activities, we encourage conservation, emission reduction, and green and sustainable operations.

3.2.2 Energy Conservation

ENN Energy strictly abides by laws and regulations, including the Law of the People's Republic of China on Energy Conservation, to minimise energy waste. We have internal policies such as the ENN Energy Manual for Reception Resources, the ENN Energy Management Rules for Administrative and Office Assets and the

ENN Energy Rules for Vehicle Management and strive to conserve energy and reduce emissions in projects and daily office work via awareness-raising, management and technological transformation.

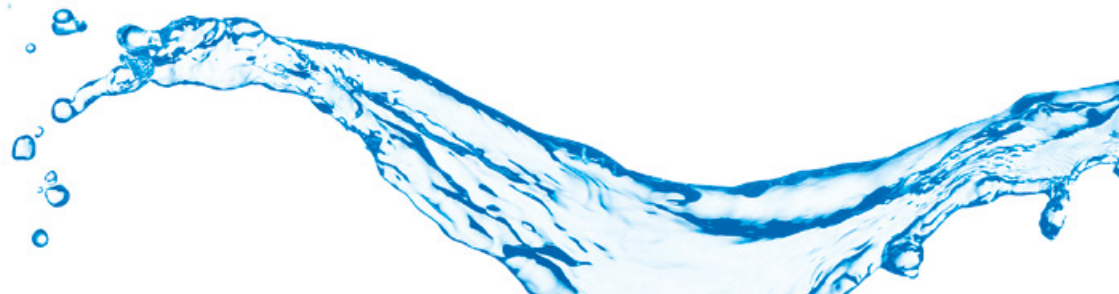


Notes: In 2019, ENN Energy further strengthened the management of data statistics, optimized and improved the calibre and scope of data disclosure. In 2019, ENN Energy further development and expansion, also strengthened the management of data statistics, optimized and improved the calibre and scope of data disclosure. The data disclosed in this year includes environmental data of ENN headquarters and subsidiaries companies during gas distribution business operation, therefore, it has increased from 2018.

In the production, construction and operation process, we consistently keep implementing the energy-saving and emission-reduction philosophy, promoting new materials, processes, technologies and equipment to eliminate outdated processes and equipment, and effectively improving energy efficiency.

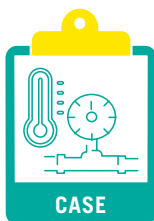
We reduce our consumption of water by replacing fresh water with reclaimed water and rainwater where possible. We use water-saving appliances and inspect and maintain the supply system. In 2019, we changed the type of power used by package substations at oil and gas stations, transformed water pipes at energy

supply stations, and promoted discharge equipment and energy-saving coatings for gas storage cylinder assemblies, to help energy-saving and emission-reducing continue in the long term.



3 OUR SUSTAINABLE PERFORMANCE

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CASE

Saving energy and reducing consumption at the Dongcheng Industrial Park in Dongguan

Responding to national and regional strategies, ENN Energy has adopted new technology for energy conservation and consumption reduction for the Heating Network & Cooling Pipeline Project at the Dongcheng Industrial Park in Dongguan.

In the first phase, to reduce heat loss, we adopted composite, temperature-graded and elliptical insulation for the pipeline. To ensure certain heating parameters for the steam pipework terminal, we used low-friction, high-efficiency insulation and energy-saving pipe supports. We selected materials with high and medium-temperature resistance and waterproof reflective features. And we employed thermal insulation that saves more than 60 per cent of integrated energy. We used special compensation methods featuring high-efficiency and large volume, and CAESAR II stress analysis, to optimise the pipeline layout. These reduced pressure loss by more than 70 per cent.

In the second phase, we adopted an automatic control system that resorted to the annually dynamic energy consumption analysis of the system to automatically adjust the operation of the chiller unit and set the reasonable specifications. We chose thermal insulation materials with minimal conductivity, slight water absorption and large humidity-resistance, and added waterproof materials, to reduce energy loss in the cold-water transmission and distribution. In the calculation of the cold-water transmission and distribution pipework, we uplifted the hydraulic stability and rationality as much as possible, to reduce energy consumption when valves are adjusted.

In 2020, ENN Energy will continue to implement the energy-saving and consumption-reducing principles in the third phase of the project. We will analyze the energy consumption of pipeline operation, and adopt energy-saving designs in the aspects of pipeline materials, pipeline insulation structure, and steam transportation, in a bid to effectively save energy.



Overall energy saving rate of more than **60%**

We monitor and regularly collect data on the energy consumption of gas stations across the country, with the help of Internet and data. If abnormal consumption is identified, we send timely feedback to the station, so they can track and manage the abnormality, with our technical support. This controls overall consumption and carbon emissions.



CASE

Improving the economic operation of gas stations

The Specifications of ENN Energy Holdings Limited for Economic Operation of CNG Gas Stations are used to quantitatively analyse whether gas stations operate economically. We adopt measures such as filling the gas storage cylinder assembly during night-time, with flat and off-peak electricity prices, guiding clients to refuel gas less frequently to reduce starts and stops of the compressor, designating special staff to control the lighting of the canopy, and turning on the cooling fan when it reaches the starting temperature, to improve electricity consumption. In 2019, around 80 per cent of ENN Energy's CNG gas station reached unit electricity consumption target.



About **80%** of CNG gas station reached unit electricity consumption target

3 OUR SUSTAINABLE PERFORMANCE

In addition, we take daily energy-saving and emission-reducing measures to promote the green office. Our headquarters uses geothermal heat pump to supply heating and cooling, which can significantly reduce energy use and carbon emissions compared to traditional technologies.

Our Employee Code of Conduct requires employees to establish environmental awareness and practise energy conservation and emission reduction. We encourage employees to travel in a green

way, such as commuting by gas or electric buses, and require them to not waste consumables, and to recycle materials such as paper. We post water-saving and electricity-saving tips on office premises and project sites, and regularly publicise energy conservation and environmental protection. We promote the digital transformation of daily office and business operations, and provide iCome PC and mobile apps to support the paperless office.



