

The Three Most Material Topics for ENN Energy's Development in 2025

Material topics	Business case (why the topic is material to ENN Energy's business)	Type of impact on ENN Energy's business	ENN Energy's response strategy for this topic	Targets set by ENN Energy in relation to this topic	Progress against targets
Safe and Stable Gas Supply	ENN Energy focuses on its three core businesses of city-gas distribution, integrated energy, and smart home services, integrating quality resources to consolidate its natural gas foundation and delivering responsive and efficient customer service to ensure the safe operation of its facilities. Safe and stable gas supply is a prerequisite for the continued operation of the Company's natural gas retail, gas wholesale, engineering and installation, and customer service businesses; it determines directly whether the Company is able to meet the demand of large industrial customers, small and medium-sized commercial and industrial customers, and household customers for a "stable supply of natural gas", and it affects the continuity of customers' energy use, customer satisfaction, and the stability of the Company's principal business revenue. By the end of 2025, the Company operated 264 city-gas projects. In 2025, natural gas sales volume reached 36,793 million cubic metres, comprising retail gas sales of 26,606 million cubic metres and wholesale gas sales of 10,187 million cubic metres, while the customer satisfaction score stood at 94.04. As the retail gas and gas wholesale businesses constitute a significant component of the Company's turnover, the stability of gas supply directly underpins the scale of its operations, the resilience of its revenue, and its customer base. In the event of supply interruptions, facility failures, or safety incidents, customers' production and business operations and household energy use may be adversely affected, giving rise to emergency dispatch costs, customer complaints, compensation payments, regulatory compliance pressure, and reputational loss. Safe and stable gas supply enables the Company to maintain continuity of operations, enhance the efficiency of resource allocation and its	Revenue; operating costs	Development of the safety prevention and control system: To consolidate the foundations of safe and stable gas supply, the Company has integrated the core competency of "mastering safety, identifying risks, eliminating hazards, and ensuring closed-loop management" across its production and operations, establishing an intelligent safety prevention and control system covering engineering, pipeline networks, processing plants, integrated energy facilities. Building on this system, the Company has strengthened real-time monitoring and dynamic regulation of pipeline network operations and end-use gas demand, advancing transition of risk governance from reactive response towards proactive early warning and end-to-end closed-loop management, minimising the risk of unplanned supply interruptions and ensuring reliable operation of the transmission and distribution system. Intelligent operational assurance: The Company continues to deepen the application of digital intelligence solutions in energy services, drawing on extensive gas consumption data to develop and continuously refine intelligent forecasting models for gas services that enable the accurate anticipation of energy demand. On this basis, the Company has established and improved an operating mechanism integrating demand forecasting, resource coordination, real-time monitoring, and full-scenario delivery, and tailors differentiated supply assurance plans to the energy consumption characteristics of commercial, industrial, and residential users, thereby ensuring a stable and reliable energy supply across all usage scenarios. Resource and emergency assurance: The Company implements control checklists for snowfall and cold waves together with winter vehicle technical inspection checklists and has formulated seasonal	ENN Energy will continue to enhance its capabilities in IoT-enabled equipment, intelligent forecasting, real-time monitoring, and resource allocation, and will continue to apply digital intelligence solutions to safeguard safe and stable gas supply. By 2030, IoT-enabled online monitoring coverage of the pipeline network will reach 100%.	Through its intelligent operation platform, the Company connected nearly 20,000 monitoring points, boosting resource allocation efficiency by 30%.

