



新奥能源控股有限公司 ENN Energy Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2688)

Charity Activity Management Policy

1. General

- 1.1 To proactively fulfill social responsibility and establish a good brand image, ENN Energy Holdings Limited (“ENN Energy”) further promotes the development of charitable activities. This Policy is established in accordance with relevant laws and regulations including Law of the People's Republic of China on Donations for Public Welfare and the Company Law of the People's Republic of China.
- 1.2 This Policy is applicable to ENN Energy and its wholly-owned subsidiaries and holding subsidiaries.

2. Management and principals of public welfare and charity organisations

- 2.1 Organisations responsibility:
 - a) The ESG Committee of ENN Energy leads the subordinate business units on public welfare and charitable activity.
 - b) The Charity Management Office is the daily operational management unit for the overall cooperation and operation of all subsidiaries’ public welfare and charitable activity.
 - c) All subordinate business units of ENN Energy fulfill their social responsibility through Charity Management Office.
- 2.2 ENN Energy considers “focusing on energy conservation and environmental protection, supporting education, and promoting social harmony” as the

corporate mission, sees “caring people, benefiting society, and harmonious coexistence” as the corporate value, and targets to contribute to sustainability. ENN Energy encourages all subordinate business units to actively organize and participate in public welfare and charitable activities integrating with business development for realizing the social benefits of charity. The major types of public welfare and charitable activities and philanthropy includes:

- a) Focusing on energy conservation and environmental protection, supporting public environmental protection projects and the research and development, and promotion of environmental protection technologies while advocating low-carbon concept;
- b) Supporting education and enhancing the quality of teachers and students through various means, such as constructing new schools in underprivileged areas, improving teaching facilities and establishing scholarship or financial aids;
- c) Actively participating in disaster relief, helping the disadvantaged and bolstering projects addressing urgent public needs;
- d) Promoting cultural innovation, fostering cultural talents, bolstering the development of cultural undertakings, conducting various charitable activities benefiting the construction of spiritual civilization and the prosperity of culture and art, and supporting the development of social sports and public health;
- e) Other charity and public welfare activities aligning with the practical needs of the local communities.

2.3 Assets in money and in kind for public welfare and charitable activities organized by ENN Energy and the subordinate business units shall be clearly defined in terms of ownership and responsibilities. The Company shall have the legal right to allocate these assets. These assets shall not be donated or used in individual’s name.

2.4 ENN Energy and the subordinate business units shall adhere to the following principles when organizing public welfare and charitable activities:

- a) **Consistency:** Public welfare and charitable activities shall be an important part of corporate social responsibility and is the long-term investment for the corporate brand building of intangible asset. The public welfare and charitable activities must be closely related to the focus on the corporate culture to ensure consistency with ENN Energy’s strategic goals.

- b) **Effectiveness:** Promotion of public welfare and charitable activities requires the use of mass media, which enables the charitable behavior can be understood and appreciated by the general public, and gradually establishes a good image among the general public.
- c) **Capability:** All business units shall fully consider their business scale, profitability, liabilities, cash flow and other financial capabilities when deciding appropriate donation scale and standards. In principle, the total amount of funds used by each business unit for charity and public welfare shall not exceed 1 % of the net profit of the previous year.

3. Operational management of public welfare and charitable activities

- 3.1 All charitable donations and sponsorship activities must be approved in accordance with the company's procedures and written regulations, including the application, authorisation, drafting, and management of donation and sponsorship agreements to ensure compliance with national anti-corruption laws and regulations, and with the Company's internal management systems as stated in the Anti-Fraud, Corruption and Bribery Policy;
- 3.2 Subordinate business units shall include public welfare and charitable activities into corporate daily operation management. Designated department of each unit is responsible for the management of the unit's public welfare and charitable activities.
- 3.3 The charitable expenses of the subordinate business units shall be included in the corporate annual budget management. A separate report on the budgeted annual charity expenditure items, programs and scales shall be formulated. Business units shall summarize the implementation of the public welfare and charitable activities of the previous year and report to Charity Management Office.
- 3.4 The Charity Management Office shall report in writing to the ENN Energy Board of Directors annually on the status of public welfare and charitable activities in the year and disclose it in the annual report and ESG report.

4. Appendix

- 4.1 This policy is effective on October 10, 2019. The matters not covered in this policy shall be explained by the Charity Management Office.