Water conservation reminders in our offices



Total GHG Emissions
(Tons of CO₂e)

2019
2018

262,919.07
181,323.00



Density of GHG Emissions
(Tons of CO₂e/RMB billion of revenue)

3,746
2,987



Direct GHG Emissions (scope I)
(Tons of CO₂e)

2019
2018

123,538.97
83,859.00



Density of Direct GHG Emissions (scope I)
(Tons of CO₂e/RMB billion of revenue)

1,760
1,381



Indirect GHG Emissions (scope II)
(Tons of CO₂e)

2019
2018

139,380.10
97,464.00



Density of Indirect GHG Emissions (scope II)
(Tons of CO₂e/RMB billion of revenue)

1,986
1,606

Notes:

- 1 In 2019, ENN Energy further development and expansion, also strengthened the management of data statistics, optimized and improved the calibre and scope of data disclosure. The data disclosed in this year includes environmental data of ENN headquarters and subsidiaries companies during gas distribution business operation, therefore, it has increased from 2018.
- 2 Direct GHG emissions (scope I) cover the direct emissions from energy (coal, diesel, gasoline, natural gas), which is consumed by natural gas retail business and gas wholesale business of ENN Energy Headquarters and subsidiaries companies during operation;
- 3 Indirect GHG emissions (scope II) cover the indirect emissions from electricity purchased, which is consumed by natural gas retail business and gas wholesale business of ENN Energy Headquarters and subsidiaries companies during operation;
- 4 The greenhouse gas emission are calculated with reference to the Environmental Key Performance Indicators Reporting Guidelines published by the Hong Kong Stock Exchange, the Average Carbon Dioxide Emission Factor for Regional Electricity in China issued by the China Development and Reform Commission, and the default table of fossil fuel characteristic parameters.

3 OUR SUSTAINABLE PERFORMANCE



3.3 Cultivating Talent

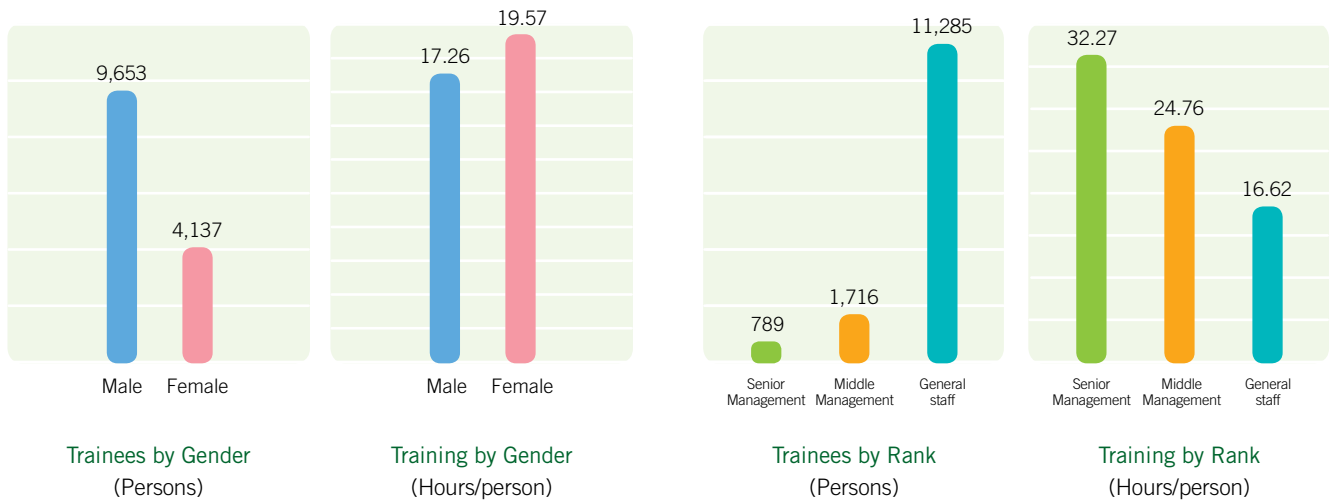
ENN Energy respects the value of employees. We attach importance to – and help – employees’ personal development and growth. We carry out training at different levels and organise competitions for specialties, to improve employees’ skills and broaden their career paths. We strive to create an equal and friendly working atmosphere. Rich and diverse cultural activities enhance happiness and satisfaction.

3.3.1 Developing Employees

ENN Energy attaches great importance to employees’ personal development and is committed to achieving a win-win outcome that the company and its workforce progressing together. We provide a fair and open space for personal development and uphold the principles of equal and open appointments. Dual promotion channels focus on management aspects and specialised domains, with refined selection

criteria that identifies talents in each.

We regularly enhance our talent selection, training and appointments. We have a multilevel training system and host talent programmes, contests and other activities to improve skills and facilitate growth. In 2019, we conducted 126 employee training sessions. These involved 13,790 trainees with 638,109 total training hours.



At headquarters level, ENN Energy improves the integrated training that covers all employees, keeps records of personal development, provides learning products, and hosts talent cultivation programmes such as the Specialised Refinement Programme and the FEE Programme. Our training is divided into three: learning, practical application and competence elevation.

- Learning includes online and offline learning and after-class risk practice, to improve business expertise and general capabilities.
- Practical application carries out mission practice to solve existing operational problems and improve hands-on ability.
- Competence elevation provides characteristic theme activities among the learning and practice to enhance cultural cognition of students and to cultivate team spirit and career ambitions.



3 OUR SUSTAINABLE PERFORMANCE

In addition, long-term vocational training for leaders and frontline employees focuses on leadership, expertise and operational ability. With courses and guidance, these personnel can pursue enhanced and faster development, in line with their job requirements and personal potential.



Leadership training

Focusing on the cultivation of leading talents in the industry and companies, the aim is to cultivate tiered talent teams, promote the growth of specialists and technical experts, and help new employees to rapidly become core members and even leaders.

Leadership training events organized in 2019 include but are not limited to:

- we organized leadership training activities “FLE α ”, “New leaders” plan, “30/40 Plan” etc.;
- we organized 14 management personnel training in Hebei, Jiangsu, Hunan, Guangdong, Henan, Anhui, Shandong, Zhejiang, Liaoning, Guangxi, and other provincial companies and direct subsidiaries;
- we held “Flintstone Programme”, “Pioneer Programme”, “Sailing Programme” and other talent training projects in member companies.



Expertise training

Focusing on technological business. Online and offline training helps personnel in technological business positions practise and master their knowledge at a greater pace.

In 2019, we cultivated more than 40 such personnel. They improved the knowledge of business cooperation and negotiation, and enhanced professional ability.

