



Tian Lun Gas Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 01600



2025

**Environmental, Social and
Governance Report**

Tian Lun Gas Holdings Limited

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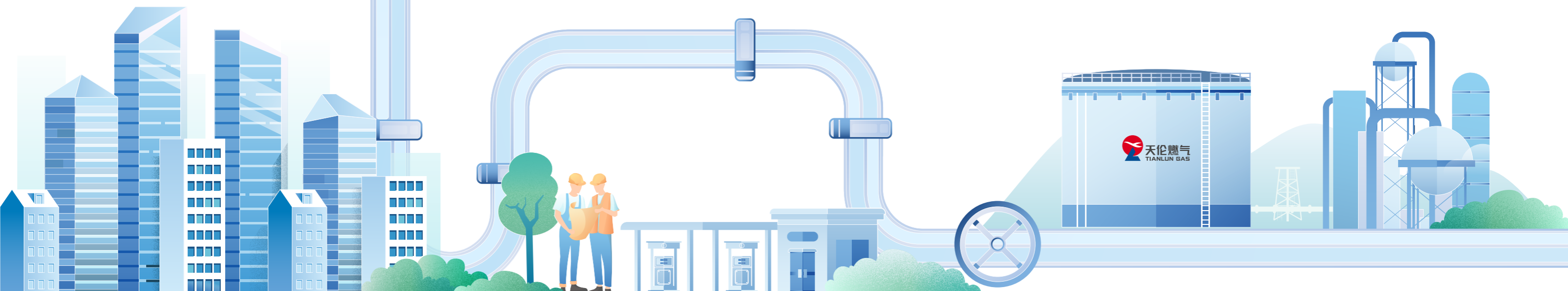
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About This Report

Tian Lun Gas Holdings Limited (the “Company”, Stock Code: 1600) hereby releases its 2025 Environmental, Social and Governance Report (this “Report” or “ESG Report”), which covers the Company and its subsidiary members (collectively, the “Group” or “Tian Lun Gas”).

This Report aims to openly and transparently disclose the Group’s management approach, practical measures, and performance regarding Environmental, Social and Governance (ESG) related topics over the past year. It is intended to help all stakeholders gain a comprehensive understanding of the Group’s practices and achievements in sustainable development.

Reporting Scope

This Report covers the Group’s main business segments, including investment in, operation, and management of gas pipeline connection businesses, gas transmission and sales, construction and operation of refueling stations, as well as production and sales of liquefied natural gas (“LNG”) in China.

The reporting period for this Report is from January 1, 2025, to December 31, 2025 (the “Reporting Period”). Some content may, due to business needs, refer to periods outside the Reporting Period. Compared with the *Tian Lun Gas 2024 ESG Report*, there have been no material adjustments to the reporting scope of this Report.

Basis of Preparation

This Report has been prepared in accordance with the Appendix C2 Environmental, Social and Governance Reporting Code of the *Main Board Listing Rules* of the Hong Kong Exchanges.

Data Notes

The financial data disclosed in this Report are extracted from the Company’s 2025 Annual Report. Other non-financial data are primarily sourced from the Group’s internal management systems and statistical records, with some data involving historical figures or estimates. Unless otherwise stated, all monetary amounts in this Report are denominated in RMB.

Form of Release

This Report is published in electronic format. It is available for public viewing or download on the Company’s website (www.tianlungas.com) and the HKEX’s “HKEXnews” website (<http://www.hkexnews.hk>).

Message from the Chairman

The Year 2025 marks the 76th anniversary of the founding of the People’s Republic of China and is a crucial year for achieving the goals set out in the 14th Five-Year Plan. Amidst the profound global energy transition and the deepening implementation of China’s “dual carbon” strategy, Tian Lun Gas has consistently kept in mind the nation’s fundamental interests, adhered to high-quality development as our central theme, oriented our efforts towards green and low-carbon initiatives, and driven progress through innovation. We have steadily advanced our strategic transformation from a traditional gas service provider to a modern integrated clean energy service provider.

Over the past year, we have firmly practiced the concept of green development, deeply integrating the “dual carbon” goals into our corporate strategy and all aspects of our operations. The Company has continuously optimized our energy supply mix, increasing investment and expanding our footprint in areas such as photovoltaic power, energy storage, and distributed energy, thereby further raising the proportion of clean energy in our overall energy structure. We have comprehensively advanced energy conservation and emission reduction, leveraging smart energy management systems, pipeline network optimization and upgrades, and low-carbon process improvements to achieve a steady decline in greenhouse gas emission intensity. These efforts support the green and low-carbon transformation of the industry and contribute Tian Lun’s strength to building a Beautiful China.

We have continuously fortified the lifelines of compliance and safety, regarding a high level of safety as the fundamental prerequisite for high-quality development. The Company’s governance system has been continuously refined, and our internal control and risk management mechanisms have been steadily strengthened, comprehensively ensuring lawful and compliant operations. With a constant sense of responsibility, we have rigorously implemented the primary responsibility for work safety. By utilizing digital and intelligent tools, we have enhanced our capabilities in pipeline network monitoring, emergency response, and risk early warning, constructing a more robust operational safety barrier. This has effectively safeguarded the life and property of the people and contributed to social harmony and stability.

Innovation is the primary driver of development. In 2025, we accelerated the deep integration of digital technologies with the energy industry, increasing investment in areas such as artificial intelligence, the Internet of Things, and big data. Our aim is to build a “Smart Energy” brain to enhance operational efficiency, customer service experience, and system coordination capabilities. We actively explored innovative business models such as integrated energy services, carbon asset management, and energy digital platforms, deepening industry chain collaboration, and committing to building an open, synergistic, and win-win energy ecosystem.

The development of Tian Lun Gas is rooted in society and is dedicated to giving back to society. We adhere to a people-oriented approach, continuously improving employee career development and welfare systems, striving to be a growth platform trusted by our employees. We actively fulfill our corporate citizenship responsibilities, making sustained contributions in areas such as rural revitalization, community co-development, emergency disaster relief, and green public welfare, promoting the harmonious coexistence and common growth of the enterprise with the community, environment, and society.

Looking ahead, opportunities and challenges coexist. Tian Lun Gas will firmly grasp the historic window presented by the energy revolution and digital transformation. We will persist in seeking progress while maintaining stability, and use progress to consolidate stability, continuously deepening our green and low-carbon transition, optimizing our industrial layout, and strengthening innovation-driven growth and risk prevention. With a more open attitude and more pragmatic actions, we will consistently enhance our comprehensive energy service capabilities and core competitiveness. We are committed to creating sustainable long-term value for our shareholders, customers, employees, and society, and to contributing Tian Lun’s efforts towards safeguarding national energy security, promoting the green transformation of the economy and society, and realizing Chinese modernization.

Xian Zhenyuan
Chairman of the Board
Tian Lun Gas Holdings Limited



ESG Statement of the Board

Tian Lun Gas has deeply integrated ESG principles into the entire process of corporate governance and strategic decision-making. The Board of Directors, as the highest decision-making body, bears ultimate responsibility for ESG matters. Through its subordinate Audit, Nomination, Remuneration, and dedicated ESG Committees, the Board systematically advances ESG oversight and management under a clear accountability structure. The Board is responsible for approving the Group's ESG strategy, objectives, and key performance indicator (KPI) system, and for reviewing the annual ESG report.

Among these, the ESG Committee serves as the core coordination platform. Under the authorization of the Board, it specifically leads the assessment, prioritization, and management of ESG issues. Through a systematic materiality assessment process, we have identified key ESG issues that significantly impact our business, such as climate change, operational safety, and corporate governance, and have incorporated them into strategic planning and daily operations.

To enhance the professionalism and standardization of governance, the Company has engaged independent third-party resources, including a Hong Kong-listed company secretary, and legal and auditing advisors from both within and outside mainland China. Furthermore, we maintain close communication with regulatory authorities prior to major decisions. The Board of Directors assumes full legal responsibility for the authenticity, accuracy, and completeness of the content of this ESG report, laying a solid governance foundation for sustainable development.

Looking ahead to 2026, under the leadership of the Board of Directors, the Company will follow a closed-loop mechanism of "strategy guidance, process control, and outcome evaluation" to regularly review the progress of ESG objectives and further deepen the integration of ESG into business strategy. As an energy enterprise rooted in the gas business and serving people's livelihoods, Tian Lun Gas actively responds to the national "dual carbon" goals and the rural revitalization strategy. It closely aligns ESG objectives—such as promoting clean energy and building sustainable communities—with the Company's business directions, including expanding town gas operations and exploring biomass energy and residential photovoltaic (PV) solutions. Key projects, such as gas-electricity integration, will be prioritized.

The Company is committed to building a clean, low-carbon energy service system. By continuously improving governance and risk early-warning mechanisms, it aims to ensure that ESG practices effectively drive business transformation and contribute to high-quality green development.



About Tian Lun Gas

Tian Lun Gas was founded in 2002 and is one of the early enterprises in China engaged in the city gas business. Its core operations include: city gas distribution, town gas operations, long-distance pipeline transmission and direct industrial supply, refueling stations, and LNG plant operations. On November 10, 2010, the Company was listed on the Main Board of the Hong Kong Stock Exchange, with stock code 01600.HK.

In recent years, while focusing on its core gas business, Tian Lun Gas Group has been guided by the two major national strategies of the "Dual Carbon" goals and Rural Revitalization. In collaboration with central and state-owned enterprises such as Zhuhai Port Holding Group, Zhongyuan Yuzi Investment Holding Group, State Power Investment Corporation Limited, and PowerChina Group, the Company is exploring new frontiers including biomass energy and residential distributed photovoltaic (PV) systems. By extending and innovating its business reach, Tian Lun Gas is committed to providing users with low-carbon, economical, smart, safe, and convenient energy services, with the goal of becoming a first-class green and low-carbon energy supplier and service provider in China.

As of December 31, 2025

Urban gas projects nationwide	Urban and rural households	Industrial and commercial enterprises	Covering a population of approximately
70 city gas projects across the country	5.99 million	56,000	20 million
The total length of the in-operation medium and high-pressure gas transmission pipelines laid	LNG plant	Long-distance pipelines	
9,635 kilometers	1	6	

2025 ESG Highlighted Performance

Conducted 9 business ethics training	Compliance training sessions, covering 123 participants	With a coverage rate of 33% for personnel at the level of general manager and above
Employee signing rate of the integrity and self-discipline agreement reached 100%	Average safety training duration per person 22.9 hours	Employee Health Check-up Coverage 100%
Particulate matter emissions 23 kg	Hazardous waste emissions 12.74 tons	Non-hazardous waste emissions 411.01 tons
All meeting the annual targets		

Awards and Recognitions



Awarded the "ESG Pioneer of the Year" by Gelonghui in 2025



Awarded the "Best IR for Hong Kong-listed Companies" by New Fortune Magazine in 2025



Awarded the "Excellence in Sustainability Information Disclosure" at the 2025 ZhiYuan Awards by Cailian Press



Awarded the "Listed Company with Outstanding Social Responsibility" at the 10th Zhitong Finance Listed Company Awards



Awarded the "Most Promising Company" at the 10th Zhitong Finance Listed Company Awards



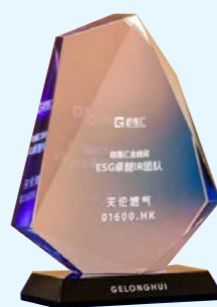
Awarded the "Best CEO" at the 10th Zhitong Finance Listed Company Awards



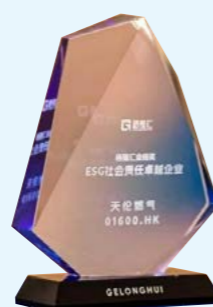
Awarded the "Exemplary Case of Hong Kong-listed Company Growth" at the 2025 China Listed Company Yinghua Awards by China Fund News



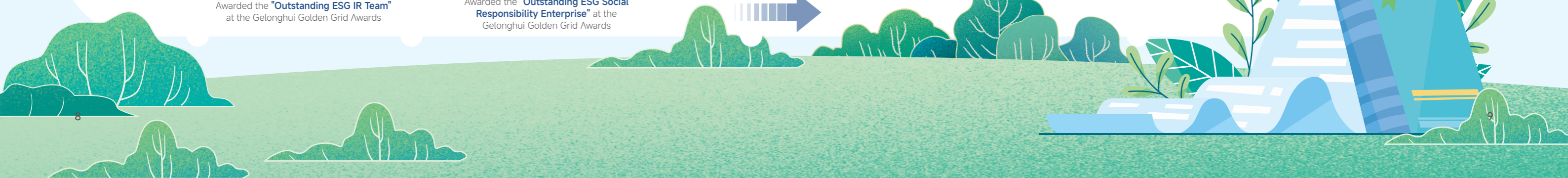
Awarded the "Best IR Team for Hong Kong and U.S. Listed Companies" by Cailian Press



Awarded the "Outstanding ESG IR Team" at the Gelonghui Golden Grid Awards



Awarded the "Outstanding ESG Social Responsibility Enterprise" at the Gelonghui Golden Grid Awards



ESG Governance

ESG Governance Structure

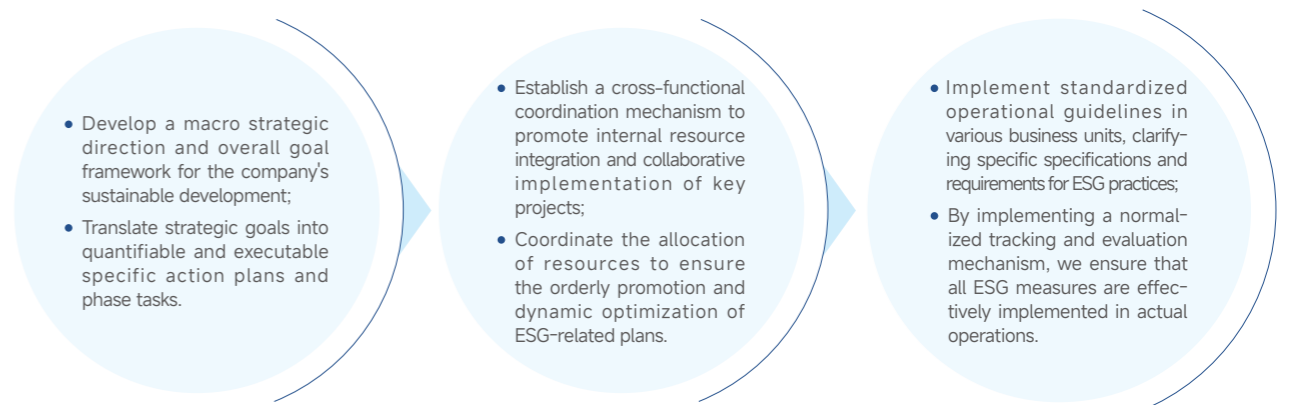
Tian Lun Gas always adheres to the corporate mission of "commit to people's livelihood, develop clean energy", and fully integrates the concept of sustainable development into the company's governance and daily operations. We have established a three-level ESG governance structure consisting of three tiers: governance level, management level, and execution level, forming a systematic responsibility system with group coordination as the core and coordinated promotion of various business units. This mechanism aims to continuously strengthen information disclosure, risk prevention and control, and stakeholder communication, ensuring deep integration and effective implementation of ESG goals and business development.

ESG Governance Responsibility Division



ESG Strategy

Against the backdrop of accelerated global energy structure transformation and sustainable development related issues becoming key factors for enterprise development, Tian Lun Gas has further clarified the strategic direction of ESG and fully integrated ESG concepts into enterprise operations. The company focuses on key dimensions such as environmental governance, social responsibility, corporate governance, innovation-driven, compliance operations, and stakeholder collaboration, and systematically constructs a development plan covering the medium to long term, clarifying the corresponding strategic vision, core goals, and key performance indicator system. Under this strategic plan, we construct a layered execution framework to ensure the implementation of the strategic plan.



Implementation Path of ESG Strategy






Guided by strategy, the company integrates the promotion of clean energy and sustainable urban construction in the United Nations Sustainable Development Goals into its development plan, and constructs a comprehensive ESG execution system. On this basis, we establish a dynamic monitoring and evaluation system for key indicators to implement closed-loop management for key issues such as carbon emission intensity, Production Safety Compliance Rate, and community service satisfaction. Relying on the digital platform, the company has achieved refined control of the entire process of environment, safety, and services, effectively coordinating environmental benefits, social value, and enterprise growth. At the same time, the company actively accepts supervision from all parties by regularly issuing special ESG reports, forming a complete management loop from "strategic leadership – process control – performance evaluation – disclosure and improvement", and continuously improving the level of ESG governance.

Stakeholder Engagement

The company is well aware that the opinions and expectations of stakeholders are crucial for the sustainable development of the group. To this end, we establish a diversified communication mechanism, continuously listen to, respond to, and address the concerns of all parties, and are committed to effectively transforming important suggestions into sustainable development actions.

