

Chailease Holding Company Limited

Sustainable Finance Policy

Confidential document

Enacted and approved by Board of Directors on May 22, 2024

Article 1 Purpose

In order to support the Sustainable Development Goals (hereinafter referred to as “SDGs”) of the United Nations and fulfill its global citizenship and corporate social responsibilities thereby enabling the Company to exert financial influence for the sustainability of business activities, the society, and the environment. This Sustainable Finance Policy (hereinafter referred to as “this Policy”) has been established.

Article 2 Applicability

This Policy shall apply to the Company and its subsidiaries.

The scope of sustainable financial business mentioned in this policy includes the financial products and services of leasing, installment sales, factoring and loans. The customers includes individuals, micro- enterprises, SMEs and the large corporations.

Article 3 Division of Responsibilities

The Corporate Governance and Sustainable Development Committee of the Company shall be responsible for the supervision and coordination of various policies, measures, and mechanisms that are relevant to the Policy. The ESG Executive Committee were established under the Committee to implement the sustainable development becomes part of the fabric of company business strategy.

Article 4 General principles

To grasp the risks and opportunities of sustainable finance, environmental,

social, and corporate governance-related factors should be incorporated into investment and financing analysis and decision-making processes. The definition of ESG factors (ESG Factors) is as follows:

1. Environment (E): Consider the risks of the investment/financing target in terms of carbon emission reduction, climate change vulnerability (e.g., flooding/slope), environmental pollution and waste management, and water stress (e.g., high water consumption), and evaluate the environmental opportunities brought by circular economy, renewable energy, and other green energy industries.
2. Social (S): Consider the investment/financing target in terms of employee health and safety, labor management, human rights protection, and social participation.
3. Corporate Governance (G): Consider the investment/financing target in terms of board governance and operation, shareholder rights protection, risk control and anti-corruption.

Article 5 Business administration

The Company and its subsidiaries shall establish an open and transparent communication channel and information disclosure quality with all stakeholders, specifically implement the goal of sustainable development, and continue to pay attention to and follow up the issues and trends related to sustainable finance at home and abroad, so as to improve the effect for performance of sustainable finance.

Article 6 Business promotion plan

The Company and its subsidiaries shall actively promote and support related industries in combination with green finance, inclusive finance and responsible investment and financing, work with our customers to promote

sustainable development, and agree to respond to the United Nations' sustainable development goals. While pursuing growth, take into account sustainable development, corporate governance, and the implementation of corporate social responsibility/personal social responsibility.

Businesses that generate high levels of pollution and fail to comply with environmental protection standards shall be classified as unsuitable clients or limited loan. Existing business partners that exhibit the above shall be given improvement guidance or limited loan.

Article 7 Risk management

When providing financial products and services, the Company and its subsidiaries shall prudently assess whether their counterparties or transactions have ESG risks, improve their environmental and social risk control mechanisms, and fulfill their corporate social responsibilities.

Article 8 Matters not stipulated in this Policy shall be handled in accordance with laws and relevant regulations of the Company.

Article 9 This Policy shall become effective after the resolution of the Board of Directors is adopted. Any amendments to this Policy shall follow the same procedure.