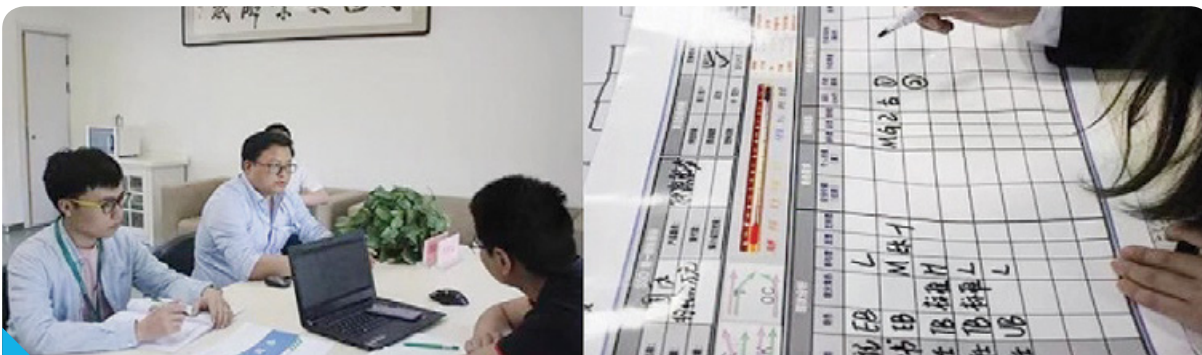


Operational ability training

Focusing on enhancing the operational ability of employees by establishing effective learning methods, nurturing their proactive learning habits to upgrade their skills and obtain relevant technical licenses.

In 2019, we launched a number of workforce training programs, 982 employees passed the qualification certification:

- the city gas multiskilled training certification;
- the mechanic training certification for integrated energy operations;
- the “I” Craftmanship Program-Champion Training Camp;
- the appraiser training certification.



Technical business training

3 OUR SUSTAINABLE PERFORMANCE



CASE

ENN Energy's fifth FLE α Special Training Camp concluded successfully

On November 20, 2019, our fifth FLE α Special Training Camp of ENN Energy successfully concluded. The camp members, having undertaken a 255-day course, hosted a closing roadshow. Representatives of different teams reported their practical results regarding clients, data and ecology.

The camp establishes a foundation for collaboration and a fast track for talent development. It tests the self-discipline and teamwork of trainees, and helps them become future leaders.



The concluding report roadshow



Chairman of ENN Energy presented graduation certificates and badges to the trainees



CASE

ENN Energy held fifth Special Training Camp under the Specialised Refinement Programme

Our Specialised Refinement Programme improves the expertise of technicians. In 2019, the programme cultivated 155 such personnel, assisting 13 provincial branches in development, safety and operation.

The programme combines learning and practice. It enables trainees to master equipment operation, maintenance, inspection and troubleshooting, plus safety management and economic operation. Remarkable results are achieved.



Certification sites at the Liuyang Thermal, Zhaoqing New District and Riyueguang training bases



The programme cultivated **155** personnel in development, safety and operation

3 OUR SUSTAINABLE PERFORMANCE



CASE

ENN Energy's FEE Special Training Camp celebrates five years of training

To boost employees' expertise and management capabilities, ENN Energy has organized the FEE camp for five consecutive years since 2014. FEE training covers safety management, new technological applications, the three ecological and digitalisation, and other modules.

The camp reflects our emphasis on the value of employee. It provides a platform for employees to develop their knowledge in various areas and creates a solid foundation for their work.

The third edition of the FEE Special Training Camp successfully concluded with a roadshow on December 16, 2019. The trainees gave reports regarding the three ecological niches, clients and digitalization. These reports were well received by attendees.



FEE closing roadshow

Provincial branches and member companies set up their own training, according to their circumstances. Based on the on-site conditions, they hosted cultural activities such as local employee training and skills competitions, to provide employees with a showcase for their talents.



CASE

ENN Energy holds the 7th Specialised Skills Competition

To encourage employees with exquisite skills and promote the spirit of craftsmanship, ENN Energy holds a Specialised Skills Competition. Twelve provincial companies compete in areas such as gas operation, emergency rescue and pipeline pressure regulation. The event promotes the technical development of employees and broadens their career paths. It fosters a strong atmosphere of competition, learning, collaboration and excellence. It also provides a platform for employees to demonstrate their strengths and enhance their abilities.

At the seventh consecutive competition, on September 18 to 20, 2019, 190 contestants from the provincial companies competed for nine ENN Craftsman awards at Shijiazhuang ENN Gas.



PE pipe welders, gas pipeline pressure regulators, steel pipe welders, installation and maintenance workers compete

3 OUR SUSTAINABLE PERFORMANCE

To encourage the development of employees, we carry out evaluations in specific categories, including outstanding female employees, youths, party members and every two years, excellent employees. This heightens employees' sense of accomplishment, and encourages them to make greater efforts and progress. In 2019, we added a special column on our public account and website to publicise the performance of diligent and outstanding employees. These activities boost morale and inspire enthusiasm.



CASE

ENN Energy showcased employees' highlights on social media

ENN Energy regularly published reports about employees on the WeChat public account in 2019. These reports showcased work results, excellent performance and career engagement, and enhanced employees' sense of identity and affiliation. Throughout the year, special topics – with headlines such as “On the frontline”, “Outstanding ENN Women”, “My Way”, and “Stories from the Frontline” – served as platforms for the achievements of employees at different levels.



On the frontline: safety work log by Shanghai Branch's No.1 Position



Outstanding ENN women: team leaders at a refuelling station of Luoyang Gas refuelling station



Stories from the frontline: Bin Jue and her pressure regulating station



My way: Pan Rong at Shanghai Kunlun ENN for Clean Energy



3 OUR SUSTAINABLE PERFORMANCE

3.3.2 Employee Care

ENN Energy well understands that employees are the company's greatest asset. We care about the work and life of every employee, and strive to create an equal, caring, harmonious and positive working atmosphere. We ensure that all employees enjoy national statutory holidays and benefits in accordance with the law. Besides, we organize various cultural activities every year for employees and their families to participate, so as to enrich their leisure time and development their interests and hobbies. Meanwhile, we actively build employee communication platforms, make available communication channels, and provide assistance and adequate welfare in a targeted manner for employees in need.

