# ENN Natural Gas Co., Ltd.

# Related-Party Transaction Management System

ENN Natural Gas Co., Ltd.

Board of Directors

May 16, 2025

# Chapter I General Provisions

**Article 1** To fully protect the lawful rights and interests of ENN Natural Gas Co., Ltd. (hereinafter referred to as the "Company") and all shareholders, ensure the fairness of the Company's related-party transactions, ensure that the Company's related-party transactions do not harm the interests of the Company and all shareholders, and ensure that the Company's related-party transactions comply with the principles of fairness, impartiality and openness, this System is formulated in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance for Listed Companies, the Listing Rules of the Shanghai Stock Exchange, the Regulatory Guidelines for Listed Companies No. 8 — Regulatory Requirements for Fund Transactions and External Guarantees of Listed Companies, the Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 5 — Trading and Related-Party Transactions, and other relevant laws, regulations and normative documents, as well as the relevant provisions of the Articles of Association of the Company, in light of the actual circumstances of the Company.

# Chapter II Related Parties, Related Relationships and Related-Party Transactions

**Article 2** The Company's related parties include related legal persons (or other organizations) and related natural persons.

(1) A legal person (or other organization) falling under any of the following circumstances is a related legal person (or other organization) of the Company:

1. A legal person (or other organization) that directly or indirectly controls the Company;

2. A legal person (or other organization) directly or indirectly controlled by the legal person (or other organization) referred to in item 1 above, other than the Company, its controlled subsidiaries and other entities controlled by it;

3. A legal person (or other organization), other than the Company, its controlled subsidiaries and other entities controlled by it, that is directly or indirectly controlled by a related natural person, or in which a related natural person serves as a director (excluding persons who are independent directors of both parties) or senior management;

4. A legal person (or other organization) holding 5% or more of the Company's shares and its concerted action persons;

(2) A natural person falling under any of the following circumstances is a related natural person of the Company:

1. A natural person directly or indirectly holding 5% or more of the Company's shares;

2. A director or senior management of the Company;

3. A director, supervisor or senior management of a legal person (or other organization) that directly or indirectly controls the Company;

4. Close family members of the persons referred to in items 1 and 2 of this subparagraph, including spouses, children aged 18 or above and their spouses, parents and parents of spouses, siblings and their spouses, siblings of spouses, and parents of children's spouses.

The China Securities Regulatory Commission (hereinafter referred to as the "CSRC"), the Shanghai Stock Exchange or the Company may, based on the principle of substance over form, determine that other legal persons (or other organizations) or natural persons having a special relationship with the Company and possibly or actually causing the Company to favor their interests are related parties of the Company.

**Article 3** A legal person (or other organization) or natural person that has fallen under any of the circumstances specified in Article 2 within the past 12 months or within 12 months after the relevant agreement or arrangement takes effect shall be a related party of the Company.

**Article 4** Related-party transactions conducted by the Company's controlled subsidiaries shall be deemed to be acts of the Company and shall comply with the provisions of the CSRC, the Shanghai Stock Exchange and this System.

**Article 5** Related relationship mainly refers to the means or channels through which a person has the ability to directly or indirectly control or exercise significant influence over the Company in financial and business decision-making, and mainly includes equity, personnel, management and commercial interest relationships between the related party and the Company.

**Article 6** Related relationships shall be determined substantively based on the specific means, channels and degree through which the related party controls or influences the Company.