Stakeholders	Expectations and Requirements	Communication Methods	Response
Shareholders/ Investors 	<ul style="list-style-type: none"> Improve governance structure Integrity and business ethics Information transparency Intellectual property protection Product and technological innovation Revenue return 	<ul style="list-style-type: none"> Performance press conference Shareholders' Meeting Roadshow Interim and annual reports Site visits 	<ul style="list-style-type: none"> Disclosure of announcements, shareholder meeting resolutions, and financial reports in accordance with regulations Timely disclosure of information Strive to improve profitability Actively organize on-site research on the project
Customer 	<ul style="list-style-type: none"> Safe and stable gas supply Product quality and safety Protection of customer rights and interests Optimize customer service Customer privacy protection 	<ul style="list-style-type: none"> Customer satisfaction survey Multi-channel complaint and feedback 	<ul style="list-style-type: none"> Conduct regular customer safety inspections Improve service management level Implement various requirements for customer privacy protection
Staff 	<ul style="list-style-type: none"> Protection of employee rights and interests Equal and diverse employment Training and career development Occupational health and safety Work-life balance 	<ul style="list-style-type: none"> Employee representatives Internal and external training for employees Employee activities 	<ul style="list-style-type: none"> Effectively safeguarding the legitimate rights and interests of employees Establish a fair compensation and promotion mechanism Enrich the types and methods of employee training Pay attention to employee health Provide a healthy and safe working environment
Government/ Regulatory Agencies 	<ul style="list-style-type: none"> Serving national strategies Emergency and risk management Anti unfair competition Safety management 	<ul style="list-style-type: none"> Government inspections Work reports Daily communication Information disclosure 	<ul style="list-style-type: none"> Legal and compliant operations Accept government inspections and inspections Real and accurate information disclosure
Value Chain Partners 	<ul style="list-style-type: none"> Responsible supply chain Industry cooperation and progress 	<ul style="list-style-type: none"> Supplier negotiation meeting Daily communication Strategic cooperation 	<ul style="list-style-type: none"> Public bidding Fulfill the contract as agreed

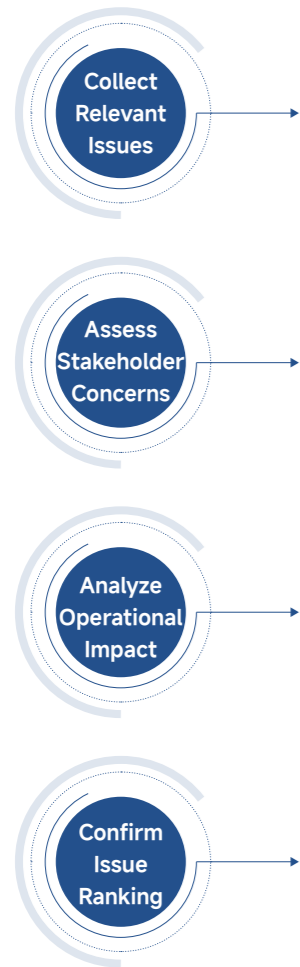
Stakeholders	Expectations and Requirements	Communication Methods	Response
Environmental Science 	<ul style="list-style-type: none"> Resource usage Emissions management Environmental management Biodiversity conservation Addressing climate change Promote energy conservation and emission reduction Low carbon energy supply Energy efficiency improvement and green technology innovation 	<ul style="list-style-type: none"> Environmental impact assessment and external communication Environmental management 	<ul style="list-style-type: none"> Supply clean energy Promote resource conservation Technological innovation
Community 	<ul style="list-style-type: none"> Support rural revitalization Community communication and contribution Assist local economic development Social welfare 	<ul style="list-style-type: none"> Charity activities Volunteer activities 	<ul style="list-style-type: none"> Dedicated to public welfare and charity Build good relationships with the community
Media 	<ul style="list-style-type: none"> Information transparency Maintain good media relations 	<ul style="list-style-type: none"> Press conference Media site visits Management Interview 	<ul style="list-style-type: none"> Regularly hold press conferences Distribute press releases to the media Provide business updates on the company website Reply to media inquiries Continuous communication with the media

Stakeholder Communication

The company strictly implements regulatory requirements, continuously improves its information disclosure system, and is committed to improving operational transparency. We establish diversified communication channels, actively maintain effective interaction with shareholders and investors, and respond to market concerns in a timely manner. At the same time, the company regularly issues statutory reports and important announcements, and actively communicates business progress and strategic planning with stakeholders through platforms such as shareholder meetings and investor briefings. In terms of maintaining shareholder relationships, the company encourages shareholders to participate in governance and regularly reviews investor communication policies to ensure timely and accurate information transmission. In 2025, the company issued a total of 42 announcements and held one shareholders' meeting to maintain close communication with the capital market. In terms of information disclosure compliance, the company strictly adheres to listing rules and has not been publicly condemned or punished by exchanges or securities regulatory agencies throughout the year.

Materiality Assessment

We conduct materiality assessment based on business characteristics and internal and external stakeholder demands, combined with the ESG Reporting Guide of the Hong Kong Stock Exchange and industry benchmarking, through a combination of questionnaire surveys and internal evaluation. We comprehensively consider the concerns of external stakeholders and the impact of internal operations of the company, and use systematic analysis to construct a materiality matrix for the year 2025. This matrix aims to scientifically identify key issues and provide a clear basis for the company's future strategic planning, goal setting, and continuous information disclosure.



The group has hired independent third-party consultants to summarize, update, and determine the ESG issues and their importance for the year 2025 through benchmarking the ESG Reporting Guide of the Hong Kong Stock Exchange, referencing industry best practices, taking into account capital market expectations ESG Reporting Guide of the Hong Kong Stock Exchange and feedback from relevant parties, and combining the annual work priorities with the analysis of the previous year's issues. This serves as the basis for the preparation of this report.

The consultant conducted a questionnaire survey targeting eight major stakeholders, inviting them to evaluate the importance of each issue from their own perspective.

The group also solicits the opinions of senior management to evaluate the importance of various issues for Tian Lun Gas from the perspective of company operation and development.

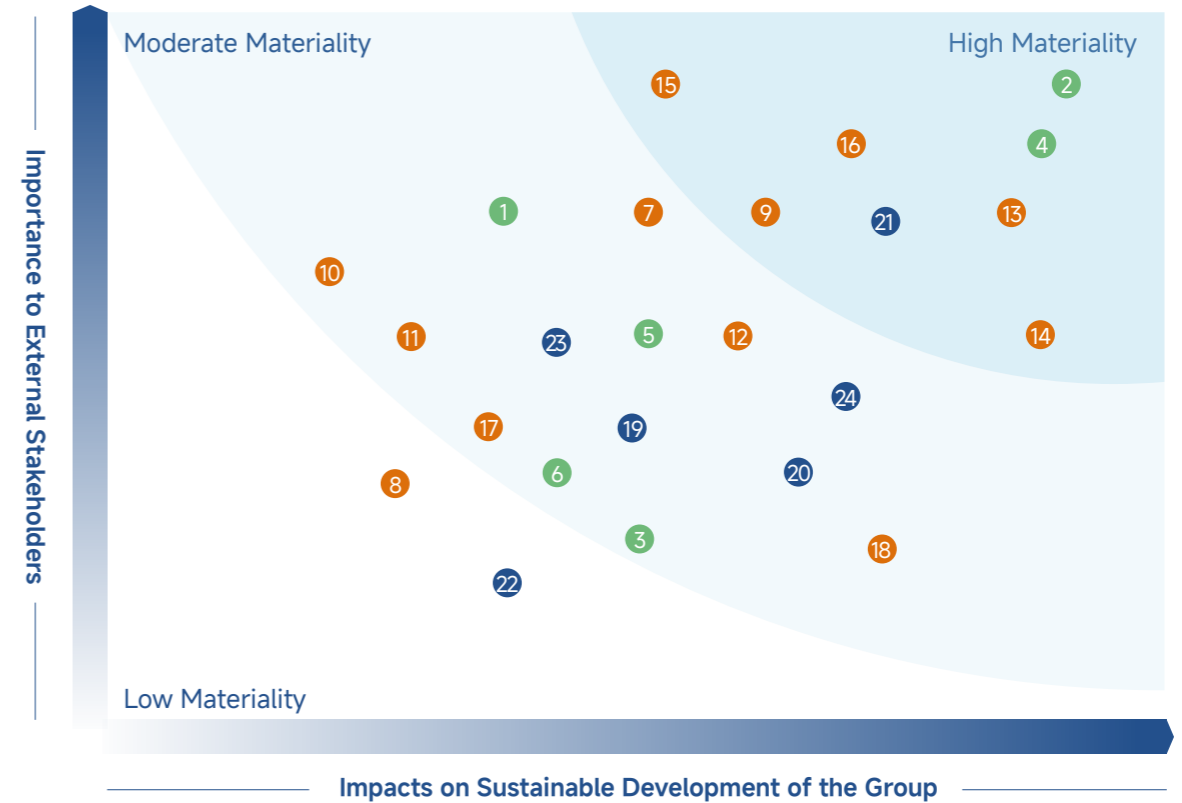
Based on the two dimensions of external stakeholder attention and internal importance of the company, statistical analysis is conducted on each issue and presented in matrix form. The materiality matrix will become an important basis for future strategic formulation, goal setting, and continuous information disclosure.

Materiality Assessment

Tian Lun Gas has systematically identified 24 key ESG issues based on the dimensions of "stakeholder attention" and "company's sustainable development impact" this year, and constructed a materiality matrix based on this.



2025 Materiality Matrix of Tian Lun Gas



● Environmental ● Social ● Governance

Environmental	1 Environmental management	4 Energy Management	
	2 Addressing climate change	5 Water Resources Management	
	3 Pollutant and waste management	6 Biodiversity conservation	
Social	7 Employee Rights Protection	12 Responsible Supply Chain Management	16 Customer Service
	8 Diversity and Inclusion	13 Production Safety	17 Information Security and Privacy Protection
	9 Occupational Health and Safety	14 Safe and Stable Gas Supply	18 Community Engagement
	10 Employee Development and Training	15 Product Quality	
	11 Intellectual Property Protection		
Governance	19 Corporate Governance	22 Anti-unfair competition	
	20 Risk Prevention and Compliance Management	23 Innovation and Digital Transformation	
	21 Business Ethics	24 ESG Governance	

01

Building Resilience Together

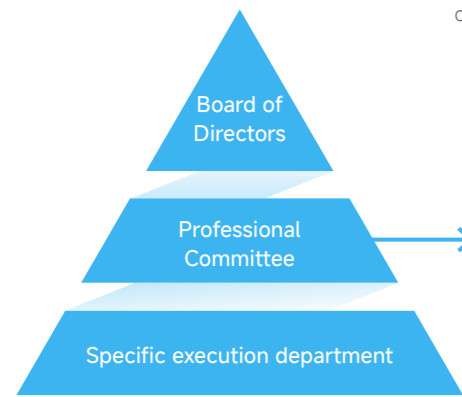
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1.1 Corporate Governance



Corporate governance structure



Corporate Governance Architecture Diagram

Composition of the Board of Directors and Board Diversity

Tian Lun Gas is committed to building a comprehensive and standardized corporate governance structure, continuously improving governance efficiency and sustainable development capabilities through a sound governance structure, board diversity, and Party leadership.

Tian Lun Gas strictly adheres to laws and regulations such as the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*, as well as regulatory requirements of the listing location, and formulates governance policies such as the *Articles of Association* and the *Rules of Procedure of the Board of Directors*, clarifying management mechanisms such as governance responsibilities and powers. At the same time, we continuously improve our corporate governance structure, with the board of directors as the highest decision-making body, and establish a three-level governance system of "decision-making – management – execution". We also set up board committees such as the Audit Committee, nomination committee, compensation committee, and ESG committee to assist the board of directors in fulfilling its powers, providing feedback on execution status, and providing decision-making suggestions, thereby ensuring the effective implementation of various resolutions and effective implementation by relevant departments. In 2025, the company held a total of 1 shareholder meetings, 5 board meetings, and a total of 9 meetings of various board committees to ensure the effective operation of the governance mechanism.

Audit Committee	Responsible for financial reporting and auditing and internal control system supervision.
Nomination Committee	Responsible for management succession planning and director selection.
Compensation Committee	Evaluate executive performance and improve compensation management system.
ESG Committee	Coordinate the formulation, promotion, and implementation of environmental, social, and governance related strategies.

The company attaches great importance to the diversified construction of the board of directors as an important support for promoting strategic implementation and sustainable development. We have formulated systems such as the *Board Diversity Policy for the Board of Directors* and the *Terms of Reference for the Nomination Committee*, systematically constructing a composite board team structure that covers multiple dimensions such as gender, educational background, and professional abilities, and emphasizing the establishment of female directors to enhance the comprehensiveness of decision-making perspectives. We continuously improve the decision-making quality and operational efficiency of the board of directors by building a diversified and collaborative governance pattern of "energy experts + seasoned executives + industry thought leader". In the selection of executive directors, the company focuses on examining candidates' experience and strategic leadership in the energy industry. In the selection of non-executive directors, it emphasizes the introduction of independent directors and cross-disciplinary perspectives and resources. The establishment of independent directors brings external professional perspectives and independent judgments to the company, further strengthening the transparency of strategic supervision and corporate governance.

In 2025, Tian Lun Gas had a total of 10 board members, including 4 executive directors, 2 non-executive directors, and 4 independent non-executive directors. There are a total of 5 female directors, accounting for 50%.

In addition, we have established a board training system that focuses on core issues such as ESG strategy and management, climate change risks and opportunities, corporate governance compliance and ethics, to ensure that the board has the professional ability and strategic vision to lead the sustainable development of the enterprise.

1.2 Risk Management



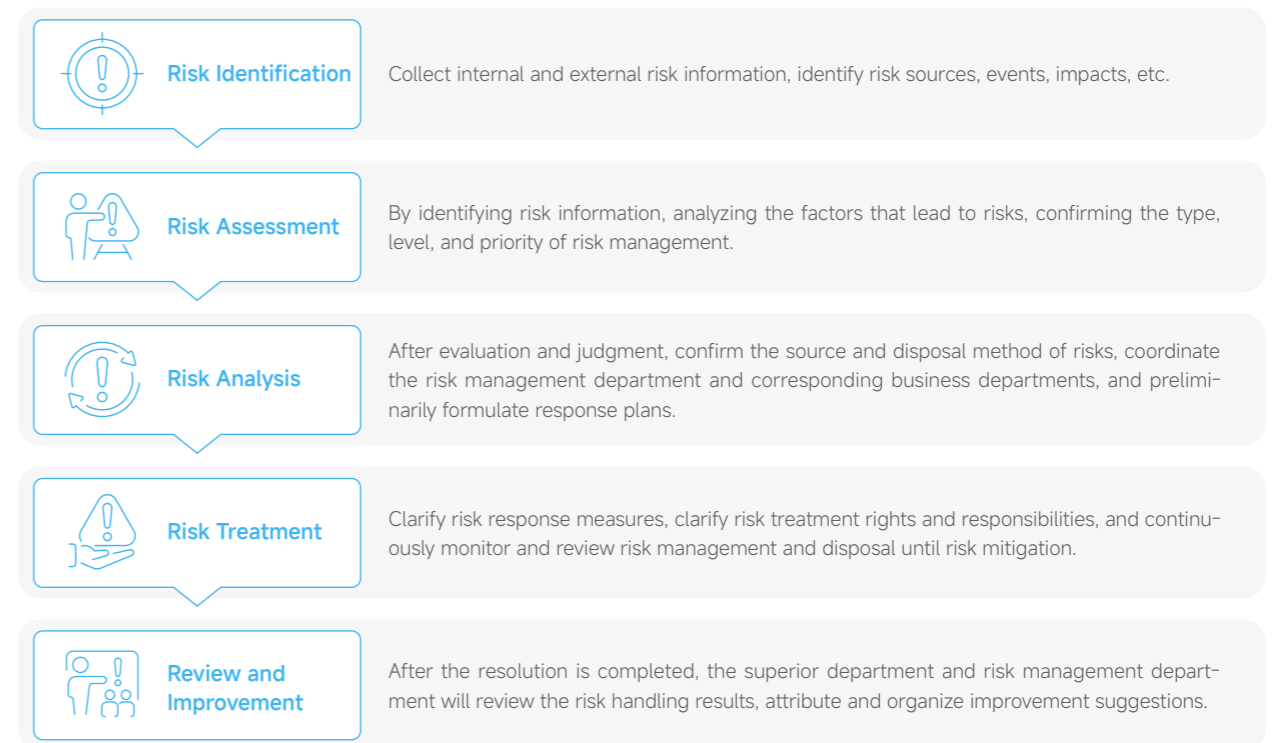
Risk Management System

Tian Lun Gas continuously improves its comprehensive risk management system that covers governance supervision, process control, and cultural construction, and continuously promotes standardized management of the entire process of risk identification, evaluation, and response through the combination of high-level supervision and closed-loop risk management mechanism. We are committed to enhancing the company's overall risk resilience and laying a solid foundation for sustainable business development.

The company attaches great importance to risk management and continuously improves its risk management system. The audit committee under the board of directors is responsible for overall risk management of the company, and collaborates with the audit department to achieve normalized risk monitoring through financial review and operational audits. At the same time, as an important supervisory body for corporate governance, the board of supervisors ensures the authenticity and transparency of information disclosure through regular reviews of financial reports and internal control systems, supervises the performance and compliance of the board of directors and management, and ensures the effective implementation of ESG strategy and risk management policies. Under this collaborative mechanism, the company promotes the deep integration of sustainable development goals with daily operations, ensures the effective implementation of anti-fraud mechanisms, and systematically prevents various risk events from occurring.

Management Process

Under a sound risk management system, we have established a scientific risk management mechanism to standardize risk management processes. The company's system carries out risk identification, risk assessment, risk analysis, risk treatment, review and improvement throughout the entire process of risk management, timely identifying operational risks, and ensuring the stable operation and sustainable development of the company. In 2025, the company did not experience any major violations and effectively translated supervisory outcomes into enhanced management efficiency.



Tian Lun Gas Risk Management Process

Whistleblowing Management

The company has formulated the *Supervision and Whistleblowing Management Measures* to establish a reporting and handling mechanism that integrates "independent investigation, strict protection, and rigorous accountability". We have opened a reporting channel for the audit department to directly report to the highest decision-making level of the group, ensuring the independence and accuracy of the investigation work. We have also established a graded confidentiality system for whistleblowing information and imposed maximum penalties for breaches of confidentiality. At the same time, in order to protect the rights and interests of whistleblowers, we have established a protection mechanism and a quick response channel for retaliation, in order to achieve closed-loop management of the reporting process. While safeguarding the legitimate rights and interests of whistleblowers, we also ensure the seriousness and effectiveness of the company's internal governance order.

Audit department's direct communication with the highest level of the group's reporting mechanism

The audit department reports directly to the highest decision-making level of the Group, ensuring the independence of case investigation and handling.