In terms of cultural activities, we engaged in a series of employee visits and condolences on the occasion of the New Year's Day and the Spring Festival in 2019; we launched entertainment activities for celebrating the Moon Festival to gratitude to the family members of employees; to celebrate the May 1st Labour Day with a theme of glorifying labour, we organized nearly 500 persons from our employees' families to visit the World Expo Garden; on the occasion of July 1st we carried out a series of activities to show care for

outstanding employees and to highlight the theme of love for the party and dedication to work; during the corporate anniversary celebration on August 6th, we held activities to showcase our corporate achievements and outstanding employees' work style; on the Mid-Autumn Festival, we organized a reunion-themed garden tour for employees' family members; and to celebrate the country's 70th anniversary on the National Day, we organized a running event for ENN Energy's employees. All those activities have fully enhanced the emotional exchanges between the company and employees, and uplifted employees' satisfaction.

In terms of employee communication, we attach great importance to communication and interactions with employees. In order to facilitate the communication channels, we set up a dedicated hotline to the general secretary and a complaint channel on the "Icome" platform. Employees may send complaints, reports and feedback at any time. We also communicate regularly with labour union representatives, listen to grassroots voices, and learn about the needs and demands of employees. We carry out surveys on employees' opinions every year, and attach special importance to their ideological developments and needs in the process of enterprise

development, so as to understand corporate and public opinion, to promote the healthy and stable development of the company.

In terms of needs, we provide assistance and financial support to employees in need, and make effective efforts to solve their practical difficulties. As for medical assistance for serious diseases, we raise funds with employees every year and have set up a special fund. At the end of each year, trade unions pay grass-roots visits. We will grant medical subsidy, and reimburse medical expenses that exceed 50% of the medical insurance coverage for employees who suffer poor family conditions, serious illnesses or ever retired from military service.

In terms of welfare, we provide employees with free working meals, dormitories, shuttle buses, and supplies for communication and labour protection, in addition to paid travel opportunities once in three years. Moreover, we purchase personal insurance and organize regular physical examinations for all employees. In 2019, we took actions to improve the dining quality of the canteens and the dormitories to optimize the working conditions of employees.



Employees and family members from ENN Energy headquarters visit the World Expo



Family members of ENN Energy headquarters employees' enjoy a Mid-Autumn Festival garden tour



ENN Energy headquarters launch the 70th Anniversary Running Event



3 OUR SUSTAINABLE PERFORMANCE

45



CASE

ENN Energy headquarters celebrates the 2019 Moon Festival

On February 19, 2019, our headquarters' business partners and their families gathered in Langfang to celebrate the festival of ENN, the Moon Festival. Nearly a thousand people from one hundred families participated in the celebration, during which outstanding ENN Energy employees presented beautiful bouquets to their families to express gratitude and thanks. These communications and activities deepen family members' understanding of the company and show our appreciation for their support.



Outstanding employees present flowers to their family members



Games for employees and their family members

3.4 Corporate Citizenship



ENN Energy gives back to society with a grateful heart. We participate in public welfare, demonstrating our corporate social value and responsibility. We leverage our expertise and resources to focus on causes including community development, poverty alleviation and assisting those in need. In the battle against COVID-19, we fulfilled our responsibility as a corporate citizen in areas such as employee protection, social assistance and supporting the recovery of businesses. This created an atmosphere of mutual assistance, and promoted the harmonious development of society and the company.



We spent a total of
25,043 hours
on charity and public
welfare events

3.4.1 Contributing to Communities

Upholding the tenet of serving society and benefiting people, ENN Energy strives to give back to society while ensuring our rapid growth. Focusing on mutual assistance, educational donations, public welfare and environmental protection, we actively take on the responsibilities of a listed company.

In 2019, we revised the ENN Energy Holdings Limited Charity Activity Management Policy and refined the articles of association and personnel management system. We also refined the articles of association and personnel management systems of the foundation, to make ENN

Energy's contributions to communities more transparent and standardised. These actions will help us provide greater social value.

During the reporting period, ENN Energy and its subsidiaries donated a total of RMB51.72 million on charities and spent a total of 25,043 hours, and mobilised 1,405 person-time of volunteering in charity and public welfare events.

Mutual assistance and win-win cooperation

ENN Energy encourages employees to participate in community activities and promote community development. We donate funds for infrastructure construction and cultural development. Our volunteers care for the elderly and sanitation workers in communities during the Double Ninth Festival and on Army Day, and we send aid to model citizens with livelihood difficulties.

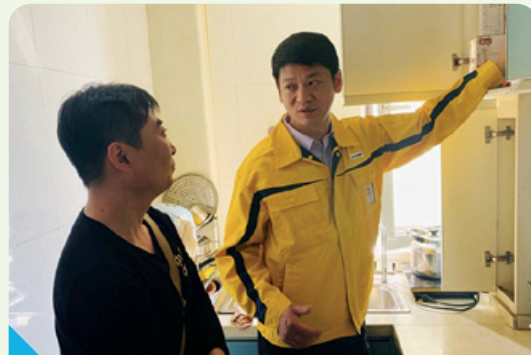
Our member companies promote safety in communities and campuses. Via leaflets and addresses by personnel, we enhance awareness of safe gas use and promote the harmonious development of communities and the company.

3 OUR SUSTAINABLE PERFORMANCE



ENN Gas enters communities to ensure sustainable development

On March 2, 2019, ENN Gas launched the Gas Services in Communities event, to publicise safety in old and key communities in the city. We shared advice on safe gas use with residents, answered users' questions and visited households to provide free inspections and maintenance of indoor gas facilities. This event heightened residents' awareness of safety and helped eliminate potential hazards.



Conducting door-to-door inspections



Raising community awareness

Educational donations

To improve conditions at underprivileged schools, and to guide and encourage students to study diligently, ENN Energy increased its charitable input in 2019, via school construction, inspirational initiatives and quality educational projects. These included improving school environments, developing teaching teams, establishing scholarships and supporting the cultivation of innovative talents.



School construction programme

- The ENN Charity Foundation donated RMB60 million to help the New Century Middle School overcome the problems of weak infrastructure and insufficient teaching staff in the Langfang City development zone.
- ENN Energy donated RMB3 million to support construction at the Langfang No.6 Middle School. This solves the problem of oversized classes and fulfills the needs of teachers and students.



Incentive programme

- ENN Energy donated more than RMB3 million to establish scholarships (student grants) at Shanghai Tongji University, Beijing University of Chinese Medicine, Chongqing University, Harbin Institute of Technology, China University of Petroleum and other universities. This helped and inspired thousands of students and meant ENN played an active role in cultivating talent.