**Article 7** The Company's related-party transactions refer to matters occurring between the Company, its controlled subsidiaries and other entities controlled by it, on the one hand, and related parties, on the other hand, that may result in the transfer of resources or obligations, including but not limited to the following:

(1) Purchase or sale of assets;

(2) External investments (including entrusted wealth management and investments in subsidiaries);

(3) Provision of financial assistance (including interest-bearing or interest-free loans and entrusted loans);

(4) Provision of guarantees (including guarantees to controlled subsidiaries);

(5) Leasing in or leasing out of assets;

(6) Entrusting or being entrusted with the management of assets and businesses;

(7) Donation or acceptance of donated assets;

(8) Restructuring of claims and debts;

(9) Entering into license agreements;

(10) Transfer or acceptance of research and development projects;

(11) Waiver of rights (including waiver of preemptive purchase rights and preemptive rights to subscribe for capital contributions);

(12) Purchase of raw materials, fuel and power;

(13) Sale of products and goods;

(14) Provision or acceptance of labor services;

(15) Entrusted sale or acceptance of entrusted sale;

(16) Deposit-taking and lending business;

(17) Joint investment with related parties;

(18) Other matters that the Shanghai Stock Exchange determines, based on the principle of substance over form, may result in the transfer of resources or obligations through an agreement.

**Article 8** The Company's related-party transactions shall comply with the following basic principles:

(1) Comply with the principles of good faith, openness, fairness and impartiality;

(2) Where a related party has voting rights at the Company's Shareholders' Meeting, it shall abstain from exercising voting rights on the relevant related-party transaction and shall not act as a proxy for any other shareholder in exercising voting rights;

(3) A director having any interest in a related party shall abstain from voting on the relevant related-party transaction at a Board meeting and shall not act as a proxy for any other director in exercising voting rights;

(4) The Board of Directors of the Company shall determine, based on objective standards, whether a relevant related-party transaction is beneficial to the Company and, where necessary, engage a professional appraiser or independent financial adviser to provide an opinion.

## Chapter III Decision-Making Procedures for Related-Party Transactions

**Article 9** A draft related-party transaction that is required to be deliberated by the Company's Board of Directors or Shareholders' Meeting shall give a detailed explanation of the specific matters of the related-party transaction, the basis for pricing, and the degree of impact on the interests of the Company and shareholders.

**Article 10** Decision-making authority for related-party transactions

(1) Except as provided in Article 12 of this System, a transaction between the Company and a related natural person with a transaction amount (including debts and expenses assumed) of RMB 300,000 or more but not reaching the standard in item (3) of this Article shall undergo the Board deliberation procedure after obtaining the consent of more than one-half of all independent directors, and shall be disclosed in a timely manner.

The Company shall not directly or indirectly provide loans to directors or senior management through its subsidiaries.

(2) Except as provided in Article 12 of this System, a proposed transaction between the Company and a related legal person (or other organization) with a transaction amount (including debts and expenses assumed) of RMB 3 million or more and accounting for 0.5% or more of the absolute value of the Company's latest audited net assets, but not reaching the standard in item (3) of this Article, shall undergo the Board deliberation procedure after obtaining the consent of more than one-half of all independent directors, and shall be disclosed in a timely manner.

A related-party transaction whose total amount accounts for less than 0.5% of the absolute value of the latest audited net assets shall be filed with the Finance Department and the Investor Relations Department.

(3) Except as provided in Article 12 of this System, a proposed transaction between the Company and a related party with a transaction amount (including debts and expenses assumed) of RMB 30 million or more and accounting for 5% or more of the absolute value of the Company's latest audited net assets shall, in addition to undergoing the Board deliberation and disclosure procedures, be subject

to an audit or appraisal report on the transaction subject matter issued by a securities service institution qualified to engage in securities and futures-related business, and shall be submitted to the Shareholders' Meeting for deliberation.

An audit or appraisal may be omitted for the transaction subject matter involved in a related-party transaction relating to daily operations.

**Article 11** For a related-party transaction conducted by the Company, the amount of the related-party transaction shall be calculated on an accumulative basis over any consecutive 12-month period, and the relevant provisions of Article 10 shall apply respectively:

(1) Transactions with the same related party;

(2) Transactions relating to the subject matter under the same category of transactions with different related parties.

The same related party referred to above includes other related parties controlled by the same entity as the related party, or other related parties having an equity control relationship with each other.