Classified confidentiality system for reporting information

Implement a graded confidentiality system for reporting information, and impose maximum penalties for leaking information.

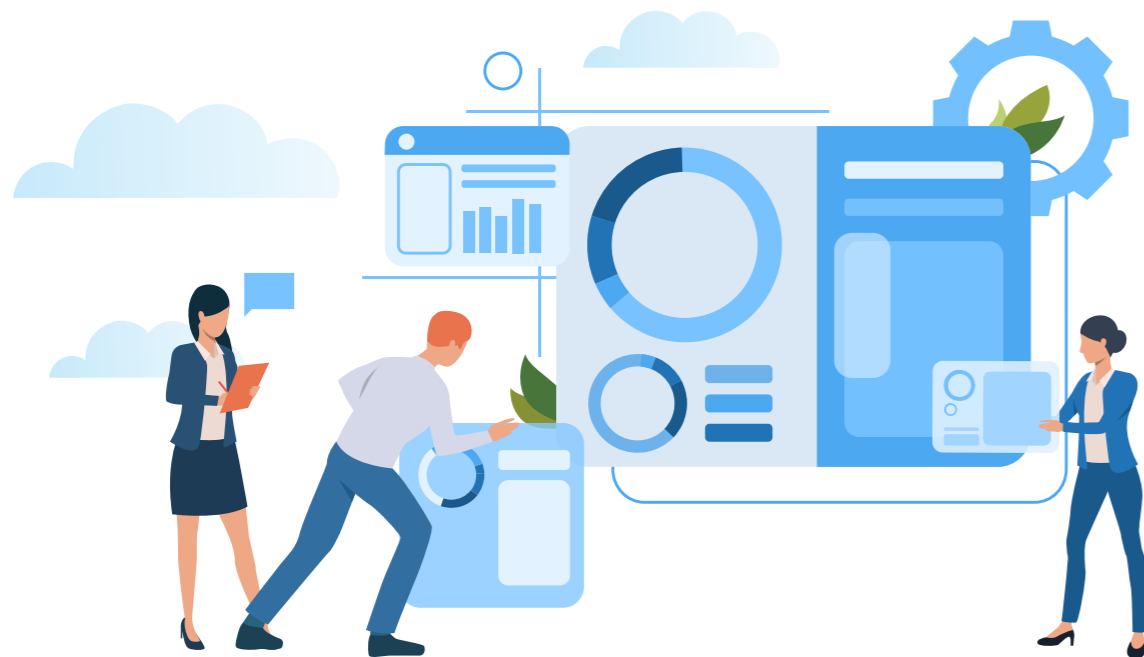
Quick response and serious accountability

Establish a fast response channel for retaliation and form a closed-loop protection network.

Tian Lun Gas Reporting and Handling Mechanism

In 2025

The company handled a total of **18** reported cases, of which **12** were effectively reported, with a total of **52** people held accountable, and a total loss of **RMB 245,000** recovered.



1.3 Business Ethics



Tian Lun Gas regards business ethics and compliance management as the core support for sustainable development of the enterprise. By constructing an institutional framework consisting of governance system, dynamic supervision, and regular training, it systematically promotes the cultivation of integrity culture and compliance risk prevention and control, ensuring a sustainable, standardized, and healthy business ecosystem.

Business Ethics Governance Structure

Tian Lun Gas strictly follows laws and regulations such as the *Criminal Law of the People's Republic of China*, the *Anti-Monopoly Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*. It has also formulated regulations such as the *Regulations on Penalties for Violations of Tian Lun Gas Group*, the *Management Measures for Supervision and Reporting of Tian Lun Group*, and the *Management Measures for Receiving Gifts and Monetary Gifts*, clarifying rules on regulatory compliance, conflict of interest prevention, company asset use, and reporting mechanisms. We adhere to the business principles of integrity in operations and fair competition, systematically build a compliance management system, and establish behavioral norms for all employees.

The company's board of directors has established an annual review mechanism and continues to improve the business ethics governance system. At the institutional level, the company has clarified punishment policies including the "three red lines and five prohibitions" and issued them for implementation; At the level of supervision and execution, the company conducted integrity supervision on 14 units this year and established a reporting hotline. At the same time, integrity notice boards containing reporting channels were posted in the offices of the group and its member companies to strengthen internal supervision. In addition, we incorporate employees' compliance performance into performance evaluations, and the audit department regularly updates all employees on regulatory developments, collaborating to strengthen their compliance awareness and risk prevention capabilities.

In 2025, the company received a total of 10 complaints and all related cases have been completed. In response to the identified issues, the company has promoted the implementation of corrective measures and further improved relevant systems and processes, focusing on preventing similar violations from occurring at the source.

Culture Construction

The company attaches great importance to the construction of a risk culture and strives to integrate risk awareness cultivation into its daily operational system. We have established a management mechanism that combines regular education and training with commitment constraints, including a multi-dimensional training resources system and an online-offline dual track training model, to systematically promote the construction of business ethics and compliance. The training content covers job specific risks, cross business collaborative risks, and related compliance areas, helping employees to understand the risk context of their job position while systematically understanding the cross business and cross process risk associations and response strategies. By requiring new employees to sign a letter of commitment to integrity, etc., it strengthens their sense of responsibility in professional ethics, exercise of authority, conflicts of interest, financial discipline, and official behavior, Thus promoting the penetration of risk prevention and control awareness in depth, laying the foundation for the continuous improvement of the company's overall risk management capabilities.

In 2025, the company conducted 9 training sessions on business ethics and compliance, covering 123 participants, with a coverage rate of 33% for personnel above the general manager level, and an average single training duration of about 1.5 hours. Meanwhile, the signing rate of the integrity and self-discipline agreement reached 100% among employees.

Case

Integrity Culture Training for new graduate employees

In 2025, the company conducted a special training on integrity culture for newly hired new graduate employees, using in-person training to systematically explain professional ethics, conflict of interest prevention, and financial discipline requirements, and organized all trainees to sign personal integrity commitment letters.



Tian Lun Gas Employees Participating in Integrity Culture Training

02

Driving Excellence Together

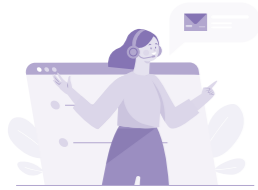
Focusing on the safe operation of city gas networks and the provision of high-quality services, Tian Lun Gas continues to strengthen its product quality foundation, enhance its service management system, and improve operational capabilities through prudent and practical innovation. The Company has made ongoing improvements in areas including systems and process, process control, customer communication, and technology application, to ensure gas safety, enhance service quality, and strengthen system resilience. By integrating quality requirements, service standards, and management innovation, Tian Lun Gas continues to reinforce a solid operational foundation for sustainable development and is committed to delivering safer, more reliable, and more efficient gas services to customers and society.

Product Responsibility	24
Customer Service	26
Innovation-driven	28



2.1

Product Responsibility



As an urban pipeline gas operator, Tian Lun Gas places great importance on the safety and reliability of its gas products and services. The Company integrates product responsibility throughout the entire operational process, including product planning and design, engineering construction, and operation and maintenance. It continues to improve its quality management system, strengthen process control and risk management, and ensure the safe and stable supply of gas to its customers.

Quality Management System Establishment

In terms of product safety and quality management, Tian Lun Gas strictly complies with relevant laws and regulations, including the *Emergency Response Law of the People's Republic of China*, and fully fulfills its responsibility to ensure the safe and stable supply of gas. Based on applicable national and industry laws, regulations, standards and specifications, the Company has established a sound production safety and quality management system, and formulated and implemented a series of internal policies, including the *Work Safety Management Policy*, *Work Safety Target Accountability and Assessment Measures*, *Emergency Management Measures*, and *Gas Pipeline Protection Measures*, providing an institutional foundation for the quality management of its gas products and services. Through clearly defined management requirements and execution standards, the Company implements safety and quality requirements across key operational stages, including gas source assurance, engineering construction, operation and maintenance, and customer service, ensuring the effective implementation of relevant policies in daily operations and continuously enhancing its safety management and service quality.

Operations Quality Control

Across the full lifecycle of gas products, Tian Lun Gas has established a systematic and routine quality control mechanism. During the engineering construction and operational stages, the Company applies categorized management to key areas, including projects, stations, pipeline networks and end users. Hourly inspections are conducted for station operations, daily inspections are carried out at construction sites and for ancillary facilities, user safety inspections are performed regularly in accordance with internal requirements, and comprehensive inspections of gas facilities are conducted on a periodic basis to ensure that potential hazards are identified and addressed at an early stage. At the same time, the Company relies on its GIS¹ + SCADA² system to monitor the operating status of the gas pipeline network, enabling real-time monitoring and control over gas source dispatch, operating conditions and pipeline safety. Through data alerts and process intervention, Tian Lun Gas enhances its capabilities in early-stage prevention and process control, thereby ensuring the continued safe and stable operation of the gas supply system.

Quality Culture Development

In advancing its quality culture, Tian Lun Gas places quality and safety management at the core of its operations. Through the establishment of clear accountability frameworks and behavioral standards, the Company systematically guides employees to strengthen quality awareness and accountability across engineering construction, operation and maintenance, and customer service, thereby laying a solid foundation for the continuous improvement of product and service quality.

¹ GIS: Geographic Information System

² SCADA: Supervisory Control and Data Acquisition System

Safe and Stable Gas Supply

Tian Lun Gas regards the safe and stable supply of gas as a fundamental priority for its development. In strict compliance with relevant national laws and regulations, including the *Regulations on the Administration of Urban Gas*, the Company fully integrates safety principles into all aspects of its operations, covering urban gas development planning and emergency preparedness, gas operations and services, gas usage management, gas facility protection, as well as accident prevention and response. The Company conducts at least one comprehensive safety hazard inspection each year, and implements a combination of personnel-based, technical, and management measures to safeguard the safe and stable supply of gas, ensuring reliable service for households and communities.

Management of Gas Transmission & Distribution Losses

Refined management is carried out across four areas: pipeline transmission losses, metering losses, billing and collection losses, and abnormal consumption-related losses. The Company has established a tiered management approach, under which the Group's Operations Management Center provides overall guidance, while regional companies and project entities implement specific control plans and performance targets. This approach aims to reduce physical losses and economic costs in the gas transmission and distribution process, as well as to mitigate safety and environmental risks associated with gas leakage.

Leak Detection and Repair Mechanism

The Company has independently developed an intelligent pipeline inspection management platform, enabling visualization, traceability, and closed-loop management of inspection activities through digital tools. Supported by this platform, project companies are able to monitor pipeline network conditions and transmission dynamics in real time. In the event of abnormalities, fault locations can be identified quickly and accurately, allowing for the prompt initiation of standardized emergency repair procedures. During emergencies, the system also provides data support to dispatch centers to assist in determining optimal valve control strategies, enabling rapid response and efficient handling of incidents, shortening repair time, and minimizing safety risks and impacts.

Emergency Repair and Maintenance Mechanism

A three-tier coordinated emergency repair management system has been established, consisting of the Group, regional management centers, and project companies. Clear delineation of responsibilities and response procedures ensures accountability at each level and orderly execution of emergency responses. From the formulation of contingency plans and the establishment of response mechanisms to the full-process supervision and risk control of third-party construction activities, the Company strengthens safety management in a comprehensive manner, thereby enhancing the safety and stability of gas supply operations.

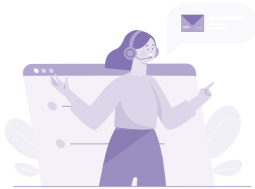
Pipeline Renovation Mechanism

The Company continues to advance the management of pipeline safety risks by systematically promoting the replacement of aging grey cast iron pipelines. For pipeline sections with extended service life or higher leakage risks, as well as key valve wells, IoT-enabled remote monitoring devices are installed to enable 24-hour real-time leak detection and early warning. These measures improve the intrinsic safety of pipelines and related facilities, effectively prevent gas leakage, and reduce safety risks. In the event of a leak, the intelligent monitoring platform enables immediate emergency response, minimizing the impact of incidents.

For Ensuring Safe and Secure Gas Supply

2.2

Customer Service



Tian Lun Gas consistently adopts a customer-centric approach, focusing on gas safety, service standardization, and information security. The Company continuously optimizes its service processes and communication mechanisms, safeguards customer rights and interests, and enhances service quality and customer experience.

Customer Service Management

In customer service management, the Company has established a service management system covering the entire gas service value chain, with policies as the foundation and standards as the basis. By strictly implementing a series of internal policies, including the *Customer Complaint Management Measures*, *Customer Follow-up Management Measures*, *Indoor Service Quality Supervision Management Measures*, and *Standardized Customer Service Process*, the Company defines clear requirements for key service stages such as inquiry handling, complaint resolution, follow-up management, in-home service operations, and service center management. This ensures standardized and consistent service delivery, enabling timely and professional responses to customer needs.

In 2025, the Company adopted a full value chain perspective, spanning pre-sales market development, in-process engineering construction, and post-sales operations and customer service, to systematically review and address any monopolistic mindsets and non-compliant service practices. Building on this, Tian Lun Gas focused on enhancing service capabilities, optimizing service processes, and strengthening supervision. Through the refinement of standardized procedures, strengthened process control, and improved feedback mechanisms, the Company ensures that service requirements are effectively implemented and continuously improved in daily operations.

Service Capability	Service Process	Service Supervision
<ul style="list-style-type: none"> Continuously optimizes work instructions, operating procedures, and service scripts for service positions, ensuring that guidance documents are systematic and implementation-oriented. Implements 100% pre-service capability assessments for service personnel to ensure that their knowledge, skills, and professional competence meet job requirements. 	<ul style="list-style-type: none"> Publicly discloses standardized service procedures through multiple channels, including official accounts, mini-programs, enterprise WeChat, IVR systems, bulletin boards, and community notice boards. Implements end-to-end standardized service processes across 15 core service scenarios, achieving full-process standardization and closed-loop management from service request to completion. Continues to upgrade system functionalities by embedding customer service processes and related forms into information systems, ensuring standardized procedures are consistently followed. 	<ul style="list-style-type: none"> Conducts regular random inspections of service quality by designated personnel, with results incorporated into the performance appraisal system to support continuous improvement in service quality. Fully implements a customer evaluation mechanism to collect and analyze user feedback across different service activities. Strictly enforces a closed-loop complaint management mechanism, ensuring that complaint investigation, handling, and resolution are completed within specified timeframes.

Customer Service Quality Enhancement Measures of Tian Lun Gas (2025)

Customer Communication and Feedback

Tian Lun Gas has established multi-channel customer communication and complaint handling mechanisms. Through telephone and online platforms, the Company promptly receives customer inquiries, feedback, and complaints, and classifies and handles them by type. General service-related complaints are addressed in accordance with standardized procedures, while safety-related issues trigger emergency response mechanisms, with dedicated emergency teams prioritizing response and resolution.

In 2025, complaint cases were categorized and circulated within 24 hours, and the average resolution time for general complaints was reduced to within three days. Safety-related complaints were promptly handled by emergency teams. Through ongoing training in service skills and emergency response, the professional capabilities of customer service personnel have been effectively enhanced. During the reporting period, the complaint resolution rate reached 99.24%.

Looking ahead, Tian Lun Gas will continue to optimize its complaint handling processes and training system, with a view to further improving communication efficiency and service responsiveness.

Information Security and Data Privacy

In terms of information security and customer data privacy, Tian Lun Gas strictly complies with relevant laws and regulations, including the *Civil Code of the People's Republic of China*, *Cybersecurity Law of the People's Republic of China*, and *Personal Information Protection Law of the People's Republic of China*, and continuously improves its customer information management system. With reference to ISO 27001 and CSA cloud security guidelines, the Company has formulated and implemented internal policies, including the *Group Disciplinary Measures for Violations and the Group Archives Management Measures (V2.0)*, to establish and enhance its information security management framework. The Company requires all employees to sign confidentiality agreements and designates responsible personnel for customer information management. Unauthorized access, copying, or disclosure of customer information is strictly prohibited, and disciplinary actions are imposed for violations.

The Company further strengthens control over key operational areas, including personnel account management and office equipment control, to regulate the use and access of information and reduce the risk of data leakage.

Personnel Account Management	<ul style="list-style-type: none"> Configures system accounts and access permissions for customer service personnel based on job responsibilities, strictly applying the principle of least privilege. Adjusts system access permissions promptly upon employee departure or role changes, and retains system operation logs for no less than one year.
Hardware Management	<ul style="list-style-type: none"> Implements access control management of office computers used for account opening, payment processing, and related services, clearly defining the scope of permitted devices and strictly prohibiting the use of unauthorized external devices.

Customer Information and Data Privacy Protection Measures of Tian Lun Gas (2025)

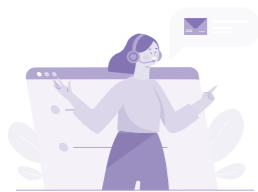
In 2025, Tian Lun Gas recorded no information security incidents or customer data privacy breaches, and no losses or complaints arising from information security violations.

In terms of internal information security training, the Company conducted a total of eight training sessions during the year, with 312 participants in total and an average training duration of approximately 0.3 hours per employee.

For external awareness campaigns, the Company leveraged channels such as community outreach activities and the National Cybersecurity Awareness Week to promote knowledge on privacy settings and the prevention of online fraud among customers.

2.3

Innovation-driven



Tian Lun Gas focuses on the safe operation of urban gas systems and the improvement of service quality, and continues to advance both management and technological innovation. By adopting digital tools and optimizing management mechanisms, the Company enhances its operational efficiency and service capabilities, providing support for the stable operation and sustainable development of its gas business.

Innovation System and Deployment

In developing its innovation system, Tian Lun Gas advances innovation across both management models and technological applications.

In terms of management innovation, the Company continues to optimize its organizational structure by promoting a flatter management model, reducing management layers, and improving decision-making efficiency and market responsiveness. By empowering frontline business teams, Tian Lun Gas aligns resource allocation and decision-making more closely with operational needs and customer demands, thereby enhancing service quality and operational efficiency.