Educational quality programme

- ENN Energy donated RMB1 million to implement the ENN Gardener Plan at Bazhou No.4 Middle School, to support teachers' training and learning exchanges, and to enhance their knowledge and performance.
- ENN Energy donated RMB2 million to support the ENN Young Teachers' Award of the Tianjin University of Finance and Economics, providing high-quality educational resources.
- ENN Energy, with Peking University, provided support to cultivate innovative talents. We donated RMB3 million to set up the International Organization for International Relations and the ENN project for international public policy at Peking University. These support major national diplomatic strategies, and provide intellectual and talent support for the country's global governance.

3 OUR SUSTAINABLE PERFORMANCE

Charity

ENN Energy contributes to the construction of a harmonious society by participating in disaster relief and donations to promote social culture, sports and health. In 2019, we donated RMB500,000 to assist disaster relief and post-disaster reconstruction in Zhuzhou and other flood-stricken areas, helping residents overcome difficulties. We rebuilt roads damaged by landslides in Louhua Village, Changle Town, Hechi City, meeting the urgent needs of local people. To enrich people's cultural lives, we donated RMB1 million to support the Chinese Music Forum and Xinyi Cup Awards to promote the development of Chinese folk music, and subsidised sports activities such as the Lu'an City Games and Weizhou Island Villagers' Basketball Games.



CASE

Jinhua ENN Gas supports the Blue Globe Charity Run to care for autistic children

On March 31, the Blue Globe Charity Run – initiated by Xiaobai's father Luo Shujian and jointly sponsored by Jinhua ENN Gas and Jinhua Evening News – took place at the Huhaitang Park in Jinhua. It was described as a “non-stop run for love” and, starting that morning, Luo Shujian began running non-stop for twelve hours. Hundreds of runners and volunteers came to support the charity.

This event called upon people to pay attention to children with autism. It raised nearly RMB10,000, and showcased ENN Energy's commitment to public welfare and social responsibility.



Charity run to show support for autistic children

Environmental actions

ENN Energy participates in environmental protection volunteer activities, and has raised environmental awareness with the ENN Charity Day event for ten consecutive years. We disseminate environmental knowledge to employees and the public. In 2019, we undertook afforestation, supported the construction of ecologically liveable and beautiful villages, cleaned up the mother river, organised publicity on waste classification, and supported biodiversity protection.

3.4.2 Poverty Alleviation

Supporting national and regional policies, ENN Energy participates in targeted poverty alleviation projects across the country, and earnestly fulfils its corporate social responsibilities to contribute to the first centennial goal of completing the building of a moderately prosperous society in all respects. In 2019, we focused on poverty alleviation through industrial development and education, creating innovative and more effective models. As of the end of the year, we had invested RMB6.631 million in targeted poverty alleviation.

Poverty alleviation through industrial development

Poverty alleviation through industrial development is a fundamental route to stability and prosperity. ENN Energy assists infrastructure construction and industrial development in poverty-stricken villages around the country, and helps poor households improve their livelihoods. In 2019, we donated nearly RMB2.3 million to help poor households solve practical

difficulties in Libo County, Guizhou Province; assisted poverty-stricken villages in Gantian Town, Zhuzhou County in a one-on-one manner; supported infrastructure construction in poverty-stricken villages in Linpan Town, Lancheng District, Jieyang City; provided targeted aid for poverty-stricken villagers in Miaogang Township, Chaohu City; helped villagers who have been recorded escape poverty in Rangtang County; supported key poverty-alleviation projects in Ruyang County, Yangshuo County, Tieshangang District in Beihai City and Qibailong Township, Dahua County, Hechi City.



3 OUR SUSTAINABLE PERFORMANCE



CASE

ENN Energy supports the China Charity Federation's Rural Development Leaders programme

In 2019, ENN Energy donated RMB300,000 to the China Charity Federation's Rural Development Leaders programme in the form of R&D and incubation, cultural research, standardisation and operation. We also provided online and offline training to empower new farmers and promote rural revitalisation.

Poverty alleviation through education

ENN Energy regards educational support as a practical means of tackling poverty. We undertake projects such as assisting high school students from poverty-stricken households in Guangxi, Jack Ma's Rural Boarding School Plan-ENN Dawulan Central Primary School Project, the ENN Gardener Project and aid for poor students in Liaobu Town, Dongguan, and Anci District, Langfang. By caring for and assisting poor students, and supporting educational improvement, we explore methods of educational empowerment and eradicate the root cause that obstructs intellectual development.

In 2019, ENN Energy donated more than RMB4 million to help thousands of poor students in Beihai City, Mashan County in Guangxi Province and Kelan County in Shanxi Province pay their tuition fees. By providing the opportunity to change their future via education, we aim to help them to cast off the burden of poverty and to prosper.

3.4.3 Uniting to Address the Pandemic

In early 2020, COVID-19 overwhelmed China and posed severe prevention and control challenges. All branches and units of ENN Energy have actively responded and cooperating with society since the start of the war against the outbreak. ENN Energy has taken on its civic responsibility as a listed company. As of the publication date of this report, no employee of ENN Energy has been diagnosed with COVID-19.

To cooperate with the prevention and control work, ENN Energy released documents including Working Requirements for the COVID-19 Prevention and Control, the Important Notice on Returning to Work after the Spring Festival Holiday and the Notice on Effectively Engaging in Daily Office Work During the COVID-19 Prevention and Control. We promptly strengthened all partners' understanding of the pandemic, and clarified and unified instructions for taking action. We strengthened the protection of employees' health and safety, provided support for employees returning to their jobs, and offered social assistance.

Protecting employees

We arranged employee health and safety protection in a timely manner. Units at all levels were required to use iCome, WeChat, posters and bulletin boards to publicise information on the pandemic prevention and control. This raised the awareness about the risks, regulated news and notifications, correctly guided public opinion and bolstered employees' resolve. Our member enterprises screened staff, level by level, every day, to effectively monitor and report. We provided disinfectant and hand sanitiser to strictly disinfect offices, canteens and vehicles. We regularly opened windows for ventilation, and distributed masks and other protective equipment among employees. To ease stress and avoid psychological problems, we provided free counselling to employees and helped them respond to the pandemic properly.



3 OUR SUSTAINABLE PERFORMANCE



Bulletin board for pandemic prevention and control at Bengbu ENN Gas



Lanxi ENN distributes protective equipment to business partners on duty



An employee of Xinyi Real Estate disinfects the elevator



A Liaocheng ENN Gas employee disinfects the business hall



CASE

ENN Energy's CEO and President inspect prevention and control at Langfang ENN Gas

On February 1, 2020, a delegation led by ENN Energy CEO Han Jishen and President Zhang Yuying visited frontline staff and inspected prevention and control work at the dispatch centre, the central business hall, and the oil and gas refuelling station of Langfang ENN Gas. Zhang Yuying urged our enterprises to do their utmost to provide safe, stable and timely services for all users, to regulate and strengthen daily prevention and control inspections.