Where the relevant obligations have already been fulfilled in accordance with the accumulative calculation principle, the transaction shall no longer be included in the relevant accumulative calculation.

**Article 12** Where the Company provides a guarantee to a related party, regardless of the amount, it shall be disclosed in a timely manner after approval by the Board of Directors. In addition to being deliberated and approved by more than one-half of all non-related directors, it shall also be deliberated and approved by two-thirds or more of the non-related directors attending the Board meeting, with a resolution adopted, and shall be submitted to the Shareholders' Meeting for deliberation. Where the Company provides a guarantee to a controlling shareholder, actual controller and their related parties, the controlling shareholder, actual controller and their related parties shall provide a counter-guarantee.

Where the guaranteed party becomes a related party of the Company due to a transaction or related-party transaction, the Company shall, while implementing the transaction or related-party transaction, perform the corresponding deliberation procedures and information disclosure obligations for the existing related guarantee.

If the Board of Directors or Shareholders' Meeting fails to deliberate and approve a related guarantee matter specified in the preceding paragraph, all parties to the transaction shall take effective measures such as early termination of the guarantee.

Where the Company provides a guarantee to a shareholder holding 5% or less of its shares, the preceding paragraph shall apply mutatis mutandis, and the relevant shareholder shall abstain from voting at the Shareholders' Meeting.

**Article 13** Where the Company and a related party jointly contribute capital to establish a company, the Company's capital contribution shall be used as the transaction amount, and Article 10 shall apply. Where the Company's capital contribution reaches the standard specified in paragraph 3 of Article 10, the requirement to submit the matter to the Shareholders' Meeting for deliberation may be exempted if all capital contributors make their contributions entirely in cash and the equity ratios of all parties in the established company are determined in proportion to their capital contributions.

**Article 14** A written agreement must be entered into for a related-party transaction between the Company and a related party. The execution of the agreement shall follow the principles of equality, voluntariness, equivalence and consideration, and the contents of the agreement shall be clear and specific. The Company shall disclose the execution, amendment, termination and performance of the agreement in accordance with relevant provisions.

Where a related party of the Company signs an agreement involving a related-party transaction with the Company, necessary abstention measures shall be taken:

(1) An individual may represent only one party in signing the agreement;

(2) The related party shall not interfere with the Company's decision-making in any form;

(3) When the Board of Directors votes on a related-party transaction, a related director may participate in the deliberation and discussion and express his or her own opinions, but shall abstain from voting.

**Article 15** Where the Company proposes to conduct a related-party transaction subject to disclosure with a related party, the transaction shall be deliberated at a special meeting of independent directors, approved by more than one-half of all independent directors, and then submitted to the Board of Directors for deliberation. Before making a judgment, the independent directors may engage an independent financial adviser to issue a report as the basis for their judgment.

The Audit Committee of the Company shall review the aforesaid related-party transaction, form a written opinion and submit it to the Board of Directors for deliberation. The Audit Committee may engage an independent financial adviser to issue a report as the basis for its judgment.

**Article 16** When the Board of Directors deliberates a related-party transaction, related directors shall abstain from voting and shall not act as proxies for other directors in exercising voting rights. The Board meeting may be held with the attendance of more than one-half of the non-related directors, and a resolution adopted at the Board meeting shall be approved by more than one-half of the non-related directors. Where fewer than three non-related directors attend the Board meeting, the transaction shall be submitted to the Shareholders' Meeting for deliberation.

The related directors referred to in the preceding paragraph include directors falling under any of the following circumstances:

(1) Being a party to the transaction;

(2) Having direct or indirect control over a party to the transaction;

(3) Holding a position with a party to the transaction, or with a legal person or other organization that directly or indirectly controls the party to the transaction, or with a legal person or other organization directly or indirectly controlled by the party to the transaction;

(4) Being a close family member of a party to the transaction or its direct or indirect controller (the specific scope of close family members is set out in item 4 of paragraph 2 of Article 2 of this System, and the same applies below);

(5) Being a close family member of a director or senior management of a party to the transaction or its direct or indirect controller;

(6) A director whose independent business judgment may be affected as determined by the CSRC, the Shanghai Stock Exchange or the Company based on the principle of substance over form.