With respect to technological and digital management, the Company deeply integrates the IoT and Internet models to connect online and offline information flows, supported by big data analytics. These capabilities are applied across key areas such as operational monitoring, dispatch management, safety monitoring, and construction management. The Company has widely deployed systems including GIS (Geographic Information System), SCADA (Supervisory Control and Data Acquisition), dispatch centers, and emergency management systems to enable digital management of critical functions such as engineering inspection, safety monitoring, and construction activities. In addition, Tian Lun Gas utilizes an online simulation system for its gas pipeline network to analyze key parameters, including pressure, pressure drop, and flow rate, providing data support for pipeline optimization and renovation. This further enhances the safety of pipeline operations and the overall effectiveness of dispatch management. Through these management and technological innovations, the Company continues to improve operational efficiency and service quality, delivering safer and more efficient gas services to customers.

Advancing Industry Development

The Company closely monitors industry trends and policy directions in the gas sector, and continuously explores management approaches and technological application paths through its own operational practices, laying the groundwork for future industry exchange and collaboration.

Drawing on its long-term experience in safe operations, service quality improvement, and digital applications, Tian Lun Gas has developed operational practices and management approaches with its own characteristics. These provide a basis for facilitating industry collaboration, experience sharing, and participation in the development of industry standards. Looking ahead, the Company will, in line with its stage of development and practical needs, continue to explore and advance practices related to the standardized and normative development of the industry.

Intellectual Property Management

In the course of advancing digitalization and technological applications, Tian Lun Gas adheres to principles of compliance and risk management, with a focus on the standardized management of technological outputs and information assets. This approach not only strengthens the operational foundation at the current stage, but also provides a practical basis for further improving relevant management mechanisms, enhancing intellectual property management, and improving the quality of information disclosure. Going forward, the Company will, in line with its business development and management practices, continue to promote the standardization and institutionalization of related work.



03

Talent and Workforce

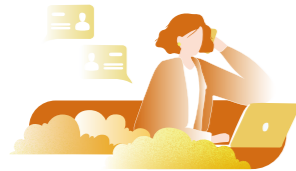
Tian Lun Gas regards its employees as a key foundation and driving force for its sustainable development. The Company continues to enhance its talent management system, covering compliant employment, employee development, employee care and benefits, as well as occupational health and safety, with the aim of fostering a fair and inclusive working environment, supporting employee growth, and safeguarding employee health and safety. By continuously strengthening the foundations of its talent management practices, Tian Lun Gas provides stable and reliable workforce support for its long-term, high-quality development.

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3.1

Employment



Tian Lun Gas places great importance on safeguarding the lawful rights and interests of its employees. In both recruitment and employment management, the Company strictly complies with applicable laws and regulations, and continuously improves its compliant employment management mechanisms. It is committed to fostering a fair, equitable, diverse, and inclusive working environment, and to effectively protecting the fundamental rights and interests of its employees.

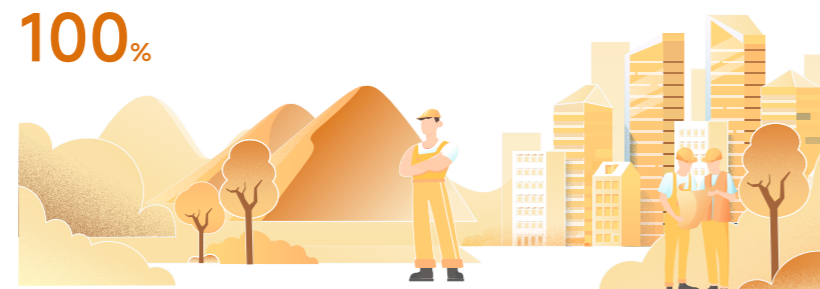
Talent Recruitment

In recruitment management, the Company adheres to the principles of openness, fairness, competition, and merit-based selection. It has established a structured and standardized recruitment management system, and formulated the *Tian Lun Gas Group Recruitment Management Measures* to define recruitment processes and management requirements, ensuring that recruitment activities are conducted in an open, fair, and transparent manner. The Company also adopts diversified recruitment channels and focuses on attracting talent with varied backgrounds and professional expertise to support its business development. To enhance talent sourcing from both internal and external channels, the Company has implemented the *Talent Referral Management Measures*, establishing an internal referral incentive mechanism to reward employees who successfully recommend qualified candidates. In parallel, the Company has introduced the *Background Check Management Measures*, under which a multi-layer review process is applied to ensure a rigorous and standardized selection process.

During recruitment and employment, the Company strictly prohibits any form of discrimination. It ensures that no employee or candidate is treated unfairly on the basis of gender, ethnicity, religion, marital status, or health condition, thereby safeguarding fairness in employment opportunities, remuneration, and career development.

In 2025

The labor contract signing rate of Tian Lun Gas reached



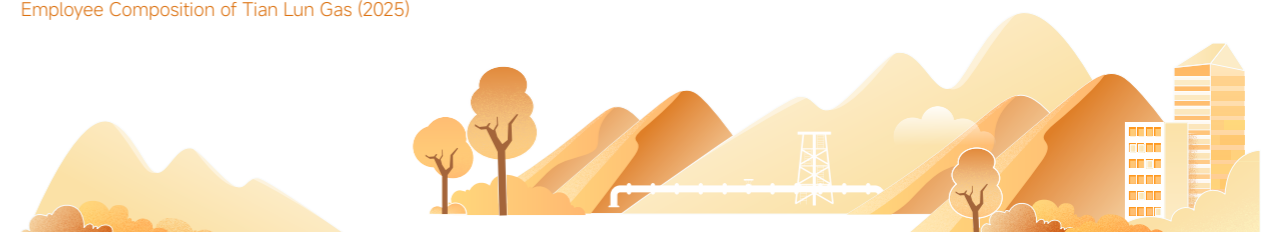
Compliant Employment

Tian Lun Gas strictly complies with relevant laws and regulations, including the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and its implementing regulations. The Company has established and implemented employment management policies such as the *Labor Contract Management Measures* and the *Guidelines for the Application of Flexible Working Hours*. Through measures such as legally executing labor contracts and standardizing employment processes, Tian Lun Gas systematically safeguards the lawful rights and interests of its employees and continues to foster a fair and orderly employment environment.

In addition, the Company strictly complies with relevant laws and regulations, including the Provisions on the *Prohibition of Using Child Labor*, the *Special Provisions on Labor Protection for Female Employees*, and the Law on the Protection of Women's Rights and Interests. It ensures the implementation of labor protection measures for female employees during pregnancy, maternity, and breastfeeding periods, and refines execution requirements through institutionalized management measures to strengthen the protection of the lawful rights and interests of vulnerable groups.

Indicator		Unit	Data
Total Number of Employees		People	2,967
Number of Employees by Gender	Male	People	1,772
	Female	People	1,195
Number of Employees by Age	30 and below	People	551
	31-40	People	1,447
	41-50	People	685
	50 and above	People	284
Number of Employees by Employment Type	Frontline Employees	People	2,411
	Middle Management	People	548
	Senior Management	People	8
Number of Employees by Region	Mainland China	People	2,957
	Other Regions	People	10
Number of Employees by Education	Below Junior College	People	1,125
	Junior College	People	1,013
	Bachelor's Degree	People	796
	Master's Degree and above	People	33
Employee Turnover Rate		%	12.07
Turnover Rate by Gender	Male	%	12.01
	Female	%	12.16
Turnover Rate by Age	30 and below	%	25.77
	31-40	%	11.12
	41-50	%	6.57
	50 and above	%	3.55

Employee Composition of Tian Lun Gas (2025)



3.2

Employee Development



Tian Lun Gas places employee career development at the core of its human resources strategy. The Company has established a structured training mechanism focused on capability enhancement and career progression, and built a multi-tiered development support system with diverse pathways to promote the joint growth of employees and the Company.

Employee Training Programs

In terms of employee training, Tian Lun Gas integrates career development into its strategic management framework and has developed a full-cycle support system for employee growth. Guided by the *Human Resources Management Measures*, the Company has established an integrated talent development approach covering recruitment, development, deployment, and retention. It systematically advances employee capability building across areas such as job competencies, professional skills, and management capabilities.

At the implementation level, the Company has developed a three-tier competency-based empowerment training model. Leveraging internal expert resources, it has established a tiered curriculum system, under which senior management and internal trainers deliver customized in-person training. At the same time, supported by digital learning platforms, the Company offers professional courses and job-specific training modules, promoting a blended learning approach that combines online learning with practical work, and continuously enhancing employees' professional capabilities and management skills.

Employee Training Data of Tian Lun Gas (2025)

Total Number of Training Sessions

2,667

Total Training Participations

228,041

Offline Training Participations

181,173

Online Training Participations

46,868

Total Training Hours

Approximately **78,000** hours

Case

Orientation Training for New Graduate Employees in 2025

In July 2025, Tian Lun Gas organized an orientation training program for newly recruited graduates. Based on the needs of new hires at the early stage of onboarding, the Company conducted centralized training to support their understanding of the Company, job roles, and basic competencies. The program aimed to help new employees gain a comprehensive understanding of Tian Lun Gas, clarify their career direction, and develop relevant knowledge and skills, facilitating a smooth transition from campus to the workplace and supporting their integration into the Company's operations.



Graduate Employee Orientation Training

Career Development Pathways

In terms of career development, Tian Lun Gas, based on its job structure and business characteristics, has progressively built a career development support system for its employees. Focusing on professional capabilities and job requirements, the Company promotes a multi-track development approach, enabling employees to grow across different pathways, including technical expertise, core operational roles, and management positions. Employees are encouraged to expand their career development opportunities through capability enhancement and practical experience.

At the same time, the Company provides continuous development opportunities through job-related training, capability assessments, and practical assignments, helping employees clarify their career directions and providing a basis for talent selection and job adjustments. These efforts support employees' career progression while contributing to the Company's talent development and long-term growth.

Case

Dual-Mentor Program Supports New Graduate Development

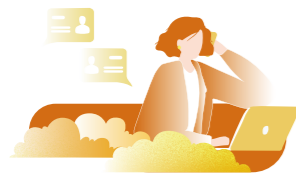
In 2025, Hebi Company implemented a dual-mentor approach as part of its training program for new employees. Through structured engagement sessions with newly recruited graduate employees, the Company gained insights into their rotation training progress and challenges encountered in their work. During these interactions, management engaged in face-to-face communication with new employees, providing guidance on role adaptation and career development. Based on the feedback received, subsequent training arrangements were adjusted to support new employees in gradually adapting to job requirements and clarifying their development direction.



Hebi Company Graduate Employee Engagement Session



3.3 Employee Wellbeing



Tian Lun Gas fosters a stable and harmonious working environment by enhancing its compensation and incentive policies, enriching employee benefits, maintaining open communication and grievance channels, and organizing a range of employee care initiatives. These efforts help strengthen employees' sense of fulfillment and belonging.

Compensation and Incentive Mechanisms

In terms of compensation and incentive management, Tian Lun Gas continues to optimize its compensation management system. In accordance with the *Compensation Management Measures*, *Internal Compensation Management Measures*, and *Employee Performance Appraisal Management Measures*, the Company has established a compensation allocation mechanism that links remuneration to job responsibilities, performance outcomes, and business results, ensuring alignment between compensation levels and employee contributions.

The Company has also implemented a differentiated performance-based incentive mechanism, with incentive ranges determined based on job characteristics and performance results. Through a multi-dimensional approach, Tian Lun Gas has developed an employee incentive system that supports organizational vitality. At the same time, the integration of performance evaluation with compensation incentives reinforces accountability and value alignment.

Performance-linked Compensation Mechanism

Establishes a year-end bonus system based on job value, with differentiated incentive ranges set at 1.5 to 3.5 times base salary. This mechanism links overall employee performance outcomes with compensation, enabling dynamic alignment between performance and remuneration across the Group.

ESG Responsibility Integration Mechanism

Implements an ESG performance appraisal system that translates strategic objectives into role-specific responsibilities. For key positions, performance agreements incorporate environmental, social, and governance (ESG) indicators, ensuring alignment between sustainability goals and job responsibilities through structured target allocation.

Value-oriented Incentive Mechanism

Adopts an integrated approach combining strategic alignment, industry benchmarking, and continuous adjustment. Through frontline business analysis and benchmarking against industry peers, the Company refines incentive models for both core and value-added businesses, strengthening the linkage between strategic objectives and value creation.

Benchmark-driven Development Mechanism

Establishes a closed-loop framework of "incentives, development, and promotion" for outstanding employees. Recognized teams and individuals are provided with measures such as salary adjustments, priority promotion opportunities, and inclusion in talent reserve pools. Additional merit points are incorporated into internal selection processes to encourage positive competition and continuous improvement.

Talent Pipeline Development Mechanism

Implements a three-tier talent pipeline structure for reserve management roles (including general managers, deputy general managers, and department managers of member entities). The Company has introduced a structured selection process for graduate employees, incorporating qualification screening, written examinations (including management capability assessments), and multi-dimensional evaluations, to support a more standardized and transparent talent selection process.

Multi-dimensional Incentive System of Tian Lun Gas

Non-monetary Benefits

Regarding non-monetary benefits, Tian Lun Gas strictly complies with applicable laws and regulations by contributing to social insurance and housing provident funds for its employees, ensuring the full provision of statutory benefits. At the same time, the Company continues to enhance its supplementary benefits framework based on operational needs, providing various types of leave, including paid annual leave, marriage leave, and maternity leave, as well as benefits such as festival allowances and health protection. In addition, Tian Lun Gas pays attention to the diverse needs of employees at different stages and offers a range of benefit support to help employees balance work and life, thereby strengthening employees' sense of belonging, stability, and overall satisfaction.

Employee Communication and Engagement

Tian Lun Gas places importance on communication and interaction with employees, and continues to maintain open internal communication and feedback channels. Through methods such as employee forums and internal information platforms, the Company encourages employees to provide feedback on issues including the working environment, management practices, and practical challenges, enabling management to gain timely insights into employee needs.

At the same time, the Company has established and improved internal grievance and whistleblowing mechanisms, providing employees with standardized and transparent channels to raise concerns. Clear procedures and handling requirements are defined to safeguard employees' rights to report issues in a lawful and compliant manner and to protect their legitimate rights and interests. In 2025, the Company received a total of 18 internal grievance and whistleblowing cases, all of which were investigated and responded to within specified timeframes. The average handling time was seven working days, and the resolution rate reached 100%.

Channel	Description
Audit Complaint Hotline and Email	Handled by the Audit Department on an ongoing basis.
Employee Feedback Mailbox	Suggestion box installed in the cafeteria hall, with feedback collected on a regular basis.
Performance Appraisal Meetings	Performance review meetings conducted on a monthly, quarterly, or annual basis following performance evaluations.

Employee Communication Channels of Tian Lun Gas

Employee Care Initiatives

Tian Lun Gas actively organizes a variety of employee care and cultural activities, with a focus on employees' physical and mental wellbeing as well as team cohesion. Through the continuous implementation of employee care initiatives, the Company fosters a positive working environment, helps employees relieve work-related stress, and enhances team cohesion and employees' sense of belonging.

Practice Highlight 1 (2025.11.24)

Anniversary Celebration and Recognition Event with Year-end Mobilization at Xuchang Company



Practice Highlight 2 (2025.3.7)

"Reading for Growth" Book Club for Female Employees Organized by Tongyu Company



Practice Highlight 3 (2025.1.18)

Xuchang Company Held the 2024 Annual Work Summary and Commendation Conference



3.4

Health and Safety



Tian Lun Gas places strong emphasis on occupational health and safety (OHS) management. Taking into account the operational characteristics of the gas industry, the Company continues to improve its safety management system, standardize work safety practices, and strengthen risk management measures, with the aim of providing a safe and healthy working environment for its employees.

Safety Management System

In developing its safety management system, Tian Lun Gas has established a management framework centered on occupational health and safety risk management. Through a structured approach encompassing hazard identification, system-based control, multi-layered safeguards, and tiered risk management, the Company has formed a safety control mechanism covering the entire production and operational process. Taking into account the operational characteristics of the gas industry, differentiated management measures are applied to key operational scenarios to ensure the effective implementation of work safety requirements in daily operations.

In terms of systematic control, the Company continues to enhance safety management measures across areas such as facility development, process monitoring, and management mechanisms, ensuring that protective facilities are planned and constructed in parallel with production systems. By establishing an intelligent management system for protective equipment, promoting the digital allocation of personal protective equipment, and advancing the networked deployment of emergency equipment, Tian Lun Gas further improves the standardization and responsiveness of its safety management practices.

Occupational Health and Safety

Tian Lun Gas continues to strengthen the protection of employees' occupational health and safety (OHS) by implementing targeted protective measures for different operational scenarios. In terms of occupational hazard control, the Company adopts a classified management approach based on working environment conditions, covering hazards such as noise exposure and operations under low-temperature and high-temperature conditions.

- Noise Control** For continuous noise generated by compressors at gas filling stations, the Company adopts a combination of equipment soundproofing modifications and personal hearing protection measures.
- Low-temperature Protection** For low-temperature operating environments at LNG vaporization stations, the Company has established standardized requirements for anti-freezing equipment and defined operating time limits for low-temperature tasks.
- High-temperature Measures** For high-temperature operations at CNG filling stations, the Company has implemented a graded response mechanism, supported by intelligent environmental temperature monitoring and designated supply of heat protection materials.

Classification and Control of Occupational Hazards of Tian Lun Gas

During the reporting period in 2025

No work-related accidents occurred



- Implements the "three simultaneous principle" for occupational health protection facilities in construction projects, ensuring that protective systems are designed, constructed, and commissioned simultaneously with production systems.
- Establishes an intelligent management system for protective equipment, enabling the digital allocation of personal protective equipment (PPE) and the grid-based deployment of emergency equipment.
- Develops dynamic occupational health records and implements regular monitoring and early warning mechanisms for workplace hazard factors.
- Promotes a visualized safety management approach by installing intelligent warning devices and behavior monitoring systems in key operational areas.

