ENN Natural Gas Co., Ltd.

Rules of Procedure for the Remuneration and Appraisal Committee of the Board of Directors

(Revised in May 2025)

ENN Natural Gas Co., Ltd.

Board of Directors

May 16, 2025

Chapter I General Provisions

Article 1 To further establish and improve the appraisal and remuneration management systems for directors (non-independent directors) and senior management of ENN Natural Gas Co., Ltd. (hereinafter referred to as the "Company") and to improve the corporate governance structure, in accordance with the "Company Law of the People's Republic of China", "Corporate Governance Standards for Listed Companies", "Shanghai Stock Exchange Self-Regulatory Guidelines for Listed Companies No. 1 — Standardized Operation", the "Articles of Association of ENN Natural Gas Co., Ltd." (hereinafter referred to as the "Articles of Association") and other relevant regulations, the Company hereby establishes the Remuneration and Appraisal Committee under the Board of Directors and formulates these Rules of Procedure.

Article 2 The Remuneration and Appraisal Committee is a special working body established by the Board of Directors, primarily responsible for formulating the appraisal criteria for the Company's directors and senior management and conducting appraisals; and formulating and reviewing the remuneration policies and proposals for the Company's directors and senior management, reporting its work to and being accountable to the Board of Directors.

Article 3 For the purposes of these Rules, "directors" refers to directors who receive remuneration from the Company, and "senior management" refers to senior management appointed by the Board of Directors.

Chapter II Composition

Article 4 The Remuneration and Appraisal Committee shall consist of at least three members, who shall be directors, and independent directors shall constitute a majority.

Article 5 Members of the Remuneration and Appraisal Committee shall be nominated by the Chairman of the Board of Directors, more than one-half of the independent directors, or one-third of all directors, and shall be elected by the Board of Directors.

Article 6 The Remuneration and Appraisal Committee shall have one Chairperson (Convener), who shall be an independent director among the members, responsible for presiding over the work of the Committee. The Chairperson shall be elected from among the members and approved by the Board of Directors.

Article 7 The term of the Remuneration and Appraisal Committee shall be consistent with that of the Board of Directors. Members may be re-elected upon expiration of their terms. During the term, if a member no longer serves as a director of the Company, or a member who should possess the status of independent director no longer meets the independence requirements stipulated in the Articles of Association and the Measures for the Administration of Independent Directors of Listed Companies, such member shall automatically lose membership, and the Committee shall fill the vacancy in accordance with Articles 4 to 6 of these Rules of Procedure. If a member resigns or the proportion of independent directors in the Committee fails to comply with relevant laws, regulations or the Articles of Association, the Company shall complete the by-election within 60 days to ensure that the composition of the Committee complies with the provisions of laws, regulations and the Articles of Association.

Article 8 The Remuneration and Appraisal Committee shall have a working group responsible for providing information on the Company's operations and relevant information on the personnel being appraised, preparing for Remuneration and Appraisal Committee meetings, and executing the relevant resolutions of the Remuneration and Appraisal Committee.

Chapter III Duties and Powers

Article 9 The Remuneration and Appraisal Committee shall have the following primary duties and powers: (1) Formulate remuneration plans or proposals based on the main scope, responsibilities and importance of the management positions of directors and senior management, as well as the remuneration levels of comparable positions in other relevant enterprises; (2) Remuneration plans or proposals shall primarily include, but not be limited to, performance evaluation criteria, procedures and main evaluation systems, and the main plans and systems for rewards and penalties; (3) Review the performance of duties by the Company's directors (non-independent directors) and senior management and conduct annual performance appraisals thereof; (4) Be responsible for supervising the implementation of the Company's remuneration system; (5) Other matters authorized by the Board of Directors.

Article 10 The Board of Directors shall have the power to veto any remuneration plan or proposal that harms the interests of shareholders. The Remuneration and Appraisal Committee of the Board of Directors shall have the power to make recommendations to the Board of Directors on the following matters: (1) Remuneration of directors and senior management; (2) Formulation or amendment of equity incentive plans and employee stock ownership plans, and the satisfaction of conditions for incentive recipients to be granted rights and interests and to exercise rights and interests; (3) Arrangement of shareholding plans for directors and senior management in proposed spin-off subsidiaries; (4) Other matters stipulated by laws, administrative regulations, CSRC provisions and the Articles of Association. Where the Board of Directors does not adopt or fully adopt the recommendations of the Remuneration and Appraisal Committee, it shall record the Remuneration and Appraisal Committee's opinions and the specific reasons for non-adoption in the Board resolution and make disclosure.

