



新奥天然气股份有限公司

ENN Natural Gas Co., Ltd.

(Stock Code: 600803)

Health, Safety and Environment (HSE) Policy

1. Our Commitment:

ENN Natural Gas Co., Ltd. (hereinafter referred to as “**ENN Natural Gas**”, together with its subsidiaries, collectively referred to as “**We**”) believes that human beings and the environment that we inhabit are the most important resources. We are committed to protecting the environment, safeguarding employees’ health, life and properties and striving for excellent product quality. To achieve and maintain exemplary occupational health and safety and environmental performance, we aim to maintain a disabling incident frequency rate of 0.75 or below per million man-hours by 2030, and constantly improve our HSE management level and performance.

2. Our Policy:

2.1. Management basis and requirements

- (1) The Company, all its subsidiaries, all employees and contractors shall comply with national and local HSE-related policies and with the requirements of this Policy. They shall establish management systems with reference to ISO 14001, ISO 45001 and other international standards and regulations related to environment, occupational health and safety, and continuously monitor and improve environmental and occupational health and safety performance.

2.2. HSE organization

- (1) The Board of Directors of the Company shall oversee the formulation and implementation of the HSE Policy, and establish a Work Safety Committee (hereinafter referred to as the "Safety Committee") led by the CEO. The Safety Committee shall be responsible for the overall management of work safety and environmental protection, report to and be accountable to the Board of Directors, supervise the implementation of the Company’s HSE plans, provide recommendations to the Board of Directors on major decisions regarding health, safety and environment, and handle any major accidents that occur.

- (2) The top management at each level of the Company shall serve as the respective first person responsible for HSE and oblige employees to uphold HSE responsibilities. The Company also rewards employees and selects/engages contractors based significantly on their HSE performance;
- (3) Directly Affiliated Companies, Provincial Companies and Member Companies shall each establish a Safety Production Committee with the General Manager as the person in charge to formulate, approve, deploy and implement HSE initiatives;
- (4) When the HSE Committee deploys action plans, it should sort out the established performance goals and evaluation criteria, combine them with the actual situation of the Company, clarify the priorities of the action plans and continuously monitor the implementation and effectiveness of the action plans. Based on the results of the actions taken, the HSE Committee shall conduct an overall assessment and make improvements to the action plans accordingly.
- (5) The HSE Committee regularly communicates with employee representatives elected by the employees to understand the implementation of the Company's occupational health and safety work, ensuring that the actual progress of the Company's HSE work meets the requirements of this Policy;
- (6) The Company and its subsidiaries must establish a Safety Management Department or assign full-time or part-time delegated safety management personnel, in accordance with national regulations.

2.3. HSE Management Requirements

- (1) Strictly implement regulatory requirements to ensure HSE investment, optimize resource allocation, comprehensively improve occupational health, safety and environmental management performance, and strive to build an industry-leading corporate HSE image.
- (2) Formulate ESG access criteria, dynamic evaluation and elimination rules for business partners, among which the HSE performance of business partners is one of the key indicators. The Company shall give priority to selecting business partners with good HSE performance for cooperation.
- (3) In the field of occupational health and safety, establish and improve the occupational health and safety assurance system, and effectively implement safety management and supervision in key dimensions such as safety system development, employee safety, customer safety, and equipment/asset safety. The main work includes:
 - a. System development: Establish procedures for safety hazard identification, risk assessment, and risk response; conduct annual safety risk identification and hazard investigation; develop priority disposal sequences and action plans based on the results of identification and assessment; establish a safety emergency management mechanism to eliminate all types of safety hazards

and provide employees with a safe and clean working environment.

- b. Employee safety assurance: Regularly monitor occupational disease hazards, assess hazard factors, and track their current status; provide employees with regular occupational health check-ups; employees with occupational contraindications shall not be assigned to positions with occupational health hazard factors.
 - c. Stakeholder safety assurance: Eliminate potential risks in gas trading platforms, natural gas distribution, pan-energy services, smart home services, infrastructure operation, and engineering construction and installation to safeguard the safety of external stakeholders such as customers.
 - d. Equipment safety assurance: Conduct regular inspections and maintenance of production equipment, pipelines and installations in strict accordance with national standards, or even exceeding them, to reduce the probability of leakage and failures.
 - e. Asset safety assurance: For newly acquired or assigned projects and assets, organize operation and safety experts to conduct safety assessments; strictly manage hazardous chemicals used by the Company to reduce risks in the procurement, transportation, storage, use, inspection, and disposal processes, prevent hazardous chemical accidents, and ensure the safety of the Company's production and operation.
 - f. Third-party audit: Conduct annual third-party audits on the HSE Policy and related practices, covering all business areas of the Company to oversee the implementation of the occupational health and safety management system.
- (4) In the environmental field, promote the Company's lean management, establish and improve environmental risk management mechanisms to ensure compliant and transparent discharge of pollutants; minimize the use of resources such as energy and water, and promote coordinated development with the surrounding ecology. The main work includes:
- a. System development: Establish and improve the environmental risk emergency management mechanism, and optimize response, disposal and investigation processes; conduct annual environmental risk identification and hazard investigation, optimize emergency disposal measures, and enhance emergency management capabilities through special drills.
 - b. Indicator and target setting: Continuously improve environmental performance, and proactively set indicators and targets for environmentally compliant discharge, energy conservation, water conservation, and waste reduction to minimize environmental impact as much as possible.
 - c. Implementation of measures: Including but not limited to selecting environmentally friendly materials and technologies, promoting material

recycling to reduce carbon emissions, and adopting new materials, new equipment, new processes, and new technologies to reduce carbon emissions from leakage or venting during production.

- (5) Enhance the awareness of internal and external stakeholders of the HSE Policy and their related impacts through various measures such as training and communication; continuously conduct HSE education and training for all employees, contractors and customers, covering key HSE topics such as environmental impact, energy management, water resource management, climate change response, waste disposal, biodiversity conservation, and occupational health and safety management.
- (6) Strengthen daily communication with various stakeholders to ensure that employees, partners and other relevant parties understand the impact of the Company's business activities on HSE-related matters and their own responsibilities, and drive behavioral change in employees and partners. At the same time, during the formulation and implementation of the HSE Policy, the Company shall fully seek suggestions from external stakeholders and work with value chain partners to create sustainable value.