The event reflected ENN Energy's emphasis on the prevention and control of the pandemic, and demonstrated our respect and care for frontline employees.



Visit to service staff at the centre's business hall and the refuelling station



3 OUR SUSTAINABLE PERFORMANCE

Guarantee for supply

To guarantee the stability and safety of gas consumption, we rely on the digital platform to strengthen the patrolling inspections of equipment and facilities in the network, to increase the number of inspections, and to monitor – in real time – pressure fluctuations upstream and downstream, and fluctuations at major users.

Provincial branches and member companies made early plans, resumed work, and went all out to conduct pipework operation, gas supply and emergency repairs. Many employees gave up vacations and stayed at the frontline for pandemic prevention and client services. They guaranteed both gas supply and support for the prevention and control work.



ENN Energy's provincial companies ensure stability and support pandemic prevention

Shandong Branch

As pandemic prevention and control progresses, member enterprises of ENN Energy's Shandong Branch have arranged more than 1,300 frontline partners to inspect pipework, maintain equipment and undertake emergency repairs in an orderly manner, and conduct in-depth searches for hidden dangers in soot facilities, power distribution facilities, fire-fighting facilities and other installations, to ensure the safety and controllability of gas equipment and facilities.

During the pandemic, we inspected about 22,000 kilometres of key pipelines, more than 4,604 valve wells, and over 4,869 units of facilities. We have helped more than 800 enterprises – in medical supplies, grain, oil, steel and other industries – to resume production, and made every effort to ensure a safe and stable gas supply.



Leakage detection of the Roots flowmeter at the Central Hospital of Qingdao West Coast New District



Leakage detection of the high-pressure pipeline at the Menci Station

Liaoning Branch

Since the outbreak, ENN Energy's Liaoning Branch has rapidly launched firm measures to guarantee supply and stabilise production. In doing so, it provided enterprises with timely and targeted plans for guaranteeing safe energy supply, to ensure safe and steady use of energy by medical institutions, pandemic isolation points, manufacturers of anti-pandemic supplies and domestic users.

ENN Energy supplied natural gas for the workshop production, heating and canteens of the isolation garment manufacturer Kesamon Group Co., Ltd. We conducted online troubleshooting and safety inspections via video.

To ensure the resumption of normal bus and taxi operation, the branch dispatched compressed natural gas truck teams in a scientific manner. Large number of drivers and escorts have worked hard on the frontline of transportation and security.



Gas transmission pressure is monitored



Staff man the Longgang District business hall of Huludao ENN

3 OUR SUSTAINABLE PERFORMANCE

Hunan Branch

As industrial users resume production and business, member enterprises of ENN Energy's Hunan Branch have made available a "green channel". This guarantees energy supply to business users via the coordination of gas sources, patrolling inspections of pipework and the inspection and commissioning of equipment and facilities.

On January 26, Changsha ENN Gas received an urgent request: to quickly provide pipeline natural gas to the North Hospital of Changsha No.1 Hospital. Changsha ENN swiftly mobilised its staff to form a construction team of more than 40 people within four hours. The company surveyed the site overnight to finalise the design. After three days and three nights of continuous effort, the team completed the pipeline and the hospital was supplied with gas.

Within nine days – from the second to the eleventh day in the first month of the Lunar New Year – Changsha ENN successfully constructed gas projects at two designated isolation hospitals, which greatly helped pandemic prevention in the city.

From January 24 to February 11, Changsha ENN provided on-site maintenance 2,913 times, and carried out emergency repairs 14 times. Among them, we went to the epidemic prevention and control community to repair 103 times.



Gas construction sites at the North Hospital of Changsha No.1 Hospital



Hebei Branch

ENN Energy's Hebei Branch actively fought the pandemic, protected livelihoods and assisted with business resumption. It covered such areas as guaranteed energy for hospitals, the production of pandemic control material, and guaranteeing residents' gas supply.

During the prevention and control period, Langfang Gas endeavoured to ensure an indoor temperature above 22°C at the Third People's Hospital of Langfang City, and went all out to maintain normal and stable heating there. To expand its capacity and ensure orderly prevention and control work, the hospital asked Langfang ENN to perform emergency repairs.

To assist the work of anti-pandemic material manufacturers, member enterprises of the Hebei Branch tracked gas demand, repeatedly sent emergency gas supplies, and provided specialised and timely maintenance services.



A Langfang Gas employee changes the gas pipeline at the designated hospital



A Shijiazhuang ENN employee is maintaining the pipeline

3 OUR SUSTAINABLE PERFORMANCE

Fujian Branch

With the resumption of production across Fujian, our branch quickly strengthened safety protection for stations, pipelines and gas facilities, and drew on the strength of Quanzhou Gas, Ningde ENN and other companies to provide targeted solutions in a timely manner.

To efficiently and safely supply gas to enterprises and residents during the pandemic, Fujian Branch has implemented emergency management and users' gas safety management.



Inspecting a pipeline at an enterprise that has resumed production



A staff member inspects a valve well

Social assistance

Following the COVID-19 outbreak, ENN Energy responded immediately, actively raised materials, mobilised local branches to verify medical masks, protective clothing and other emergency medical goods in surrounding sites, set up a material transmission chain and arranged

transportation. Staff in charge spared no time in actively allocating materials and transporting them to the pandemic forefront. In just a few days, our medical materials assisted Wuhan, Huanggang, Xianning, Langfang, Hunan and Hubei and other places. Surgical kits, gloves and masks were provided to hospitals, to ease

their urgent need. ENN Energy donated more than RMB16 million to voluntary medical teams assisting Hubei and to medical staff on the frontline in Hubei and elsewhere. Our branches donate money and materials to support anti-pandemic work in areas such as Yancheng, Zhaoqing, Haining and Quzhou.



3 OUR SUSTAINABLE PERFORMANCE



CASE

ENN Energy's "Wuhan time" and the contributions made by our chairman and frontline partners

Amid the outbreak, ENN Energy's board chairman established an ENN coordination group for supporting pandemic prevention and the affected areas. To raise and transport medical supplies, the Charity Foundation connected the hospitals, Lai Kang Group raised the required resources, and ENN Energy and its industry peers mobilised local branches to look for goods and arrange transportation. We spared no time in building a supply chain. On the afternoon of January 29, 2020, rescue materials arrived in Wuhan and supplies were delivered to three local hospitals. This action demonstrated ENN Energy's efficient execution and our determination to unite with local people in the affected areas to fight the pandemic.