Article 11 The remuneration plan for the Company's directors proposed by the Remuneration and Appraisal Committee shall be submitted to the Shareholders' Meeting for approval after being approved by the Board of Directors before implementation; the remuneration distribution proposal for the Company's senior management shall be submitted to the Board of Directors for approval.

Chapter IV Decision-Making Procedures

Article 12 The working group under the Remuneration and Appraisal Committee shall be responsible for the preparatory work for the Committee's decision-making and shall provide the following information about the Company:

(1) The Company's key financial indicators and the status of achievement of business objectives;

(2) The scope of work and primary responsibilities of the Company's senior management;

(3) The status of achievement of the indicators in the performance appraisal system for directors' and senior management's positions;

(4) The business innovation capability and profit-generating capability and business performance of directors and senior management;

(5) The relevant calculation basis for formulating the Company's remuneration distribution plan and methods based on the Company's performance.

Article 13 The procedures for the Remuneration and Appraisal Committee to appraise directors and senior management:

(1) Directors and senior management shall present work reports and self-evaluations to the Remuneration and Appraisal Committee;

(2) The Remuneration and Appraisal Committee shall conduct performance appraisals of directors and senior management based on the performance evaluation criteria and procedures;

(3) Based on the results of the position performance appraisals and the remuneration distribution policy, propose the remuneration amounts and reward methods for directors and senior management, and after voting and approval, report to the Board of Directors.

Chapter V Rules of Procedure

Article 14 The Remuneration and Appraisal Committee shall convene meetings based on actual circumstances each year and shall notify all members three days prior to the convening of a meeting. Meetings shall be presided over by the Chairperson. Where the Chairperson is unable to attend, another member (independent director) may be delegated to preside. Where circumstances are urgent and a meeting needs to be convened promptly, the meeting notice shall not be subject to the aforesaid time limit, provided that the convener shall provide an explanation at the meeting.

Article 15 Remuneration and Appraisal Committee meetings may be held only when two-thirds or more of the members are present. Each member shall have one vote. Resolutions adopted at meetings must be approved by a majority of all members.

Article 16 Voting at Remuneration and Appraisal Committee meetings shall be conducted by show of hands, ballot voting, or telecommunication voting.

Article 17 Where necessary, the Remuneration and Appraisal Committee may invite directors and senior management of the Company to attend meetings as non-voting participants.

Article 18 Where necessary, the Remuneration and Appraisal Committee may engage intermediary institutions to provide professional opinions for its decision-making, with expenses borne by the Company.

Article 19 Where the agenda of a Remuneration and Appraisal Committee meeting involves matters relating to a committee member, such member shall recuse themselves.

Article 20 The convening procedures, voting methods and remuneration policies and distribution proposals adopted at meetings must comply with the provisions of relevant laws, regulations, the Articles of Association and these Rules.

Article 21 Minutes shall be kept for Remuneration and Appraisal Committee meetings. Members attending the meetings shall sign the meeting minutes. Meeting minutes shall be kept by the Secretary of the Board of Directors of the Company for a period of 10 years.

Article 22 The proposals and voting results adopted at Remuneration and Appraisal Committee meetings shall be reported to the Board of Directors of the Company in written form.

Article 23 Members attending the meetings shall have a duty of confidentiality regarding the matters discussed at the meetings and shall not disclose relevant information without authorization.

Chapter VI Supplementary Provisions

Article 24 Matters not covered in these Rules of Procedure shall be governed by the relevant national laws, regulations and the Articles of Association. If these Rules of Procedure conflict with any subsequently promulgated national laws or regulations or with the Articles of Association as amended through legal procedures, the relevant national laws, regulations and the Articles of Association shall prevail.

Article 25 The power of interpretation of these Rules shall vest in the Board of Directors of the Company.

Article 26 These Rules of Procedure shall become effective and be implemented upon approval by the Board of Directors. The same shall apply to any amendments.