

China Gas Signs Memorandum of Understanding with United Nations Environment Programme on Methane Emissions Reduction

The First Company in China Invited to Join and Counter Global Climate Change

【Hong Kong, 20 June 2021】 **China Gas Holdings Limited** ("China Gas" or "Group"; Stock Code: 384), a leading natural gas operator in China, has signed a Memorandum of Understanding (MoU) with the **United Nations Environment Programme** ("UNEP") as the first Oil and Gas Methane Partnership ("OGMP") member company in China, under which China Gas will closely cooperate with member companies around the world to help with methane emissions reduction and to ease global climate change.

According to an analysis of the UNEP, reducing methane emissions is the most powerful means to ease global climate change in the next 25 years, and another essential task apart from reducing greenhouse gas emissions. This year, China Gas has commenced discussions with the UNEP on methane emissions reduction and OGMP-related issues. After several months of discussion and review, on June 19, the Group signed the MoU with the UNEP that is effective until 31 December 2027.

Under the MoU, China Gas and the UNEP agreed to support and cooperate in the reporting of methane emissions in the manner and within the timeframe as stipulated in the OGMP 2.0 Framework. In which, emissions from both operating and non-operating companies across the oil and gas industry value chains (but excluding end users) shall be reported. Also, the partnership scope under the MoU shall be open to joint review by the OGMP Steering Group as mentioned in the OGMP 2.0 Framework on a continual basis and partners shall be allowed to participate in addressing any new common concerns. Both parties shall meet regularly to ensure the implementation of the OGMP, and to discuss and identify improvement measures that are mutually beneficial and agreed upon, as well as undertake to mutually share the knowledge and information about their respective business sectors and the expertise in relation to the MoU.

Initiated by the UNEP, the European Commission and the Environmental Defense Fund, the OGMP now has 66 participating companies, including world-renowned oil and gas companies like BP and Shell. These companies own assets across the world and contribute 30% of the global output of oil and gas. The newly-launched OGMP 2.0 Framework is considered the most authoritative reporting framework that is currently available.

China Gas will support the UNEP in promoting the most advanced methods for reducing methane emissions worldwide. The Group will also work to enhance awareness of different industries on methane emissions reduction and raise relevant safety technology levels in China to help the country achieve long-term goals such as ‘emission peak’ and ‘carbon neutrality’.

-The End-

About OGMP 2.0 FRAMEWORK

The OGMP 2.0 Framework overhauls the existing OGMP reporting framework and is designed to enhance the transparency of the reporting mechanism for emission of the greenhouse gas methane, so as to enable the public to compare the performance of companies in methane emission reduction more easily and accurately. The OGMP 2.0 Framework assures the public that oil and gas member companies will adopt a credible mechanism to systematically and responsibly manage methane emissions. For those companies that meet the gold standard of reporting, they can prove in a more credible way that they are making contribution to the mitigation of climate change, and that they are achieving their targets and indicators in methane emissions.

About China Gas

China Gas Holdings Limited (“China Gas”, stock code: 384.HK) is one of the largest trans-regional comprehensive energy suppliers in China engaged in the investment and construction, operation and management, warehousing and logistics, trading and distribution businesses of various gas and new energy projects. The Group, with piped natural gas as major business, has managed to build a comprehensive scope of business that includes liquefied natural gas, compressed natural gas, liquefied petroleum gas, natural gas thermoelectricity, distributed energy, energy management, value-added service, equipment manufacturing, etc. As of 30 September 2020, China Gas owns a total of 636 projects in cities and towns with piped gas concession rights, 17 natural gas pipeline transmission projects, 556 CNG/LNG refilling stations for vehicles and vessels, 106 comprehensive energy supply projects, as well as the license to import and export LNG and other fuel products in China, in addition to 113 LPG distribution projects.

For more information, visit www.chinagasholdings.com.hk

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