While ENN Energy courageously took on its social responsibilities, our people fulfilled their mission and duties.

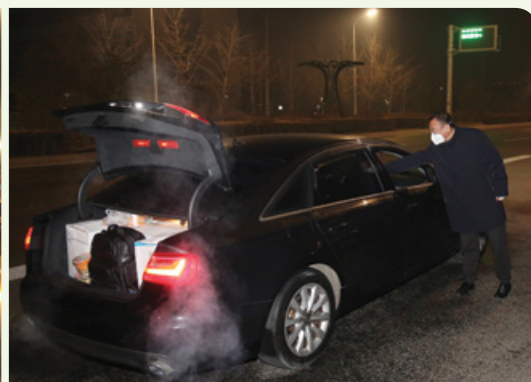
- Li Guorui at Zouping Gas – under our Shandong Branch – drove a truck filled with 300,000 pairs of medical gloves toward Hubei at dawn on the fifth day in the first month of the Lunar New Year. For 20-odd hours, Li and his colleagues travelled through dense fog for more than 1,000 kilometres, to delivered these emergency materials to three donation points in Huanggang and Wuhan at 1 pm the next day.
- As directed by group headquarters on the third day of the first lunar month, Wang Yong – head of Zhuzhou Gas, under the Hunan Branch – personally led a team to cover thousands of miles and sent a batch of anti-pandemic materials to Langfang to support local prevention and control work.



Rescue materials arrived in Wuhan



The CEO joined rescue material supply inspection at late night



In the war against the pandemic, we will carry out prevention and control work in a scientific and orderly manner as required by governments at all levels. We will faithfully perform the responsibility of a private enterprise, and do our utmost to ensure the safety and health of all clients and business partners, contributing ENN's strength to society.

4 SOCIAL RECOGNITION



During the year, the major awards granted to ENN Energy included:

- World's 50 Most Valuable Public Utility Brands 2020 by Brand Finance (The 24th rank in the world and the 3rd in China)
- Top 500 Chinese Companies (No. 147) by Fortune magazine
- Forbes Global 2000 - the World's Largest Public Companies (No.996)
- Ranked 82nd in the 7th edition of the Top 100 HK list by the Top 100 Hong Kong Listed Companies Research Centre
- Best Investor Relations (for Corporate Transactions) by the IR Magazine
- Outstanding Performance Award in the 5th Investor Relations Awards 2019 by the Hong Kong Investor Relations Association
- "Energy and Resources: Comprehensive Presentation Gold Award" (Winter 2019) in the International Art and Design Award (IADA) selection
- The "2019 All-Asia Executive Team" awards by the Institutional Investor magazine:
 - Honored Companies (3rd place, for three consecutive years)
 - Best CEOs-Sellers (2nd place)
 - Best CFOs-General (3rd place)
 - Best CFOs-Sellers (2nd place)
 - Best IR Enterprises-General (2nd place)
 - Best IR Enterprises-Sellers (2nd place)
 - Best IR Enterprises-Buyers (2nd place)
 - Best Corporate Governance-General (2nd place)
 - Best ESG/SRI Metrics -General

5 OUTLOOK

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Looking ahead to 2020, the new era has brought opportunities, challenges and responsibilities for energy companies. As an enterprise that actively pursues a mission of “innovating clean energy”, we take action in line with the call of the times. In the context of the gas industry, we are committed to overcoming the challenges of a single gas source, high gas prices and guaranteeing supply during peak season. Amid intense competition in the gas market, including direct supply from upstream enterprises, LNG supply and by other energy sources, we actively seek solutions. We explore new paths and make steady progress in clean, low-carbon development. Mounting pressure from the environment and climate change, from the constraints of domestic and foreign resources and systems, from China-US trade disputes, and from the COVID-19 pandemic's impact on the economy make innovations in technology and management essential.

Many uncertainties remain in the international political and economic arenas. China's economy and diplomacy face challenges in the form of complex China-US economic and trade relations, and the pressure of WTO reform. However, China-US trade negotiations have achieved initial results. Therefore, we believe that exports of mainland products will increase, and the increasing contribution of domestic consumption to economic growth will offset some of the external factors.

In the long term, the export of goods from the mainland to countries and regions along the “Belt and Road” will potentially grow and facilitate the flourishing of the manufacturing industry. In 2019, China's overall economic growth stayed at 6.1 per cent, and GDP per capita exceeded US\$10,000 for the first time. This reflects economic improvement.

Affected by the COVID-19 outbreak in early 2020, industries in China had to suspend operations until after the Spring Festival. This impacted on manufacturing and commercial activities, and on clients' gas demands. The central government of China has launched 30 financial measures to support pandemic prevention and control, and has increased financing support to seriously affected regions. These moves aim to better meet the needs of social entities for basic financial services, and to promote the sustained and healthy development of the national economy. The National Development and Reform Commission has advised the gate stations gas price for non-resident supply to implement off-season prices in advance. This will ease the pressure on industrial and commercial users. We believe that the impact of the pandemic on China's economy is temporary. After the pandemic, overall domestic economic growth will gradually return to its normal level.

A great journey starts with one step, and with passionate and wise action that shows responsibility and creativity. ENN Energy will stick to its pioneering and innovatory path, and follow its mission to integrate corporate, ecological and environmental development. We will improve the utilisation of energy through technological innovation, focus on energy conservation and emission reduction, advocate a low-carbon life, and fulfil our environmental and social responsibilities with practical actions. And we will contribute to the building of a modern energy system and the harmonious development of energy, the economy, society and the environment.