	risk management capabilities, and support long-term value creation.		safety control measures and natural disaster emergency response plans. In response to extreme low-temperature risks, the Company dynamically adjusts dispatch plans and LNG resource allocation in light of meteorological data, has established a low-temperature early warning mechanism, and has standardised emergency response procedures to safeguard the operation of its facilities.		
Resource and Energy Conservation	ENN Energy's city-gas, integrated energy, and smart home businesses are all closely associated with energy supply, energy efficiency, and customers' energy costs. Resource and energy conservation bears directly on the Company's ability to meet customer demand for green, efficient, and low-cost energy services, as well as on the market competitiveness of its integrated energy, smart home, and low-carbon service offerings. As of the end of 2025, the Company operated 375 large-scale integrated energy projects, with projects incorporating renewable energy accounting for 43.5% of the total. Integrated energy sales volume in 2025 amounted to 40,106 million kWh, and turnover from the integrated energy business reached RMB 13.276 billion. The Company's capacity for resource and energy conservation bears directly on its ability to continue providing low-carbon and clean products and services, and affects revenue, operating costs, customer satisfaction, and long-term value creation. Should the Company prove unable to continue improving the efficiency of resource and energy use, the competitiveness of its integrated energy, smart home, and low-carbon energy solutions may be weakened, accompanied by higher operating costs, greater transition pressure, and an increased risk of customer attrition.	Revenue; operating costs	Integrated energy business model: The Company continues to expand clean energy application scenarios, developing energy supply models in which multiple clean energy sources complement one another, implementing its integrated energy-and-carbon policy, exploring the application of emerging renewable sources such as hydrogen and geothermal energy, and advancing the purification and production of renewable natural gas from biogas, thereby converting organic waste into green gas and achieving resource recycling and reuse. Green services, energy conservation, and carbon reduction: Through the coordinated application of photovoltaics, energy storage, biomass energy, waste heat utilisation, and innovative technologies, the Company has developed integrated energy systems characterised by multi-energy complementarity and intelligent coordination, advancing the source-grid-load-storage-carbon integrated model, enhancing renewable energy absorption capacity and overall system efficiency, and supporting customers in achieving a low-carbon and intelligent transition. Resource management and circular utilisation: The Company has increased the use of renewable energy in its office buildings, deployed energy management systems in self-owned office buildings to improve their overall energy efficiency, and established an internal carbon credit trading system to strengthen employees' motivation to reduce emissions. The Company also treats water conservation as a key component of environmental management, conducting regular water use assessments and pipeline diagnostics in key areas in order to identify water-saving opportunities such as leakage losses and process reuse. In integrated energy scenarios,	By 2030, increase the proportion of photovoltaic, biomass, geothermal, hydrogen, and other renewable and zero-carbon energy supply by 36%. By 2030, reduce energy consumption per unit area of office space by 20% compared to 2021. By 2030, ensure PV power generation in self-sustaining office buildings accounts for 10% of total electricity consumption. By 2030, replace 100% of self-sustaining office vehicles with new energy vehicles.	In 2025, The share of renewable and zero-carbon energy including solar PV, biomass, geothermal and hydrogen increased to 28.5% The energy consumption per unit area of the office area reduced by 14.1% compared to 2021. The proportion of photovoltaic power generation of the self-sustaining office buildings accounts for 8.68% of the total electricity consumption. 25 new energy vehicles were added in 2025, accounting for 65% of the business vehicles replaced during the year.