System-based Control Measures of Tian Lun Gas

The Company strictly complies with relevant national regulations on work-related injury insurance in handling work injury identification and compensation. In addition, it provides all employees with employer liability insurance and supplementary medical coverage. By integrating engineering and technical control measures, enhanced management systems, and comprehensive protection mechanisms, the Company safeguards employees' occupational health rights and interests while supporting the stable operation of its production systems, contributing to the coordinated development of safety management and business operations.

Safety Culture Development

In its work safety management practices, Tian Lun Gas continuously reinforces safety awareness through the implementation of policies, operational standards, and risk management requirements. The Company integrates safety management requirements into daily operations and employee behaviors, guiding employees to prioritize work safety and occupational health in their routine work.

Considering the high-risk operational characteristics of the gas industry, Tian Lun Gas emphasizes compliance with safety operating procedures and the implementation of protective measures in both production operations and on-site management. Through standardized management and process control, the Company promotes employees' understanding of safety risks and strengthens their risk prevention awareness. On this basis, safety requirements are progressively embedded into various operational scenarios and management processes, supporting a stable and well-ordered work safety environment.

During the reporting period in 2025

The Company conducted **75** safety training sessions

With a total training duration of **66.83** hours

An average of **22.9** training hours per employee

Health examinations were provided to all employees, with a total of

2,967 participants

A coverage rate of employee health examinations

100%

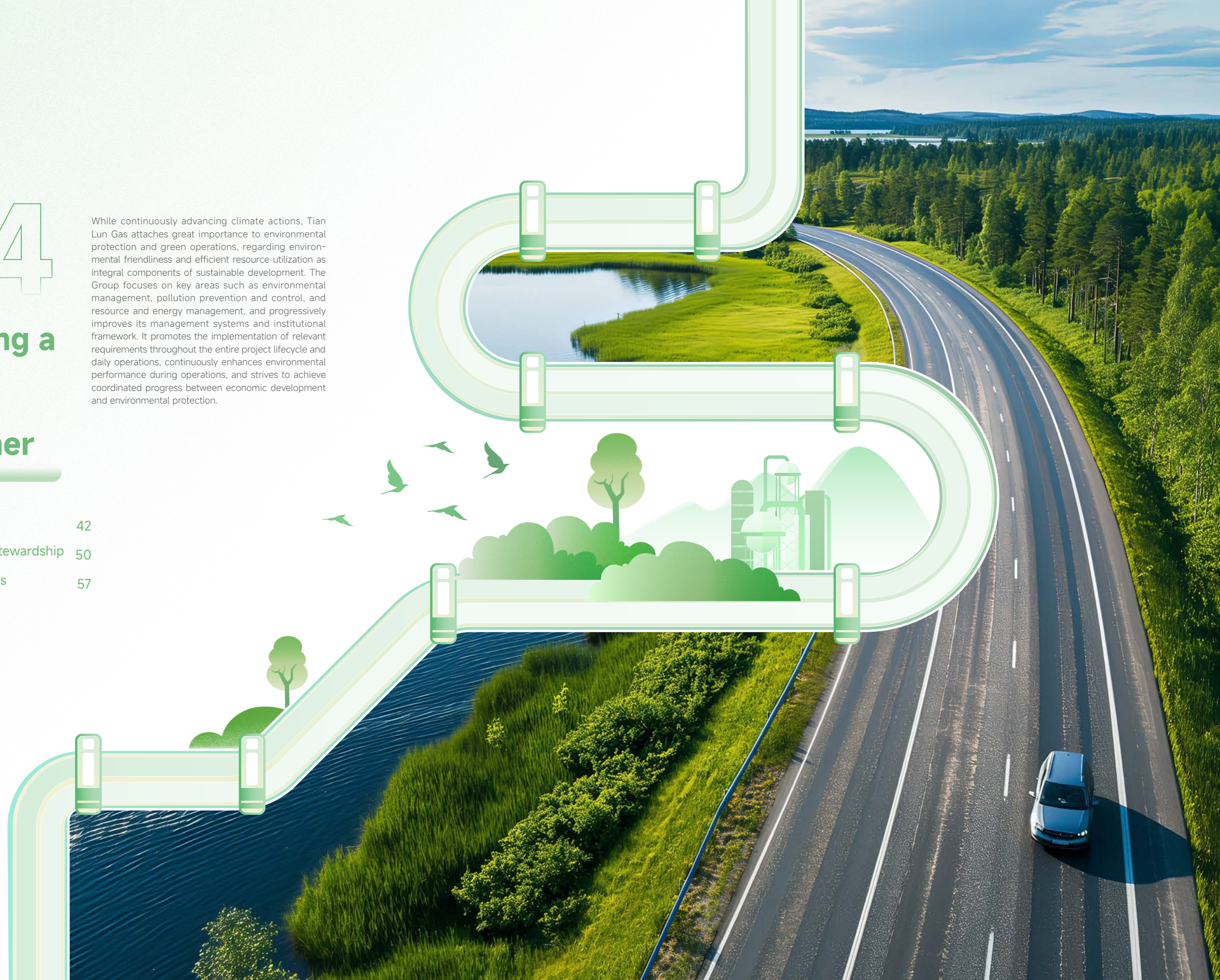


04

Creating a Green Future Together

While continuously advancing climate actions, Tian Lun Gas attaches great importance to environmental protection and green operations, regarding environmental friendliness and efficient resource utilization as integral components of sustainable development. The Group focuses on key areas such as environmental management, pollution prevention and control, and resource and energy management, and progressively improves its management systems and institutional framework. It promotes the implementation of relevant requirements throughout the entire project lifecycle and daily operations, continuously enhances environmental performance during operations, and strives to achieve coordinated progress between economic development and environmental protection.

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Green Operations	57



4.1

Climate Action

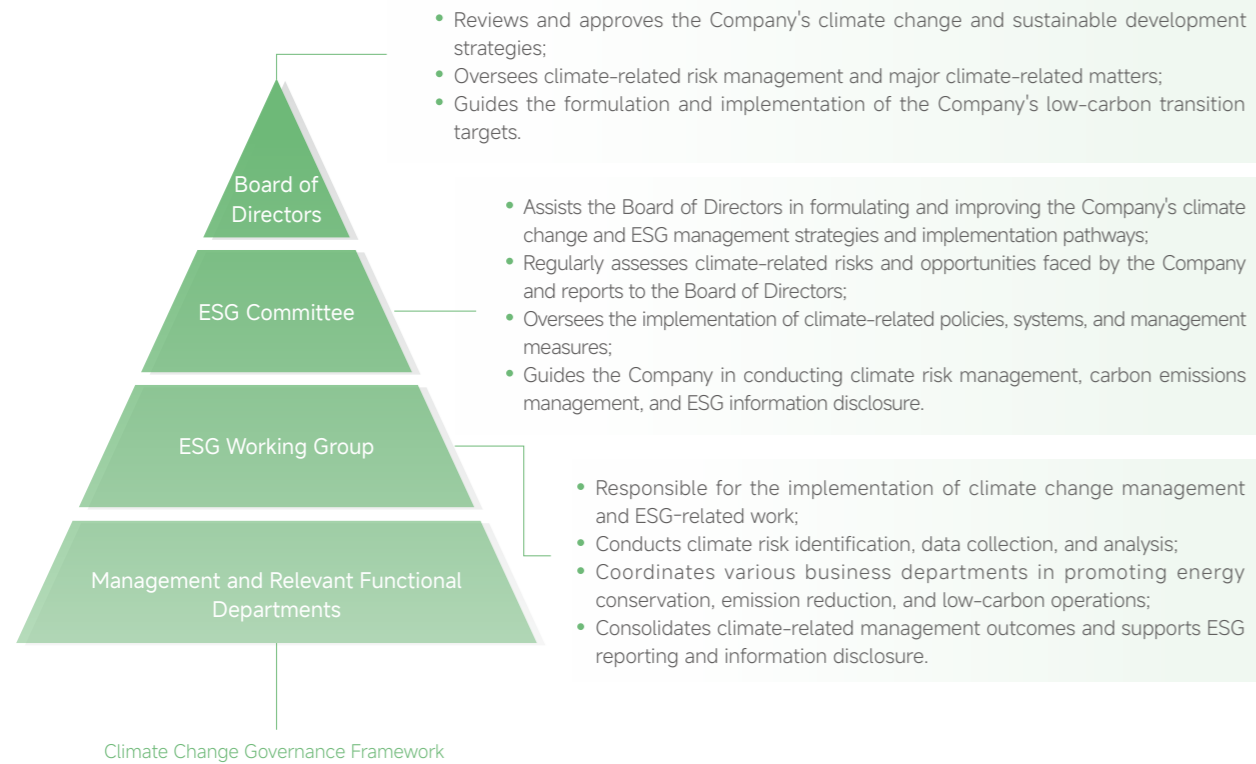


In the context of China's 'dual carbon' goals and the low-carbon transition of the energy industry, Tian Lun Gas has incorporated climate change-related issues into its corporate governance and sustainable development management system. Focusing on governance structure, strategic planning, risk management, as well as metrics and targets, the Company has gradually established a climate change management framework aligned with its business characteristics, promoting the orderly integration of climate-related factors into the Group's strategic decision-making and daily operations.

Amid the global transition toward a low-carbon energy structure and China's "dual carbon" goals, Tian Lun Gas regards climate change response as a key component of its sustainable development strategy. The Company has made reference to *Self-Regulatory Guidelines No. 14 for Listed Companies of the Shanghai Stock Exchange — Sustainable Development Report (Trial)* as well as *International Financial Reporting Sustainability Disclosure Standard No. 2 (IFRS S2) — Climate-related Disclosures* issued by the International Sustainability Standards Board (ISSB), and systematically advances climate change management across four dimensions: governance, strategy, risk management, and metrics and targets.

Climate Change Governance

Tian Lun Gas continuously enhances its climate change governance mechanism by systematically integrating climate-related factors into the Group's development strategy and daily operational management, recognizing them as a vital component of corporate governance and long-term stable development. The Group has established a multi-tiered climate governance structure characterized by "oversight by the Board of Directors, coordination by committees, implementation by dedicated working groups, and execution by business departments," thereby ensuring clearly defined responsibilities, efficient operations, and strong execution in climate governance.



Climate Change Strategy

To systematically identify and assess the potential impacts of climate change on its business operations, Tian Lun Gas has conducted climate scenario analysis. The Company makes reference to climate scenarios proposed by the Intergovernmental Panel on Climate Change (IPCC), as well as energy transition pathways published by the International Energy Agency (IEA), to comprehensively evaluate changes in energy structures and climate-related physical risks under different climate scenarios.

During the analysis process, taking into account the characteristics of the natural gas industry and its own business structure, the Company identifies and assesses potential climate-related risks and development opportunities across key segments of the value chain, including gas sourcing and trading, midstream transportation and pipeline networks, gas sales and services, engineering construction services, and integrated energy business. It further analyzes the potential operational impacts of climate change across short-, medium-, and long-term horizons, thereby providing a basis for formulating climate risk management strategies. The process for identifying and assessing climate-related risks and opportunities is detailed in the section "Impact, Risk and Opportunity Management" below.

Climate Scenario Type	Selected Scenario	Scenario Description	Key Assumptions
Physical Risk Scenarios	SSP1-2.6	The SSP scenarios are proposed by the IPCC to simulate climate change trends under different socioeconomic development pathways. SSP1 represents a sustainable development pathway, while 2.6 indicates that radiative forcing stabilizes at approximately 2.6 W/m ² by 2100.	Low-emission scenario: The world continues to advance low-carbon development, actively implements emission reduction policies, accelerates the transition toward clean energy, and limits the global average temperature increase to within 1.5° C.
	SSP5-8.5	SSP5 represents a development pathway with high reliance on fossil fuels, and 8.5 indicates that radiative forcing reaches approximately 8.5 W/m ² by 2100.	High-emission scenario: Global energy consumption remains dominated by fossil fuels, climate policies are weakly implemented, greenhouse gas emissions continue to rise, and global temperature increase may exceed 4° C.
Transition Risk Scenarios	STEPS	STEPS is the Stated Policies Scenario proposed by the IEA, used to assess future trends in energy consumption and emissions under existing policy frameworks.	Countries advance energy transition in accordance with established energy and climate policies, with a gradual increase in the share of clean energy.
	NZE	NZE is the Net Zero Emissions Scenario proposed by the IEA, depicting a pathway for achieving net-zero energy-related carbon emissions by 2050.	The global energy system transition accelerates, achieving net-zero energy-related carbon emissions by 2050 through technological innovation and policy support.

Climate Scenario Selection

In line with the Company's development plan and the temporal characteristics of climate change impacts, Tian Lun Gas categorizes the assessment of climate-related risks and opportunities into short-term, medium-term, and long-term horizons, enabling the identification of potential impacts of climate change on its business across different time dimensions.



Climate Risk Time Horizons

Based on the results of the climate scenario analysis, Tian Lun Gas has identified and assessed transition risks that may impact its business operations under different scenarios. Considering industry development trends and its own business characteristics, the Company conducts a systematic review of relevant risks across key value chain segments, including gas sourcing and trading, midstream transportation and pipeline networks, gas sales and services, and integrated energy business. Through a combination of qualitative and quantitative approaches, the Company evaluates the potential financial impacts of various risks on its operations. By comprehensively analyzing the likelihood of occurrence and the magnitude of impact, risks are categorized into high, medium, and low levels. For key risks identified, the Company formulates and continuously improves corresponding management and response measures, while strengthening collaboration with suppliers, customers, and other partners to jointly enhance the climate resilience of the entire value chain.

Risk Category	Risk Description	Value Chain Dimension	Impact Analysis	Financial Impact	Climate Scenario Analysis			Response Measures				
					Climate Scenario	Short-term	Medium-term		Long-term			
Physical Risk	Acute Risks	Extreme Rainfall and Flooding	Gas sourcing and trading; mid-stream transportation and pipeline networks; gas sales and services	Extreme rainfall and flooding may disrupt road transportation, affecting LNG tanker delivery and gas source allocation. It may also damage soil structures around underground pipelines, increasing the risks of pipeline leakage, equipment damage, or regional gas supply interruptions, thereby affecting supply stability.	May lead to gas supply interruptions or delays, increase pipeline maintenance and emergency repair costs, and affect gas sales revenue.	SSP1-2.6	Medium	High	Medium	<ul style="list-style-type: none"> Develop emergency plans for extreme weather and establish emergency response mechanisms; Strengthen pipeline inspections in key areas and maintain drainage systems; Optimize gas storage and dispatch mechanisms; Enhance flood prevention and drainage capacity of critical facilities. 		
						SSP5-8.5	High	Medium	Medium			
		Extreme Cold Weather	Gas sourcing and trading; mid-stream transportation and pipeline networks; gas sales and services	Extreme cold weather may lead to a surge in natural gas demand, while low temperatures may affect pipeline transmission efficiency and equipment stability, increasing pressure on supply security.	Gas procurement costs increase, along with additional expenditures on equipment maintenance and emergency support.	SSP1-2.6	Medium	High	Medium		<ul style="list-style-type: none"> Formulate winter gas supply assurance and dispatch plans in advance; Strengthen anti-freezing measures and increase pipeline inspection frequency; Establish emergency gas supply assurance mechanisms for winter; Enhance diversified gas sourcing capabilities. 	
						SSP5-8.5	Medium	High	Medium			
		Extreme Heat	Midstream transportation and pipeline networks; engineering construction services	High temperatures may cause pipeline expansion and accelerate equipment aging, while also affecting worker safety and construction progress.	Increase equipment maintenance costs and potential delays in project timelines affecting revenue recognition.	SSP1-2.6	High	High	High			<ul style="list-style-type: none"> Strengthen equipment inspections and safety monitoring under high temperatures; Implement staggered construction schedules and safety management measures for high-temperature operations; Enhance pipeline operation monitoring and pressure regulation management; Provide heat protection supplies and strengthen employee safety training.
						SSP5-8.5	Medium	High	High			
Strong Winds and Typhoons	Midstream transportation and pipeline networks; engineering construction services; new energy business	Strong winds may impact surface pipeline facilities, pressure regulating stations, and construction site safety, and may also affect the stability of new energy project facilities.	Increase facility maintenance and operation costs, and potential impacts on power generation efficiency of new energy projects.	SSP1-2.6	Medium	Medium	Medium	<ul style="list-style-type: none"> Strengthen structural safety design of pipelines and facilities; Enhance wind resistance and disaster prevention capabilities of key facilities; Establish emergency management and early warning mechanisms for extreme weather; Strengthen operation, maintenance, and protection of new energy facilities. 				
				SSP5-8.5	Medium	Medium	Medium					

Identification and Response to Acute Physical Risks

Risk Category	Risk Description	Value Chain Dimension	Impact Analysis	Financial Impact	Response Measures	
Physical Risk	Chronic Risk	Rising Average Temperature	Midstream transportation and pipeline networks	Long-term temperature increases may accelerate the aging and corrosion of pipeline materials, while also altering natural gas demand structures and seasonal consumption patterns.	Increases costs for pipeline maintenance and equipment upgrades.	<ul style="list-style-type: none"> Strengthen inspection and maintenance management of pipeline equipment; Optimize the application of equipment materials and anti-corrosion technologies; Enhance intelligent monitoring and early warning capabilities of pipeline networks; Promote the development of smart pipeline systems.