**Article 17** When the Company's Shareholders' Meeting deliberates a related-party transaction, related shareholders shall abstain from voting and shall not act as proxies for other shareholders in exercising voting rights.

The related shareholders referred to in the preceding paragraph include shareholders falling under any of the following circumstances:

(1) Being a party to the transaction;

(2) Having direct or indirect control over a party to the transaction;

(3) Being directly or indirectly controlled by a party to the transaction;

(4) Being directly or indirectly controlled by the same legal person, other organization or natural person as a party to the transaction;

(5) Holding a position with a party to the transaction, or with a legal person or other organization that directly or indirectly controls the party to the transaction, or with a legal person or other organization directly or indirectly controlled by the party to the transaction;

(6) Being a close family member of a party to the transaction or its direct or indirect controller;

(7) A shareholder whose voting rights are restricted or affected because of an equity transfer agreement or other agreement with a party to the transaction or its related party that has not yet been fully performed;

(8) A shareholder determined by the CSRC or the Shanghai Stock Exchange as possibly causing the Company to favor its interests.

**Article 18** The Company shall take effective measures to prevent related parties from interfering with the Company's operations by monopolizing procurement and sales channels or by other means, thereby harming the Company's interests. Related-party transactions shall follow commercial principles, and the prices of related-party transactions shall, in principle, not deviate from the prices or fee standards of independent third parties in the market. The Company shall fully disclose the basis for pricing related-party transactions.

**Article 19** The Company shall take effective measures to prevent shareholders and other related parties from occupying or transferring the Company's funds, assets and other resources in any form.

## Chapter IV Determination and Management of Related-Party Transaction Prices

**Article 20** The price of a related-party transaction refers to the transaction price of goods or labor services involved in a related-party transaction between the Company and a related party.

**Article 21** Management of related-party transaction prices

(1) The transaction parties shall calculate the transaction price based on the price agreed in the related-party transaction agreement and the actual transaction volume, settle the account on a monthly basis and settle the balance annually, or make payment in accordance with the payment method and payment time agreed in the related-party transaction agreement.

(2) Where the Audit Committee of the Company's independent directors objects to a change in the price of a related-party transaction, it may engage an independent financial adviser to issue an opinion on the fairness of the change in the price of the related-party transaction.

## Chapter V Information Disclosure of Related-Party Transactions

**Article 22** The Company shall, based on the type of related-party transaction, disclose relevant contents of the related-party transaction in accordance with the relevant provisions of the Shanghai Stock Exchange, including the counterparty, transaction subject matter, description of the related relationship among the transaction parties and basic information on the related party, principal contents of the transaction agreement, transaction pricing and basis, approval documents of relevant authorities (if any), and opinions of intermediary institutions (if applicable).

**Article 23** Where the Company conducts entrusted wealth management with a related party and it is difficult to perform the deliberation procedures and disclosure obligations for each investment transaction due to the frequency of transactions, time requirements or other reasons, it may make a reasonable estimate of the investment scope, investment amount and term, and use the amount as the calculation standard, to which Article 10 of this System shall apply. The term of use of the relevant amount shall not exceed 12 months, and the transaction amount at any point during the term, including the relevant amount of reinvestment of returns from the aforesaid investment, shall not exceed the investment amount. Where the relevant approval procedures and disclosure obligations have already been performed in accordance with Article 10, the transaction shall no longer be included in the relevant accumulative calculation.