6 LIST OF HKEX'S ESG INDICATORS

Subject Area	Indicators	Location in the Report or Explanation
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P14, P33
	A1.1 The types of emissions and respective emissions data.	P33
	A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P38
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P33
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P33
	A1.5 Description of measures to mitigate emissions and results achieved.	P14-16, P27, P29, P34-35
	A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	P34
A2 Use of Resource	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	P13, P36
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P36
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P36
	A2.3 Description of energy use efficiency initiatives and results achieved.	P14-16, P27, P29, P36-38
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	P36, P38
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The Group's business rarely involves in the use of packaging materials, therefore is not a material issue to the Group.
A3 The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	P11
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P11-12

6 LIST OF HKEX'S ESG INDICATORS

Subject Area	Indicators	Location in the Report or Explanation
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P18
	B1.1 Total workforce by gender, employment type, age group and geographical region.	P19
	B1.2 Employee turnover rate by gender, age group and geographical region.	P20
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P21
	B2.1 Number and rate of work-related fatalities.	P20
	B2.2 Lost days due to work injury.	P20
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	P20-23
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P39-42
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	P39
	B3.2 The average training hours completed per employee by gender and employee category.	P39
B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P18
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	P18
	B4.2 Description of steps taken to eliminate such practices when discovered.	P18
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	P25
	B5.1 Number of suppliers according to geographical region.	P25
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	P25

6 LIST OF HKEX'S ESG INDICATORS

Subject Area	Indicators	Location in the Report or Explanation
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P24
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group's business rarely involves recall of the products, therefore is not a material issue to the Group
	B6.2 Number of products and service related complaints received and how they are dealt with.	P31-32
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	P28-29
	B6.4 Description of quality assurance process and recall procedures.	P29-31
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	P24
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.	P24-25
	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	P25
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	P24-25
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.	P45
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P45-53
	B8.2 Resources contributed (e.g. money or time) to the focus area.	P45-53

7 LIST OF ENN ENERGY'S ESG POLICIES

Name of Regulation	Corresponding HKEX Guide
Measures for Construction Management	A1 Emissions
ENN Energy Holdings Limited Health, Safety and Environment (HSE) Policy	A1 Emissions, A2 Use of Resource and B2 Health and Safety
Specification of ENN Energy Holdings Limited for the Economic Operations of CNG Stations	A2 Use of Resource
ENN Energy Manual for Reception Resources	A2 Use of Resource
ENN Energy Management Rules for Administrative Office Assets	A2 Use of Resource
ENN Energy Rules for Vehicle Management	A2 Use of Resource
ENN Energy Holdings Limited Sustainable Development Policy	A2 Use of Resource
ENN Energy Holdings Limited Biodiversity Protection Policy	A3 The Environment and Natural Resources
Regulations for Recruitment Management	B1 Employment and B4 Labour Standards
Rules for Employee Appointment	B1 Employment and B4 Labour Standards
ENN Energy Holdings Limited Talent Development and Employment Policy	B1 Employment and B4 Labour Standards
Measures for Attendance and Vacation Management	B1 Employment
Regulations for Safety Management	B2 Health and Safety
Regulations for the Red and Yellow Lines of Safety Management	B2 Health and Safety
Regulations of ENN Energy Holdings Limited for Reporting, Investigation and Disposal of Accidents	B2 Health and Safety
Management Measures for Emergency Plans of Production Safety Accidents	B2 Health and Safety
Safety Management Document No. 1	B2 Health and Safety
ENN Energy Regulations for Safety Management	B2 Health and Safety
Work Requirements on the COVID-19 Prevention and Control	B2 Health and Safety, and B8 Community Investment
Important Notice on Employees' Return to Work after the Spring Festival Holiday	B2 Health and Safety
Notice on Daily Office Work During the Period for COVID-19 Prevention	B2 Health and Safety
Management Regulations for Suppliers' Construction Safety Management	B2 Health and Safety, and B5 Supply Chain
ENN Energy Holdings Limited Supplier Health, Safety and Environment (HSE) Policy	B2 Health and Safety, and B5 Supply Chain Management
Standards for Suppliers' Rating	B5 Supply Chain Management
Measures for Suppliers' Access and Management	B5 Supply Chain Management
Measures for Suppliers' Performance Evaluation	B5 Supply Chain Management
Notice on Regulating the Bidding Work of Gas Construction Units	B5 Supply Chain Management
Implementation Measures for the Access, Evaluation and Exit of Eco-Partners (Product and Service Suppliers) for Integrated Energy	B5 Supply Chain Management
ENN Energy Holdings Limited Supplier Corporate Social Responsibility Code of Conduct	B5 Supply Chain Management
ENN Energy Management Measures for Client Complaints	B6 Product Responsibility
ENN Energy Service System Manual	B6 Product Responsibility
ENN Energy Measures for Awarding Intellectual Property and Research Papers	B6.3 Practices Relating to Observing and Protecting Intellectual Property Rights
ENN Energy Management Measures for Information Security Risk	B6.5 Consumer Data Protection
ENN Energy Management Regulations for Information Security	B6.5 Consumer Data Protection
ENN Energy Holdings Limited Data Privacy Policy	B6.5 Consumer Data Protection
Code of Conduct for Employees	B7 Anti-corruption
ENN Energy Measures for Penalty Regarding Violation of Regulations and Disciplines	B7 Anti-corruption
ENN Energy Management Regulations for Cadres' Accountability	B7 Anti-corruption
ENN Energy Holdings Limited Anti-Fraud, Corruption and Bribery Policy	B7 Anti-corruption
ENN Energy Holdings Limited Charity Activity Management Policy	B8 Community Investment

ENN Energy's commitments and policies related to sustainable development can be accessed through the QR code below:



8 READERS' FEEDBACK FORM



Dear readers:

Thank you for reading our 2019 Environmental, Social and Governance Report. In order to enhance communication with you and other stakeholders and to continuously improve the environment, social and governance performance of our company and the preparation of future reports, we sincerely hope to listen to your valuable comments and suggestions, and we sincerely look forward to your feedback in the following ways:

Please provide us with specific feedback:

1. What is your overall comment on this report?

- Good Relatively good Average Below average

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

- Good Relatively good Average Below average

3. What do you think of the comprehensiveness of the economic responsibilities undertaken by the Group that were reflected in this report?

- Good Relatively good Average Below average

4. What do you think of the comprehensiveness of the environmental responsibilities undertaken by the Group that were reflected in this report?

- Good Relatively good Average Below average

5. What do you think of the comprehensiveness of the social responsibilities undertaken by the Group that were reflected in this report?

- Good Relatively good Average Below average

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

- Good Relatively good Average Below average

7. Which part of this report do you think need improvement?

- Governance Safety Services Supply chain Employees Environment Society

8. Content that you wish to know about but is not disclosed in this report: _____

9. Your opinions and suggestions in respect of our environmental, social and governance performance and reporting:

You are welcome to browse the ENN Energy's latest ESG work progress on our website, and feedback your comments and suggestions.



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