Identification and Response to Chronic Physical Risks

Risk Category	Risk Description	Value Chain Dimension	Impact Analysis	Financial Impact	Climate Scenario Analysis				Response Measures
					Climate Scenario	Short-term	Medium-term	Long-term	
Transition Risks	Technological Risk	Digital Transformation Risk Midstream transportation and pipeline networks	With increasing requirements for carbon emissions management and energy efficiency, the Company needs to accelerate the development of smart pipeline networks and digital monitoring systems. During system development and technology integration, uncertainties such as rapid technological iteration and long construction cycles may arise. Failure to advance digital upgrades in a timely manner may affect pipeline operation efficiency and safety management.	Increased investment in digital system construction and operation may raise short-term IT and capital expenditures, while long construction cycles may exert pressure on phased cash flows.	STEPS NZE	Low	Medium	Medium	<ul style="list-style-type: none"> Promote the development of smart pipeline networks and upgrade digital monitoring systems; Strengthen data monitoring and intelligent management of pipeline operations; Enhance information system development and maintenance capabilities; Strengthen the introduction and training of digital technology talents.
		Renewable Energy Integration Challenges New business development (integrated energy)	As the national energy transition advances, the Company needs to explore integrating renewable energy technologies such as photovoltaic, energy storage, and hydrogen energy into its existing energy service system. During integration, challenges may arise, including insufficient technological maturity, high equipment retrofit costs, and uncertainties in business models.	Large-scale equipment retrofitting and infrastructure investment for new energy projects may increase capital expenditures and operating costs in the short term, placing pressure on cash flows.	STEPS NZE	Medium	Medium	Medium	<ul style="list-style-type: none"> Promote the coordinated development of natural gas and renewable energy; Actively explore distributed energy and integrated energy service models; Strengthen technical evaluation and risk management of new energy projects; Advance investment in new energy projects in phases.
		Market Risk Changes in Customer Energy Preferences Gas sales and services	With the continuous advancement of green energy policies, some enterprises and end-users are increasingly adopting renewable and low-carbon energy solutions, potentially reducing their reliance on traditional natural gas.	As some customers shift toward low-carbon or renewable energy solutions, demand for natural gas may be affected, placing pressure on gas sales revenue and market scale.	STEPS NZE	Medium	Medium	High	<ul style="list-style-type: none"> Enhance integrated energy service capabilities; Develop diversified energy solution businesses; Strengthen customer energy management services; Expand new energy and energy-saving service markets.
		Reputation Risk Stakeholder Attention Gas sales and services	With growing attention from investors and the public on corporate climate governance and low-carbon transition, the Company's performance in climate disclosure and low-carbon development may affect investor confidence and corporate image.	Insufficient progress in low-carbon transition and climate information disclosure may impact investor confidence and financing conditions, thereby affecting financing costs and access to capital.	STEPS NZE	Low	Medium	Medium	<ul style="list-style-type: none"> Continuously improve climate information disclosure mechanisms; Strengthen ESG management system development; Maintain communication with investors and stakeholders; Promote low-carbon development and green transition strategies.

Identification and Response to Transition Risks

From a more forward-looking perspective, the Company evaluates the opportunities brought about by climate change. While actively addressing climate-related risks, it also seizes emerging trends in energy structure transformation and green development. By optimizing its energy supply structure, improving energy utilization efficiency, and expanding integrated energy services, the Company promotes its low-carbon transition and sustainable development.

Opportunity Identification	Opportunity Description
Resource Efficiency	Opportunities in Energy Structure Optimization and Operational Efficiency Improvement In the context of China's "dual carbon" goals and the low-carbon transition of the energy structure, natural gas, as a relatively clean fossil energy source, continues to play an important role in the transition toward a low-carbon energy system. By optimizing gas sourcing structures, improving pipeline operation efficiency, promoting smart pipeline development, and strengthening digital energy management, Tian Lun Gas can enhance energy utilization efficiency while reducing energy losses and operating costs. In addition, through the implementation of energy-saving measures and equipment upgrades, the Company can further improve operational efficiency and resource utilization, laying a solid foundation for long-term stable development.
Products and Services	Opportunities in the Development of Integrated Energy Services As energy consumption patterns gradually shift toward cleaner and more diversified models, customer demand for integrated energy solutions continues to grow. Tian Lun Gas explores a coordinated development model of "natural gas + new energy" and progressively expands integrated energy services such as distributed energy, photovoltaic power generation, energy storage, and energy management, providing diversified energy solutions to customers. By integrating multiple forms of energy, the Company can not only meet customers' low-carbon energy needs but also enhance customer loyalty and create new business growth drivers.
	Opportunities in Smart Energy and Digital Services With the acceleration of digital transformation in the energy industry, the Company promotes the development of smart pipeline networks and the application of digital monitoring systems, enabling real-time monitoring and intelligent management of pipeline operations, energy consumption, and equipment performance. This not only improves pipeline safety and operational efficiency but also enhances energy dispatch optimization through data analysis, thereby improving overall operational management capabilities.
Market and Brand	Opportunities in Green Development and Brand Value Enhancement As public and capital market attention to corporate climate action and sustainable development performance continues to increase, the Company can strengthen its sustainable development image by enhancing climate risk management, promoting low-carbon operations, and improving the transparency of information disclosure. Strong ESG performance not only contributes to enhancing brand value but also strengthens the Company's attractiveness and influence in market competition.

Climate Change Opportunities

Climate Change Risk Management

Tian Lun Gas incorporates climate-related risks into the Group's overall risk management system, identifying them as a key category of risks requiring focused attention in the course of business operations, and advances them in coordination with existing risk management mechanisms. Focusing on the potential impacts of climate risks on business operations and across various segments of the value chain, the Group has established a management approach covering risk identification, assessment, response, and continuous monitoring, enabling systematic management of uncertainties arising from climate change. At the same time, the Group actively conducts relevant training and awareness enhancement activities to strengthen employees' understanding of climate-related risks, improve overall climate risk awareness, and enhance their participation and sense of responsibility in risk management. In addition, the Group is gradually establishing a transparent monitoring and reporting mechanism, regularly disclosing progress in climate risk management to stakeholders, and continuously improving its sustainable development governance.



Risk Identification

Based on the climate characteristics of the Company's operating regions and its business layout, Tian Lun Gas regularly conducts climate risk identification across key value chain segments, including gas sourcing and trading, midstream transportation and pipeline networks, gas sales and services, engineering construction services, and integrated energy business, forming a comprehensive climate risk inventory.



Risk Assessment

In accordance with the Company's risk management standards, identified climate risks are assessed from dimensions such as likelihood of occurrence, severity of impact, and scope of influence. Risk levels are determined through internal discussions and reviews. In addition, comprehensive analysis is conducted on the potential impacts of climate risks and opportunities on business operations and financial performance from perspectives including regulatory compliance, asset losses, business continuity, operating costs, and reputational impact.



Risk Response

Based on the assessment results, the Company formulates corresponding management measures according to different risk levels, including strengthening pipeline safety management, optimizing gas dispatch mechanisms, improving emergency response plans for extreme weather, and promoting energy efficiency improvements, thereby mitigating the impacts of climate risks on operations and enhancing overall risk response capabilities.



Risk Management Improvement

The Company regularly reviews and optimizes its climate risk management processes. In light of climate change trends and industry developments, it continuously improves risk identification and management mechanisms, enhancing its capacity to respond to climate-related risks through ongoing improvement.

Climate Risk Management Process



Climate Change Metrics and Targets³

In alignment with the national "dual carbon" policy direction and its own business characteristics, Tian Lun Gas continuously focuses on greenhouse gas emissions management, treating relevant indicators as key drivers for advancing climate management and green low-carbon transformation. The Group progressively improves its emissions data collection and management mechanisms based on greenhouse gas emissions generated during its operations, and monitors and analyzes Scope 1 and Scope 2 emissions to enhance the accuracy and comparability of emissions data. On this basis, the Group is actively exploring and implementing Scope 3 carbon accounting by systematically reviewing value chain-related activities, identifying emission categories closely associated with its operations, and tracking emissions performance and management effectiveness. These efforts support improvements in energy efficiency and operational management, and serve as important references for the formulation and refinement of climate management targets, thereby steadily advancing the Company's green and low-carbon development.

The boundary for the Company's greenhouse gas accounting is consistent with the scope of its consolidated financial statements, covering the Group's overall operations. The accounting methodology follows ISO 14064-1:2018 and Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard, and adheres to the principles of relevance, completeness, consistency, accuracy, and transparency.

Greenhouse Gas Emissions⁴

Indicator Name	Unit	2025	2024	2023
Scope 1: Direct Greenhouse Gas Emissions	Tons of carbon dioxide equivalent	2,433.22	2,485.22	2,698.68
Scope 2: Indirect Greenhouse Gas Emissions	Tons of carbon dioxide equivalent	25,643.85	29,856.88	31,981.81
Total GHG emissions (Scope 1 and Scope 2)	Tons of carbon dioxide equivalent	28,077.07	32,342.10	34,680.49
GHG emissions intensity (Scope 1 and Scope 2)	Tons of carbon dioxide equivalent per million yuan of revenue	3.23	3.84	4.14
Scope 3 ⁵ : Other indirect Indirect greenhouse gas emissions	Tons of carbon dioxide equivalent	3,772.96	/	/
Scope 3 - Category 3: Fuel- and energy-related activities	Tons of carbon dioxide equivalent	2,915.43	/	/
Scope 3 - Category 7: Business travel	Tons of carbon dioxide equivalent	857.53	/	/

³ During the reporting period, the Company has not yet obtained reasonably accessible and sufficiently reliable data to quantify financial metrics such as climate-related capital expenditures, financing, or investments associated with climate-related risks and opportunities. Therefore, the Company has applied the principle of reasonable data exemption. However, we plan to continue advancing related work, including actively promoting the integration of climate-related performance indicators into the executive remuneration system. The Company has not yet established an internal carbon pricing mechanism; therefore, internal carbon pricing metrics are not applicable.

⁴ The Company's greenhouse gas (GHG) emissions accounting follows the requirements of the GHG Protocol. The organizational boundary is defined using the operational control approach, and emissions are calculated based on the formula: $Activity\ Data \times Emission\ Factors$. Scope 1 emissions are accounted for in accordance with the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Enterprises in Other Industrial Sectors*, with reference to default emission factors provided in the *2006 IPCC Guidelines for National Greenhouse Gas Inventories*. Scope 2 emissions are accounted for in accordance with the same guidelines, where the electricity emission factor adopts the national grid average emission factor (0.5306 tCO₂/MWh) published by the Ministry of Ecology and Environment in the *Notice on the Release of 2023 Electricity Carbon Dioxide Emission Factors*, and the heat emission factor adopts the recommended value (0.11 tCO₂/GJ) from the *Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Enterprises in Other Industrial Sectors (Trial)*.

⁵ For Scope 3 Category 3, the Company calculates emissions based on its energy consumption data using the average data method. For Scope 3 Category 7, emissions are estimated using the per capita emission factor method.

4.2 Environmental Stewardship



Tian Lun Gas regards environmental governance as an inherent requirement for achieving high-quality development. Moving beyond traditional management perspectives, the Company advances toward a more forward-looking governance model, demonstrating respect for ecological value in every aspect of land use and resource consumption. Through continuously improving its organizational structure and implementing multi-dimensional management strategies, Tian Lun Gas is committed to contributing to the development of a low-carbon, prosperous, and resilient ecological civilization, and to fulfilling its long-term commitment to environmental protection.

Environmental Management System

Tian Lun Gas has established an environmental management organizational structure composed of the Board of Directors, management, and relevant functional departments, integrating environmental management responsibilities into corporate governance and daily operations. The Board of Directors is responsible for the overall oversight and guidance of environmental management matters, ensuring alignment with the Group's development strategy and compliance requirements. Under the supervision and authorization of the Board, management coordinates and advances the implementation of environmental management initiatives, incorporating environmental requirements into operational processes. Relevant functional departments implement specific environmental management measures in accordance with the Group's unified policies and requirements, ensuring effective execution across the Group and its member enterprises.

Tian Lun Gas strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Air Pollution Prevention and Control Law of the People's Republic of China*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution*, among other applicable laws and regulations. The Company continuously improves its environmental compliance management system to promote standardized and institutionalized environmental management practices. By formulating and implementing the *Administrative Measures for Occupational Health and Environmental Protection of Tian Lun Gas*, the Group standardizes the management of key areas such as waste management, pollution prevention and control, and resource use. It clarifies environmental management responsibilities to ensure that relevant requirements are assigned to specific roles and individuals. In 2025, the Company did not incur any administrative penalties due to environmental protection issues.

Stage	Measures
Pre-bidding Stage	At the pre-bidding stage, the Company places great emphasis on potential environmental impacts of projects. It actively communicates with ecological protection zones and relevant authorities to fully understand the ecological conditions of the project area. During the exploration and evaluation phase, all preliminary procedures are completed in compliance with laws and regulations, and environmental impact identification and risk assessments are systematically conducted, laying a solid foundation for subsequent construction and operations.
Site Development and Construction Stage	During site development and construction, the Company strictly implements environmental protection management requirements and exercises full-process control over environmental impacts such as dust and noise. Effective dust suppression and noise reduction measures are adopted to minimize the impact of construction activities on the surrounding environment.
Production and Operation Stage	During the production and operation stage, Tian Lun Gas strictly handles wastewater, waste, and other pollutants in accordance with relevant national and local regulations. At the same time, it establishes clear energy consumption control indicators and resource utilization targets, continuously improving energy efficiency and achieving coordinated development between economic benefits and environmental protection.
Project Closure and Exit Stage	During project closure and exit, the Company comprehensively promotes equipment dismantling and site restoration. Through routine inspections and maintenance during shutdown and restoration periods, it ensures the orderly implementation of environmental restoration work, restores the original ecological environment to the greatest extent possible, and fully demonstrates its strong commitment to environmental protection.

Environmental Protection Throughout the Project Lifecycle

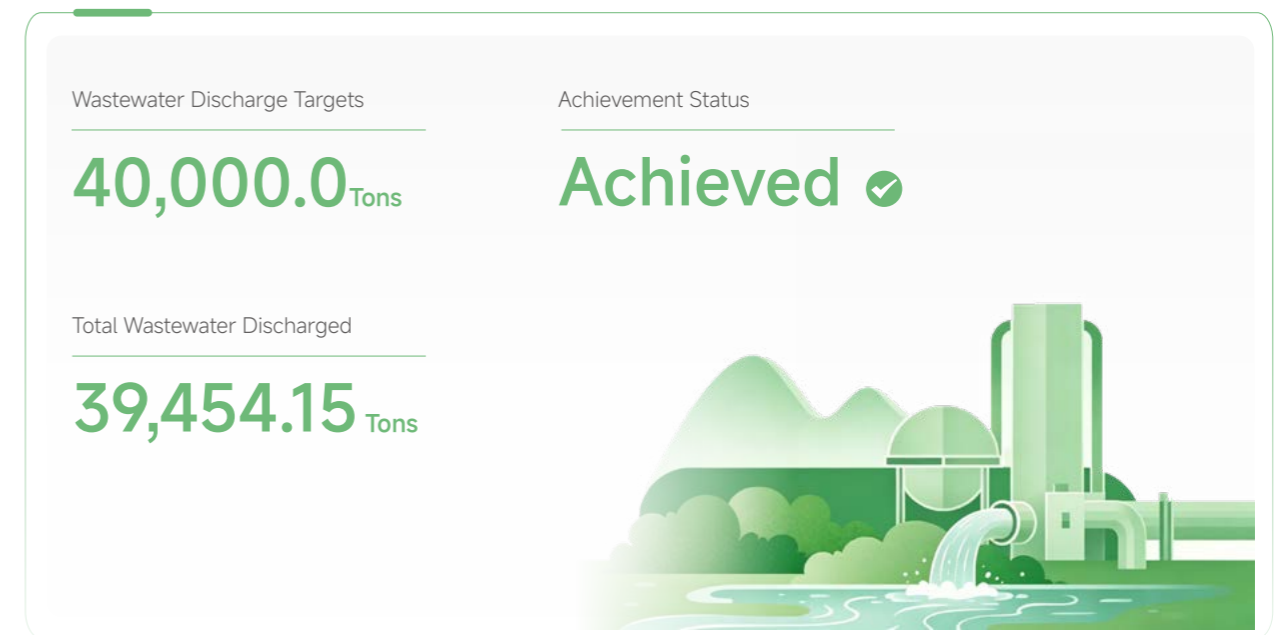
In 2025, the Group has established and continuously operated an ISO 14001 environmental management system and an energy management system. By continuously optimizing management processes and strengthening execution, the Company has enhanced the systematic and effective implementation of its environmental management practices.

Waste Management

Tian Lun Gas attaches great importance to the management of emissions, including wastewater, waste gas, and solid waste. The Company strictly complies with *Environmental Protection Law of the People's Republic of China*, *Water Pollution Prevention and Control Law of the People's Republic of China*, *Air Pollution Prevention and Control Law of the People's Republic of China*, *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and *Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution*. The Company has formulated relevant management systems and continuously improves its mechanisms for the classified management, standardized disposal, and process control of emissions. It also clarifies environmental management responsibilities to ensure that all types of emissions are handled in compliance with applicable laws and regulations.

Wastewater

Tian Lun Gas strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, as well as other relevant laws and regulations, and has established a comprehensive wastewater management system. The Company implements refined classification management for wastewater from different sources and, through process optimization and compliant treatment, ensures that all wastewater generated throughout its operations is discharged in compliance with applicable standards.