**Article 24** When the Company conducts the daily related-party transactions listed in items (12) to (16) of Article 7 with a related party, it shall disclose and perform the corresponding deliberation procedures in accordance with the following provisions:

(1) For a daily related-party transaction agreement that has been deliberated and approved by the Shareholders' Meeting or the Board of Directors and is being performed, if the principal terms have not undergone material changes during performance, the Company shall disclose the actual performance of each agreement as required in the annual report and semi-annual report and explain whether it complies with the provisions of the agreement. If the principal terms of the agreement undergo material changes during performance or the agreement expires and needs to be renewed, the Company shall submit the newly amended or renewed daily related-party transaction agreement to the Board of Directors or the Shareholders' Meeting for deliberation in accordance with Article 10 based on the total transaction amount involved in the agreement. If the agreement does not specify a total transaction amount, it shall be submitted to the Shareholders' Meeting for deliberation.

(2) For a daily related-party transaction occurring for the first time, the Company shall perform the deliberation procedures and make timely disclosure based on the total transaction amount involved in the agreement. If the agreement does not specify a total transaction amount, it shall be submitted to the Shareholders' Meeting for deliberation. If the principal terms of the agreement undergo material changes during performance or the agreement expires and needs to be renewed, the matter shall be handled in accordance with the preceding provisions of this item;

(3) The Company may reasonably estimate the amount of daily related-party transactions for the current year by category, perform the deliberation procedures and make disclosure. If actual performance exceeds the estimated amount, the deliberation procedures and disclosure shall be performed again based on the excess amount;

(4) The Company's annual report and semi-annual report shall disclose, in aggregate by category, the actual performance of daily related-party transactions;

(5) Where the term of a daily related-party transaction agreement entered into by the Company and a related party exceeds three years, the relevant deliberation procedures and disclosure obligations shall be performed again every three years in accordance with this Chapter.

**Article 25** The contents of a daily related-party transaction agreement shall at least include the pricing principles and basis, transaction price, transaction volume range or method for determining the total transaction volume, payment time and method, and other principal terms.

**Article 26** The following transactions between the Company and related parties may be exempted from deliberation and disclosure in the manner applicable to related-party transactions:

(1) Transactions in which the Company obtains benefits unilaterally without paying consideration or assuming any obligations, including receiving donated cash assets, obtaining debt relief, and accepting guarantees and financial assistance free of charge;

(2) A related party provides funds to the Company at an interest rate not higher than the loan prime rate, and the Company is not required to provide a guarantee;

(3) One party subscribes in cash for the publicly offered shares, corporate bonds or enterprise bonds, convertible corporate bonds or other derivative instruments of the other party;

(4) One party, as a member of the underwriting syndicate, underwrites the publicly offered shares, corporate bonds or enterprise bonds, convertible corporate bonds or other derivative instruments of the other party;

(5) One party receives dividends, bonus payments or remuneration in accordance with a resolution of the Shareholders' Meeting of the other party;

(6) One party participates in the public bidding, auction or other similar process of the other party, except where it is difficult for the bidding, auction or other process to form a fair price;

(7) The Company provides products and services, on the same transaction terms as those applicable to non-related persons, to the related natural persons specified in items (2) to (4) of subparagraph (2) of Article 2 of this System;

(8) The pricing of the related-party transaction is prescribed by the State;

(9) Other transactions determined by the Shanghai Stock Exchange.

## Chapter VI Fund Transactions with Controlling Shareholders, Actual Controllers and Other Related Parties

**Article 27** Controlling shareholders, actual controllers and other related parties shall not directly or indirectly occupy the Company's funds or resources by any means, or require the Company to pay wages, welfare, insurance, advertising or other expenses on their behalf, or assume costs or other expenditures.