			the Company applies condensate recovery technology to collect and treat steam condensate generated during production and return it as make-up water, reducing freshwater withdrawal.		
Customer Health and Safety	ENN Energy provides gas services to 32.76 million household customers and 316,000 commercial and industrial customers, covering a connected population of more than 147 million. Customer health and safety bears directly on the safe delivery of the Company's products and services, and also on household customers' domestic energy use, the operational safety of commercial and industrial customers, and public safety. Should risks such as gas leakage, equipment defects, non-compliant use of gas by customers, or long-overdue safety inspections materialise, they may result in personal injury, property loss, customer complaints, regulatory penalties, litigation and compensation, and reputational damage. Customer health and safety therefore constitutes an important foundation for the Company's mitigation of operational, legal compliance, and reputational risks.	Risk management	Intelligent safety development: The Company applies intelligent technologies and data analytics models to optimise and refine its customer safety management processes, enhancing the safety and stability of gas supply and safeguarding energy use across a range of scenarios. The Company has advanced the deployment of intelligent IoT products such as AI safety valves and e-Home Guard, and continues to iterate products including Zhaihutong, the WiFi-enabled indoor AI safety valve, and the riser AI safety valve, thereby promoting the intelligent upgrading of household safety. Remediation of safety hazards: The Company carries out ongoing dedicated remediation programmes addressing common customer hazards and long-overdue safety inspections, and promotes safety culture awareness campaigns extensively, thereby establishing a robust line of defence for urban public safety. For residential customers, the Company focuses on inspection quality and legacy hazards, continuously enhancing the quality and efficiency of its operations. For commercial and industrial customers, the Company addresses the principal difficulties of hazard identification and rectification and gaps in accountability, clarifying responsibilities through "individual responsibility system" and "separation of inspection from rectification", and developing capabilities such as the visualisation of inspection tasks and automatic locking upon relocation of cooking appliances, thereby enhancing the efficiency of hazard identification and remediation at commercial and industrial premises. Product quality management: For critical end-use equipment bearing on gas safety, such as cooking appliances and gas water heaters, the Company applies more stringent incoming inspection and higher-frequency sampling testing in order to enhance product reliability.	Maintain a customer serious injury rate of zero through to 2030.	In 2025, the customer serious injury rate was zero.

The Two Most Material Topics for ENN Energy's External Stakeholders in 2025

Material topics	Area of ENN Energy's business value chain to which the topic relates	ENN Energy's external stakeholders affected by the topic	Relevance of the topic to ENN Energy's external stakeholders	Type of impact	Quantitative indicators used to measure the external impacts of ENN Energy's business activities	Impact assessment (what external environmental and social impacts does the topic give rise to?)	Quantified impact indicators
Safe and Stable Gas Supply	Products / services	Society Consumers / end users	Stable, safe, and reliable gas supply capability bears directly on external stakeholders' basic energy security, the continuity of their production and business operations, and the stability of public services: • for household customers, safe and stable gas supply underpins daily needs such as cooking and heating; • for commercial, industrial, and large industrial customers, the stability of gas supply affects production scheduling, operational order, equipment operation, and energy cost management; • for society at large, the stability of natural gas supply affects urban energy security, public welfare services, and the resilience of public operations. Through mechanisms for gas demand forecasting, resource coordination, real-time monitoring, and full-scenario delivery, the Company develops differentiated supply assurance plans for users in order to ensure a stable and reliable energy supply.	Positive	In 2025, the Company identified 56,000 Category III safety hazards among household users and more than 10,000 hazards among commercial and industrial customers.	Hazards averted for customers through the Company's safe and stable gas supply: customer hazard identification and rectification rate	The Company eliminated 23,100 Category III hazards, achieving a work order pass rate of 94%, while the rectification rate for Category I commercial and industrial hazards reached 82%.
Product Quality and Customer Service	Products / services	Society Consumers / end users	Product quality and the standard of customer service directly affect external stakeholders' experience of energy use, the accessibility of services, and the efficiency with which issues are resolved: • for household customers, high-quality products and timely service help to ensure convenient energy use in daily life; • for commercial and industrial customers, stable service and facility maintenance capabilities help to ensure continuity of operations; • for society at large, a well-developed customer service system enhances the efficiency of public energy services and reduces the complaints, disputes, and adverse effects on public welfare that arise from delayed responses, inadequate service, or product quality issues. Across service scenarios including safety inspection, connection, payment, and on-site visits, the Company continues to enhance the customer service experience through channels such as WeCom, official accounts, the customer service hotline, and online services.	Positive	The customer satisfaction survey covered 74 operating units, with a total of 9,999 samples assessed and a coverage rate of 78%.	Value delivered to customers through high-quality products and services: customer satisfaction	In 2025, the Company's customer satisfaction score was 94.04 out of 100.