Wastewater Discharge Targets

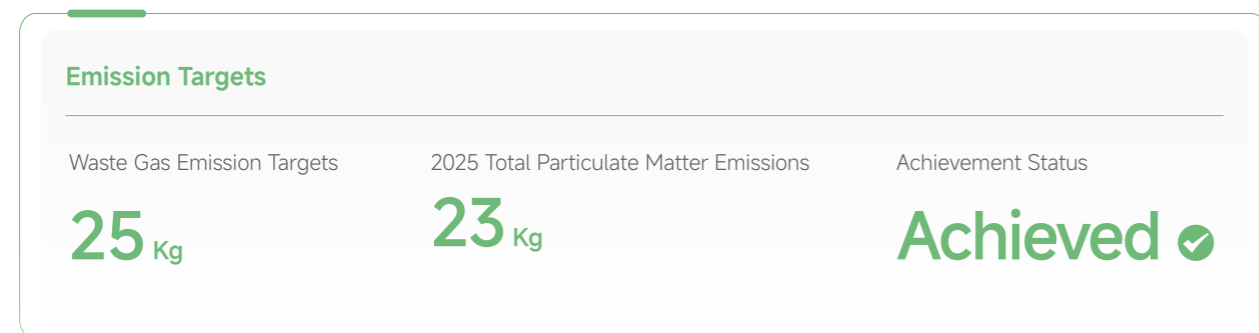
Wastewater Category	Management and Treatment Measures
Production Wastewater	As a key unit within the Group involving production wastewater discharge, Changling Company is equipped with a dedicated wastewater treatment system adopting a "hydrolysis + AICS integrated" process. Through multiple stages including physical, biochemical, and advanced treatment, the effluent quality is ensured to exceed applicable discharge standards.
Office and Domestic Sewage	Domestic and office wastewater generated by all member enterprises of the Group is collected through municipal pipeline networks and uniformly conveyed to local wastewater treatment plants for centralized and compliant treatment.
Project Construction Water	Clean water generated during processes such as project intensity testing must undergo pre-treatment procedures, including flocculation and sedimentation, to meet discharge standards before being discharged into nearby municipal sewer systems. Discharge into farmland is strictly prohibited to protect local agricultural ecosystems.
Waste By-products	Residual materials such as screened debris, sand, and sludge generated during wastewater treatment are uniformly subjected to concentration and dewatering processes, and are transported by qualified entities to designated disposal sites or for harmless landfill treatment.

Wastewater Classification and Treatment System

Waste Gas

Tian Lun Gas strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Air Pollution*, as well as other relevant laws and regulations. The Company is committed to minimizing the impact of its operations on air quality through technological upgrades and management optimization. By adopting a dual approach of source control and process emission reduction, the Company actively promotes the development of a low-carbon operating model and contributes to safeguarding regional air quality.

The Company ensures that all gas boilers and gas appliances in operation meet national high-standard requirements, thereby achieving effective control and clean emissions of nitrogen oxides, sulfur dioxide, particulate matter, and volatile organic compounds (VOCs) at the source. At the same time, Tian Lun Gas is committed to building a green and low-carbon transportation system by actively promoting the use of clean transportation tools such as electric vehicles and natural gas vehicles. These efforts systematically reduce emissions intensity in the transportation process, demonstrating the Company's commitment to environmental protection and supporting improvements in regional air quality and green transition.



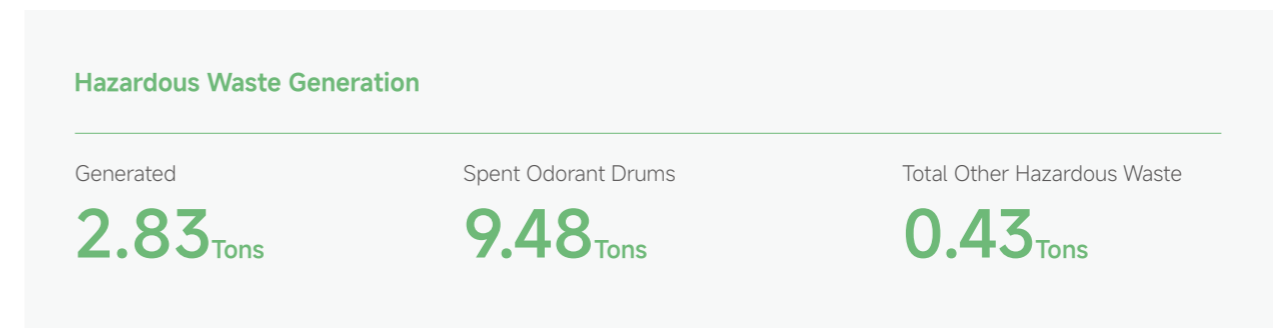
Waste Gas Emission Targets

Hazardous Waste

Tian Lun Gas strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and has established a Group-wide waste classification and management system. The Company adheres to the principles of standardized disposal and resource recycling, and implements refined management of waste generated during office and production activities. Office and domestic waste are uniformly collected and transported by municipal sanitation departments for centralized harmless treatment. For recyclable waste such as scrap metals, the Company entrusts qualified professional recycling entities to carry out resource recovery and reuse. Through continuously strengthening full-process waste management, Tian Lun Gas is committed to minimizing the environmental impact of its operations and promoting the efficient recycling and utilization of resources.



Hazardous Waste Emission Targets



Non-hazardous Waste

Tian Lun Gas strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and has established a Group-wide classification and management system for non-hazardous waste. For waste such as domestic waste, office waste, and kitchen waste, the Company adopts a management approach of "source classification, standardized temporary storage, and unified collection and transportation," and fully entrusts local sanitation departments with professional collection and compliant treatment.

Emission Targets

Non-hazardous Waste Emission Targets	2025 Non-hazardous Waste Generation	Achievement Status
420 Tons	411.01 Tons	Achieved ✓

Non-hazardous Waste Emission Targets

Non-hazardous Waste Generation

Office and Domestic Waste Generated	Kitchen Waste Generated	Total Scrapped Waste Pipelines (PE Waste Pipes)
177.27 Tons	231.24 Tons	0 Tons
Total Scrapped Waste Pipelines (PE Waste Pipes)	Other Waste Generated (Waste Gas Meters)	
0 Tons	2.50 Tons	

Dust Control

Tian Lun Gas strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Air Pollution Prevention and Control Law of the People's Republic of China*, and regards construction dust control as a core task in green construction and air quality protection. The Company has established a comprehensive dust control system covering "source prevention, process control, and dynamic monitoring," minimizing the impact of construction activities on the surrounding atmospheric environment through the integration of standardized operations and advanced technical measures.

Source Management and Technical Disclosure

At the project initiation stage, the Company strictly implements the environmental technical disclosure system and establishes environmental protection operation standards based on project characteristics. Construction materials are managed in a unified and standardized manner, ensuring that exposed soil and dust-prone materials are 100% covered with dust-proof nets or crushed stones.

Dynamic Dust Suppression During Construction

Construction sites are equipped with automatic spraying systems, professional dust removal devices, and water trucks to carry out routine dust suppression operations. During key processes such as earthwork excavation, the principle of "immediate spraying and immediate covering" is applied, while ensuring close coordination between backfilling and compaction processes.

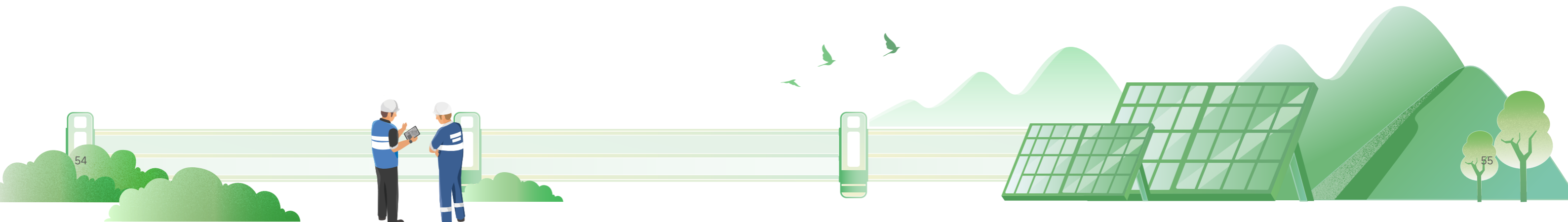
Routine Maintenance of Site Environment

Green construction standards are strictly implemented to maintain clean and orderly working areas. Through regular cleaning and real-time water spraying, dust propagation pathways are effectively controlled, ensuring that the construction environment remains under continuous control.

Collaborative Monitoring and Early Warning

The Company strengthens coordination with professional departments and introduces real-time monitoring mechanisms for suspended particulate matter. Data-driven feedback is used to dynamically adjust dust suppression measures, ensuring that all indicators comply with local environmental protection and safety regulatory requirements.

Dust Control Measures and Refined Practices



Noise Management

Tian Lun Gas attaches great importance to noise control during both operational and construction processes, and strictly complies with the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Noise Pollution*, and the *Emission Standard for Environmental Noise at Construction Site Boundary (GB 12523-2011)*, among other applicable laws and regulations. Adhering to the principles of "source prevention, process control, and community harmony," the Company minimizes the impact of its production and operational activities on the surrounding environment through scientific planning and technological upgrades.

Construction Stage Management



Construction schedules are scientifically arranged, and high-noise operations are strictly prohibited during sensitive periods. The Company prioritizes the use of high-efficiency, low-noise construction equipment and continuously optimizes operational procedures to effectively shorten the duration of noise impact. In addition, proactive communication is conducted with surrounding communities prior to construction to establish mutual trust, ensuring that the construction process is compliant and transparent.

Plant and Station Operation Management



For fixed noise source areas such as plants and stations, a systematic noise reduction approach integrating "blocking, isolating, and absorbing" is adopted. Engineering measures such as installing sound-absorbing materials, constructing soundproof facilities, and optimizing equipment layout are implemented to fundamentally reduce operational noise. At the same time, professional hearing protection equipment is provided to frontline workers to safeguard occupational health.

Monitoring and Evaluation



A dynamic noise monitoring mechanism is established, and regular assessments of the acoustic environment in key areas are conducted. As of the end of the 2025 reporting period, no incidents of excessive noise occurred in gas engineering construction or plant and station operations across the Group.

Noise Control Measures and Management Practices

Biodiversity Conservation

Tian Lun Gas strictly complies with the *Environmental Protection Law of the People's Republic of China* and the *Regulations on Environmental Protection Management for Construction Projects*, among other applicable laws and regulations. The Company has formulated and implemented the *Administrative Measures for Occupational Health and Environmental Protection of Tian Lun Gas* and other internal management policies, and has gradually established an ecological and environmental protection management system covering the entire lifecycle of projects, including planning, construction, operation, and exit. This provides a solid institutional foundation for the standardized and systematic advancement of the Company's ecological and environmental protection efforts.

4.3

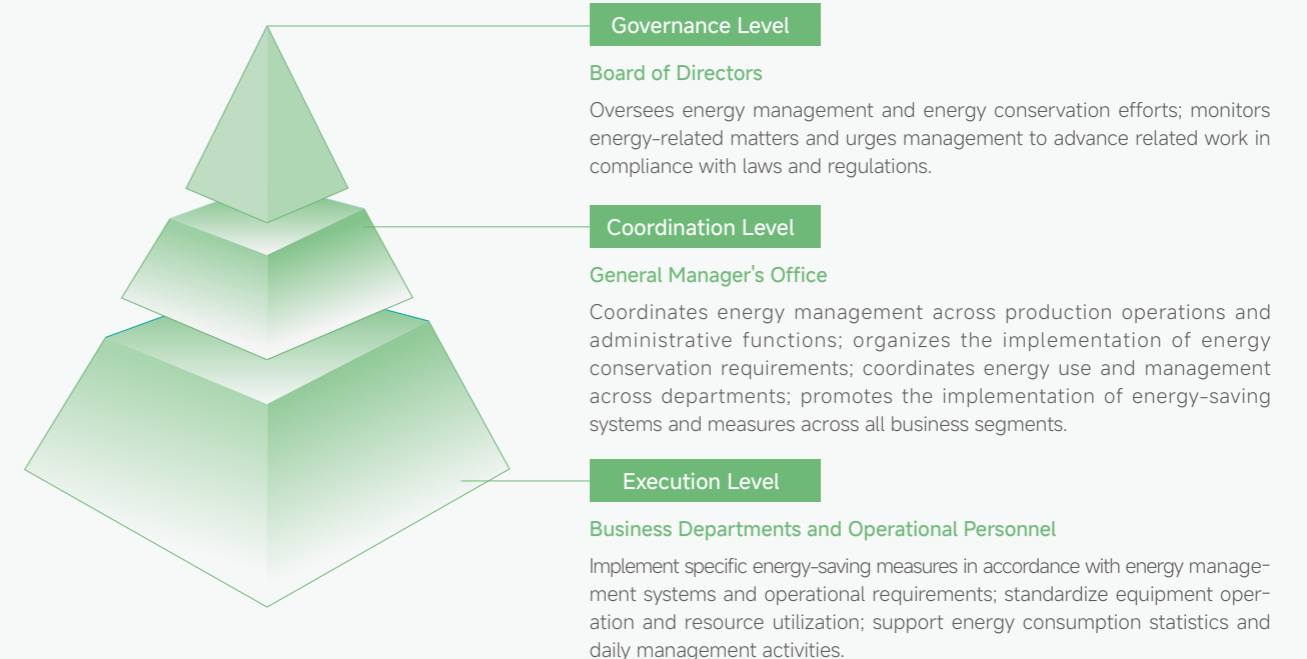
Green Operations



Tian Lun Gas regards the efficient utilization of resources as a core element of high-quality development. By establishing a systematic management structure of "governance – coordination – execution," the Company ensures the effective integration of environmental protection responsibilities from top-level design to grassroots implementation. The Company embeds the concept of resource conservation throughout the entire lifecycle of production operations and administrative management. Through clearly defined responsibilities and refined management practices, it continuously enhances the scientific and rational use of energy and water resources, striving to achieve coordinated development between corporate operations and natural resource capacity while ensuring stable energy supply.

Energy Management

Tian Lun Gas has established a three-tier management structure of "governance – coordination – execution," under which the Board of Directors performs governance and oversight responsibilities, the General Manager's Office undertakes overall coordination, and business departments and operational personnel are responsible for implementation. The General Manager's Office centrally coordinates energy management across both production operations and administrative functions, organizing the implementation of energy-saving requirements, coordinating energy use and management across departments, and promoting the effective execution of relevant systems and measures throughout the Company, ensuring full coverage of energy management across all business segments.



Energy Management System

Tian Lun Gas attaches great importance to the efficient management and utilization of energy, and strictly complies with the *Energy Conservation Law of the People's Republic of China*, the *Renewable Energy Law of the People's Republic of China*, and the *Electric Power Law of the People's Republic of China*, among other applicable laws and regulations. The Company has established an energy management system covering both production operations and administrative functions, and has formulated and implemented the *Measures for Energy Conservation Management of Tian Lun Gas Office*, standardizing the use of electricity, natural gas, and fuel, and defining specific measures for electricity saving, fuel saving, and gas saving.

Indicator Name	Unit	2025	2024	2023
Gasoline	Tons	147.33	153.15	160.16
Diesel	Tons	9.22	9.91	9.82
Natural gas	10,000 m ³	32.15	32.74	37.63
Electricity	MWh	34,699.90	36,914.79	39,599.27
Purchased heat	GJ	65,746.14	76,449.00	81,587.50
Total energy consumption	MWh	58,305.05	68,798.95	73,070.67
Energy consumption intensity	MWh per Million Yuan of Revenue	7.35	8.84	9.46

Energy Consumption

Water Resource Management

In terms of water resource management, Tian Lun Gas strictly complies with the *Water Law of the People's Republic of China*, as well as other relevant laws and regulations, and has formulated and implemented the *Environmental Sanitation Management Measures of Tian Lun Gas Group* to regulate water use in both production operations and administrative activities. Based on actual water demand, the Company strengthens the management of water use processes, promotes the implementation of water conservation measures, and continuously improves the efficiency and standardization of water resource utilization.

Green Office

Tian Lun Gas deeply integrates green and low-carbon concepts into the entire administrative office process, promoting the full implementation of resource-efficient office practices through management innovation and technological empowerment. In addition to focusing on energy conservation and emission reduction in production, the Company is committed to embedding environmental responsibility into daily operations by establishing normalized mechanisms covering energy consumption control, paperless office practices, and the cultivation of a green corporate culture, fostering a culture where environmental responsibility becomes a conscious action among employees.

2025

Total water consumption

79,024.39 Tons



Refined Energy Efficiency Management

Promotes the use of energy-efficient office equipment, and implement zoned and time-based control for high energy-consuming systems such as air conditioning and lighting. The Company advocates maintaining indoor air conditioning temperatures no lower than 26° C in summer and promotes energy-saving practices such as "turning off lights when leaving." Through intelligent monitoring and inspections, unnecessary energy consumption in office areas is effectively reduced.

Smart Green Mobility

Actively promotes remote audio and video conferencing systems to optimize cross-regional collaboration and minimize unnecessary business travel. The Company encourages employees to adopt green commuting methods and increases the proportion of clean energy vehicles in use to reduce the carbon footprint of office operations and travel.

Resource Recycling and Reduction

Implements comprehensive waste classification management in office areas and standardizes the recycling and disposal of waste consumables and electronic products. Adhering to the principle of "reduction at source," the Company reduces the use of disposable office supplies and improves the recycling rate of office resources.

Green Office Management Practices

05

Fostering Inclusive Communities Together

In 2025, Tian Lun Gas strengthened its supply chain management by improving its end-to-end supplier management mechanisms and reinforcing ESG requirements across the supply chain. By collaborating with upstream and downstream partners, the Company enhanced operational compliance and sustainability performance. At the same time, the Company actively participated in public welfare and community engagement initiatives. It continued to allocate resources in areas such as energy supply safety, education support, and assistance for vulnerable groups, contributing to community development and the improvement of people's livelihoods through its ongoing efforts.

Supply Chain Management 62

Community Investment 64



5.1 **Supply Chain Management**



Tian Lun Gas incorporates supply chain management into its sustainable development strategy. Guided by a collaborative approach focused on shared value and shared responsibility, the Company continues to improve its full-process supplier management mechanisms and strengthen ESG requirements across its supply chain. It works with upstream and downstream partners to enhance operational compliance and sustainability performance.