**Article 28** The Company shall not directly or indirectly provide funds, assets or resources for use by controlling shareholders, actual controllers or other related parties in any of the following ways:

(1) Lending the Company's funds, with or without consideration (including entrusted loans), to controlling shareholders, actual controllers or other related parties for their use, except where other shareholders of an investee company of the Company provide funds in the same proportion. For purposes hereof, an "investee company" does not include a company controlled by a controlling shareholder or actual controller;

(2) Entrusting controlling shareholders, actual controllers or other related parties to conduct investment activities;

(3) Issuing commercial acceptance bills without a genuine transaction background for controlling shareholders, actual controllers or other related parties, or providing funds in the form of purchase payments, asset transfer payments or advance payments where there is no consideration in goods or labor services or where such provision is manifestly contrary to commercial logic;

(4) Repaying debts on behalf of controlling shareholders, actual controllers or other related parties;

(5) Other methods determined by the CSRC.

**Article 29** At the end of each accounting year, the Company shall engage the accounting firm responsible for the Company's annual audit to issue a special explanation on the occupation of the Company's funds by controlling shareholders and other related parties and on guarantees in violation of regulations, and the Company shall make an announcement regarding the special explanation. Where independent directors object to the results of the special audit, they shall have the right to request the Board of Directors to engage another audit institution for a review, with the expenses borne by the Company.

## Chapter VII Legal Liability

**Article 30** Where a controlling shareholder or other related party misappropriates the Company's assets or harms the interests of the Company or its shareholders, the Board of Directors shall take effective measures to require the controlling shareholder or other related party to cease the infringement and bear liability for compensation for the losses caused by the infringement. If the controlling shareholder or other related party refuses to correct the matter, the Company shall, after filing with the local securities regulatory authority, bring an action against the controlling shareholder or other related party as defendant to protect the lawful rights and interests of the Company and its shareholders.

**Article 31** Where the Board of Directors is negligent in performing the aforesaid duties, more than one-half of the independent directors, the Audit Committee, or shareholders individually or jointly holding 10% or more of the total number of shares carrying voting rights of the Company shall have the right, after filing with the local securities regulatory authority, to request that an extraordinary Shareholders' Meeting be convened in accordance with the procedures prescribed in the Articles of Association to adopt a resolution on the relevant matters. When the extraordinary Shareholders' Meeting deliberates the relevant matters, the controlling shareholder of the Company or other related party against which an action is proposed shall abstain from voting in accordance with the law, and the total number of shares carrying voting rights held by it shall not be counted in the total number of shares carrying valid voting rights at that Shareholders' Meeting.

**Article 32** Where directors, the President or other senior management of the Company violate the provisions of this System and assist controlling shareholders or other related parties in misappropriating the Company's property or harming the Company's interests, the Company shall, depending on the seriousness of the circumstances, impose sanctions on the persons directly responsible, including a warning, fine, demotion, removal from office or dismissal. Where a crime is constituted, the case shall be submitted to the judicial authorities for handling.

**Article 33** Where a shareholder of the Company brings a civil compensation action in accordance with the law due to economic losses caused by acts of a controlling shareholder, director, President or other senior management of the Company that harm the interests of the Company and other shareholders, the

Company shall, provided that the laws, regulations and the Articles of Association are complied with, provide support such as relevant materials.

## Chapter VIII Supplementary Provisions

**Article 34** Records of decisions and resolutions relating to related-party transactions and other documents shall be kept by the Secretary of the Board of Directors.

**Article 35** Matters not covered in this System shall be handled in accordance with the provisions of relevant national laws, regulations and the Articles of Association. Where this System conflicts with laws or regulations promulgated by the State in the future or the Articles of Association amended through lawful procedures, the provisions of relevant national laws, regulations and the Articles of Association shall prevail, and this System shall be amended in a timely manner.

**Article 36** The Board of Directors of the Company shall be responsible for interpreting this System.

**Article 37** This System shall come into force on the date on which it is considered and approved by the Board of Directors of the Company and submitted to and approved by the Shareholders' Meeting; the same shall apply to amendments.

ENN Natural Gas Co., Ltd.

Board of Directors

May 16, 2025