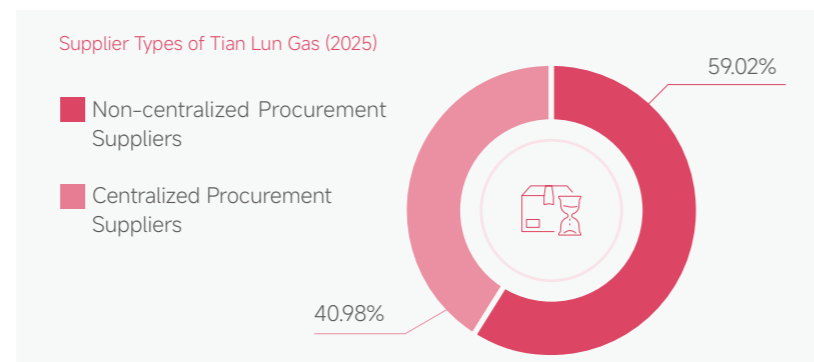
Supplier Management

In supplier management, Tian Lun Gas has established a full-process management mechanism covering supplier onboarding, assessment, monitoring, and exit. At the onboarding stage, potential suppliers are required to demonstrate capabilities in quality, environmental, and occupational health and safety management. The Company places particular emphasis on verifying whether suppliers have obtained certifications such as *ISO 9001 Quality Management System*, *ISO 14001 Environmental Management System*, and *ISO 45001 Occupational Health and Safety Management System*, and conducts compliance checks through corporate credit information disclosure systems.

During cooperation, the Company manages procurement activities through its ERP system, ensuring transparency and traceability in order execution. At the same time, it conducts regular comprehensive assessments of suppliers, evaluating performance across dimensions such as engineering quality, delivery capability, and compliance performance, and dynamically optimizes its supplier structure based on assessment results. For key materials, the Company implements product sampling inspections and unannounced inspections, covering stages including raw material procurement, production processes, and warehousing management, to ensure supply chain safety and the stable quality of products.

In terms of supplier exit management, the Company has established a blacklist mechanism. It conducts regular unannounced inspections covering raw material procurement, production processes, and warehousing management, spanning the entire production process. For identified non-compliant behaviors, suppliers are subject to blacklist procedures to safeguard supply chain security. In addition, the Company carries out annual responsibility audits for existing suppliers, focusing on key areas including labor rights protection, supply chain transparency, and community engagement and development. Where material violations such as labor discrimination or environmental non-compliance are identified, supplier exit procedures are initiated and cooperation is terminated.

In 2025, Tian Lun Gas maintained business relationships with 244 suppliers. All Group-level suppliers obtained certifications including ISO 9001 Quality Management System, ISO 14001 Environmental Management System, and ISO 45001 Occupational Health and Safety Management System, with a qualification review coverage rate of 100%.



Region	Percentage	Region	Percentage
Henan Province	20.49%	Tianjin Municipality	1.64%
Zhejiang Province	8.61%	Yunnan Province	2.46%
Sichuan Province	12.30%	Liaoning Province	1.23%
Guangdong Province	9.43%	Jilin Province	5.33%
Hebei Province	8.20%	Shaanxi Province	5.74%
Shandong Province	9.43%	Anhui Province	1.23%
Chongqing Municipality	1.23%	Beijing Municipality	0.82%
Gansu Province	2.05%	Fujian Province	0.00%
Hunan Province	2.05%	Hubei Province	1.64%
Jiangsu Province	1.23%	Guangxi Zhuang Autonomous Region	0.82%
Shanghai Municipality	2.87%	Qinghai Province	1.23%

Geographic Distribution of Suppliers of Tian Lun Gas (2025)

Supply Chain ESG Management

In terms of supply chain ESG management, Tian Lun Gas has formulated and implemented the *Guidelines on Supply Chain Social Responsibility*, which set out baseline requirements for suppliers in areas including environmental protection, labor practices, occupational health and safety, and business ethics. The Company integrates environmental and social responsibility considerations into supplier management, embedding relevant requirements into procurement processes such as tendering, assessment, and monitoring, thereby promoting the implementation of responsible practices across the supply chain.

From an environmental perspective, the Company requires bidding suppliers to obtain *ISO 14001 Environmental Management System* certification and evaluates their performance in areas such as resource utilization, pollution prevention, and energy conservation. From a social perspective, the Company reviews whether suppliers comply with applicable labor laws and regulations, and whether there are any instances of forced labor, child labor, or discriminatory practices. For material non-compliance or significant violations identified during the assessment process, the Company requires suppliers to undertake corrective actions. In serious cases, cooperation is terminated in accordance with relevant regulations.

Supplier Engagement and Capacity Building

Building on its existing supplier management practices, Tian Lun Gas maintains necessary communication with suppliers during cooperation through policy communication, compliance requirement briefings, and assessment feedback. These interactions support suppliers in understanding and adhering to the Company's requirements on quality, safety, and social responsibility. On this basis, the Company focuses on establishing long-term and stable relationships with its suppliers, while leaving room for further exploration in areas such as supplier capability enhancement, experience sharing, and collaborative improvement.

5.2

Community Investment



While advancing its business development, Tian Lun Gas continues to respond to broader social needs by actively participating in public welfare and community engagement initiatives. Through diversified approaches, the Company fulfills its corporate social responsibilities and contributes to community development and the improvement of people's livelihoods.

Charitable Donation Programs

Tian Lun Gas has long been engaged in charitable and public welfare activities, integrating social responsibility into its business development. Since its establishment, the Company has upheld its core value of shared development and participation in various forms of charitable donations, with continued allocation of resources to areas such as energy supply assurance, education support, and assistance for vulnerable groups.

Through ongoing charitable donation activities, Tian Lun Gas fulfills its corporate social responsibilities and supports the development of public welfare initiatives, contributing to the improvement of social wellbeing.

As of the end of the reporting period

The Company's cumulative donations in cash and in-kind exceeded

RMB **160** million



Community Development Programs

In terms of community development, Tian Lun Gas actively responds to national policies on rural revitalization and participates in projects related to community development, with a focus on energy infrastructure development and the improvement of public services. Through initiatives such as the "Gas Access for Rural Areas" program, the Company extends its natural gas pipeline network to rural areas, providing residents with cleaner and more stable energy options and supporting improvements in rural living conditions.

At the same time, leveraging its business capabilities, the Company explores the integration of smart gas management with community services. By improving the efficiency and safety of gas usage management and reducing operational costs, Tian Lun Gas provides more convenient and efficient energy services to residents. While enhancing community energy security, the Company also actively engages with local communities, fostering positive interaction between the enterprise and the community.

Case

"Gas Access for Rural Areas" Program

In alignment with the national rural revitalization strategy, Tian Lun Gas has advanced the "Gas Access for Rural Areas" program by extending its natural gas pipeline network to rural areas, thereby increasing the coverage of clean energy. Through the promotion of natural gas applications, the Company provides residents with cleaner and more convenient energy options, while meeting the energy needs of township enterprises and supporting rural industrial development.

Building on this, the Company explores a "gas-electricity synergy" model by leasing idle rooftop space from rural households to develop distributed photovoltaic power stations. By integrating rooftop rental income with gas service fees, smart home appliances, and related services, the Company helps reduce residents' energy costs while enhancing the utilization of green energy.



Employee Volunteering

In fulfilling its social responsibilities, Tian Lun Gas pays attention to employees' participation in public welfare and social initiatives. The Company encourages employees to engage in charitable activities in a lawful and compliant manner, supporting their understanding of and alignment with the Company's social responsibility principles. Looking ahead, Tian Lun Gas will continue to explore appropriate approaches for employee participation in public welfare activities, encouraging employees to contribute their skills and strengths through practical actions and to give back to society.

Appendix

Key Performance Overview Table

Basic Information

Indicator Name	Unit	2025	2024	2023
Total Assets	Million CNY	15,397	15,910	15,691
Operating Revenue	Million CNY	7,937	7,781	7,725
Annual Profit	Million CNY	56	325	506
Earnings per Share - Basic	CNY	0.04	0.31	0.49
Cumulative Piped Gas Customers	Number	5,989,003	5,837,793	5,599,925
Natural Gas Sales Volume	Ten Thousand Cubic Meters	238,626	223,501	208,528
Long-Distance Pipeline Gas Transmission Volume	Ten Thousand Cubic Meters	70,811	70,870	71,640

Environmental Performance Indicators

Indicator Name	Unit	2025	2024	2023
Scope 1: Direct greenhouse gas emissions	Tons of Carbon Dioxide Equivalent	2,433.22	2,485.22	2,698.68
Scope 2: Indirect greenhouse gas emissions	Tons of Carbon Dioxide Equivalent	25,643.85	29,856.88	31,981.81
Scope 3: other indirect greenhouse gas emissions	Tons of Carbon Dioxide Equivalent	3,772.96	/	/
Scope 3 - Category 3: Fuel- and energy-related activities	Tons of Carbon Dioxide Equivalent	2,915.43	/	/
Scope 3 - Category 7: Business travel	Tons of Carbon Dioxide Equivalent	857.53	/	/
Total GHG emissions (Scope 1 and Scope 2)	Tons of Carbon Dioxide Equivalent	28,077.07	32,342.10	34,680.49
GHG emissions intensity (Scope 1 and Scope 2)	Tons of Carbon Dioxide Equivalent per Million Yuan of Revenue	3.23	3.84	4.14
Total wastewater discharge	Tons	39,454.15	43,356.21	40,891.20
Wastewater discharge intensity	Tons per Million Yuan of Revenue	4.97	5.57	6.46
Total particulate emissions	Kg	23	30	100
Particulate emissions intensity	Kg per Million Yuan of Revenue	0.0029	0.0039	0.0130
Total hazardous waste generated	Tons	12.74	13.41	8.90

Indicator Name	Unit	2025	2024	2023
Hazardous waste intensity	Tons per Million Yuan of Revenue	0.0016	0.0017	0.0012
Total non-hazardous waste generated	Tons	411.01	433.01	11,056.15
Non-hazardous waste intensity	Tons per Million Yuan of Revenue	0.05	0.06	1.43
Gasoline	Tons	147.33	153.15	160.16
Diesel	Tons	9.22	9.91	9.82
Natural gas	10,000 m ³	32.15	32.74	37.63
Electricity	MWh	34,699.90	36,914.79	39,599.27
Purchased heat	GJ	65,746.14	76,449.00	81,587.50
Total energy consumption	MWh	58,305.05	68,798.95	73,070.67
Energy consumption intensity	MWh per Million Yuan of Revenue	7.35	8.84	9.46
Total water consumption	Tons	79,024.39	82,317.07	91,438.22
Water consumption intensity	Tons per Million Yuan of Revenue	9.96	10.58	11.84

Social Performance Indicators

Indicator	Unit	2025	2024	2023
Total number of employees	Persons	2,967	3,035	3,046
Employees by gender	Male employees	1,772	1,806	1,825
	Female employees	1,195	1,229	1,221
Employees by age group	30 years old and below	551	560	509
	31-40 years old	1,447	1,492	1,465
	41-50 years old	685	715	705
	51 years old and above	284	268	367

Indicator	Unit	2025	2024	2023	
Employees by employment type	Frontline employees	Persons	2,411	2,337	2,415
	Middle management	Persons	548	689	622
	Senior management	Persons	8	9	9
Employees by region	Mainland China	Persons	2,957	3,025	3,036
	Other regions	Persons	10	10	10
Employees by education level	Below junior college	Persons	1,125	1,323	1,440
	Junior college	Persons	1,013	986	969
	Bachelor's degree	Persons	796	696	617
	Master's degree and above	Persons	33	30	20
Employee turnover rate	%	12.07	12.40	16.45	
Turnover rate by gender	Male employees	%	12.01	7.20	10.44
	Female employees	%	12.16	5.10	6.01
Turnover rate by age group	30 years old and below	%	25.77	21.61	16.71
	31-40 years old	%	11.12	49.72	48.10
	41-50 years old	%	6.57	21.19	23.15
	51 years old and above	%	3.55	7.48	12.05
Work-related fatalities	Persons	0	0	0	
Lost working days due to work-related injuries	Days	0	5	0	
Employee training coverage rate	%	100	100	100	
Average training hours per employee	Hours/ Persons	22.90	24.71	24.59	
Total number of suppliers	Number	244	224	246	

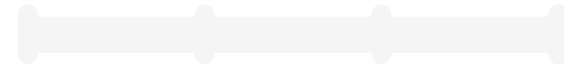
SEHK ESG Code Index

Aspects	Content	Page No. in the Report
Environment		
A1 Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P53-54
A1.1	The types of emissions and respective emissions data.	P53-54
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P66
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P66

Aspects	Content	Page No. in the Report
A1.5	Description of emission target(s) set and steps taken to achieve them.	P53-54
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P53-54
A2 Use of Resources		
General Disclosures	Policies on the efficient use of resources, including energy, water and other raw materials.	P58-59
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).	P66
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P66
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P58-59
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P59
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not involved
General Disclosures	Policies on minimising the issuer's significant impacts on the environment and natural resources.	P50-56
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P50-56
Social		
B1 Employment		
General Disclosures	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.	P32-37
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P33
B1.2	Employee turnover rate by gender, age group and geographical region.	P33
B2 Health and Safety		
General Disclosures	Information on: (a) the policies; and (c) 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.	P38-39
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P67
B2.2	Lost work-days due to work injury.	P67
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P38-39
B3 Development and Training		
General Disclosures	Policies on improving employee knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	P34-35
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P34-35
B3.2	The average training hours completed per employee by gender and employee category.	P34-35

Aspects	Content	Page No. in the Report
B4 Labor Standards		
General Disclosures	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.	P32
B4.1	Description of measures to review employment practices to avoid child and forced labour.	P32
B4.2	Description of steps taken to eliminate such practices when discovered.	P32
B5 Supply Chain Management		
General Disclosures	Policies on managing environmental and social risks of the supply chain.	P62-63
B5.1	Number of suppliers by geographical regions.	P63
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P62-63
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P62-63
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P62-63
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.	P25
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not Applicable
B6.2	Number of products and service related complaints received and how they are dealt with.	P26-27
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.	P24-25
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P27
B7 Anti-corruption		
General Disclosures	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.	P19-21
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.	P20
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P20
B7.3	Description of anti-corruption training provided to directors and staff.	P21
B8 Community Investment		
General Disclosures	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.	P64-65
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P64-65
B8.2	Resources contributed (e.g. money or time) to the focus area.	P64

Aspects	Content	Page No. in the Report
Part D: Climate-related Disclosures		
(I) Governance	Disclose information about: (a) the governance body(s) or individual(s) responsible for oversight of climate-related risks and opportunities; and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	P42
(II) Strategy	Climate-related risks and opportunities - disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term.	P43-47
	Business model and value chain - disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.	
	Strategy and decision-making - disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making, including how the issuer has responded to, and plans to respond to, climate related risks and opportunities in its strategy and decision making, and how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation; and the progress of plans disclosed and how the issuer is resourcing, and plans to resource.	
(III) Risk Management	Financial position, financial performance and cash flows - Current financial effect - disclose qualitative and quantitative information about how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and information for which there is a significant risk of a material adjustment to the carrying amounts of assets and liabilities.	P48
	Anticipated financial effect - provide qualitative and quantitative disclosures about how the issuer expects its financial position, financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	
	Climate resilience - disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, and use climate-related scenario analysis to assess.	
(IV) Metrics and Targets	Disclose information about the processes and related policies the issuer uses to identify, assess, prioritise and monitor climate-related risks and opportunities.	P49
	Greenhouse gas emissions - Scope 1; Scope 2 (location-based); and Scope 3. HKEX provides the Reasonable Information Relief and on certain conditions, an issuer is permitted to measure its greenhouse gas emissions using information for reporting periods that are different from its own reporting period	
	Climate-related transition risks, physical risks and opportunities - disclose the amount and percentage of assets or business activities vulnerable to climate-related risks and opportunities.	
	Capital deployment - disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	
	Internal carbon prices - disclose an explanation of whether and how the issuer is applying a carbon price in decision-making or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	
(IV) Metrics and Targets	Remuneration - disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	The Company has adhered to the "comply or explain" principle.
	Industry-based metrics - consider the applicability of the industry-based metrics under the international ESG reporting frameworks and make appropriate disclosures.	
	Climate-related targets - disclose any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets, and disclose in further detail on the issuer's approach to setting and reviewing climate-related target, its performance against each target, and an analysis of trends or changes in its performance. Without setting and disclosing climate-related targets, an issuer should disclose its work plan, progress and timetable for setting and disclosing these targets.	
	Applicability of cross-industry metrics and industry-based metrics - refer to and consider the applicability of cross-industry metrics.	



Our Listening

To Our Readers:

Thank you for taking the time to read the Tian Lun Gas 2025 Environmental, Social and Governance Report. We sincerely welcome your comments and suggestions regarding the report and our work. You can provide your completed feedback questionnaire by mail, scanned and sent via email, or fax. You are also welcome to share your valuable input directly by phone. Thank you!

Your organization belongs to which of the following stakeholder groups of Tian Lun Gas:

- Shareholder Employee Supplier Customer Government Community
 Academic Institution Other (please specify)

Have you ever read the Environmental, Social and Governance Report of Tian Lun Gas? (If your answer is 'No', please skip questions 3, 4, and 5.):

- Yes NO

If you have read it, was it the printed version or the electronic version?

- Printed version Electronic version

Which version would you like to read?

- Printed version Electronic version

Your comprehensive evaluation of the Report:

- Readability (The report is presented in an easy-to-understand manner, with appealing design, engaging content, and allows for easy location of needed information.)
 3 points (Good) 2 points (Fair) 1 point (Poor)
- Credibility (The information in the report is truthful and reliable.)
 3 points (Good) 2 points (Fair) 1 point (Poor)
- Completeness of Information (The report balances the disclosure of both positive and negative performance, and meets your information needs.)
 3 points (Good) 2 points (Fair) 1 point (Poor)

Beyond the information already disclosed in the report, what additional information would you like to see?



Tian Lun Gas Holdings Limited

China Headquarters

4/F, Tian Lun Group Building, 6 Huanghe East Road, Zhengdong New District, Zhengzhou City, Henan Province, China

Hong Kong Principal Place of Business

20/F, 163QRE, 163 Queen's Road East, Wan Chai, Hong Kong