



江苏金融租赁

JIANGSU FINANCIAL LEASING



2025 ESG


Environmental, Social and Governance Report

Establish a financial leasing company with warmth

Contents

About this report


P4 _ P5

	<h3>About JFL</h3> <p>P6 _ P13</p>	· Company profile	P8
		· Business scope	P9
		· Organizational structure	P10
		· Social recognition	P11
		· Honors and awards	P12

	<h3>ESG governance and strategy</h3> <p>P14 _ P25</p>	· ESG governance	P16
		· ESG strategy	P19
		· Materiality analysis	P20

	<h3>Governance</h3> <p>strengthening the governance foundation and ensuring steady, long-term development</p> <p>P26 _ P51</p>	· Governance as a priority for a solid foundation	P28
		· Strengthened risk control for stable operations	P36
		· Compliance as the cornerstone and strict adherence to standards	P41
		· Ethical conduct for stable and sustainable development	P44

	<h3>Development</h3> <p>Putting finance at the service of the people and improving service quality and efficiency</p> <p>P52 _ P91</p>	· Core business focus for serving the real economy	P54
		· Inclusive finance for benefiting small and micro enterprises	P65
		· Digital finance and technology enablement	P71
		· Service excellence and consumer protection	P81
		· Information security and privacy protection	P90

	<h3>Environment</h3> <p>advancing green development and building a beautiful China</p> <p>P92 _ P111</p>	· Climate change response	P94
		· Green finance for low-carbon transition	P100
		· Green operations for energy conservation	P109

	<h3>Society</h3> <p>empowering employee growth and creating shared value</p> <p>P112 _ P129</p>	· Joint progress and care for employees	P114
		· Talent cultivation and joint growth	P118
		· Boundless love and warmth for the society	P122
		· Standardized procurement and collaborative development	P128

	<h3>Special topic</h3> <p>JFL's corporate culture: Three core values and six mindsets</p> <p>P130 _ P137</p>	· Three core values	P133
		· Six mindsets	P136

<h3>ESG data tables and notes</h3> <p>P138 _ P144</p>	<h3>Content index</h3> <p>P145 _ P151</p>	<h3>Reader Feedback Form</h3> <p>P152</p>
---	---	---

About this report



This report, the ninth *Corporate Social Responsibility Report and the fifth Environmental, Social and Governance (ESG) Report* issued by Jiangsu Financial Leasing Co., Ltd. (hereinafter referred to as "JFL" or "the Company"), aims to disclose to investors and other stakeholders the Company's philosophy, management approaches, initiatives, and performance concerning ESG.

Report scope

Unless otherwise specified, the scope of this report is consistent with the scope of JFL's consolidated financial statements for the same period.

Reporting period

The reporting period spans from January 1, 2025 to December 31, 2025. To augment the report's comparability and foster a forward-looking perspective, some content moderately extends to encompass prior and subsequent years.

Basis of preparation

- No. 14 Shanghai Stock Exchange Listed Companies Self-Regulatory Guidelines – Sustainable Development Report (Trial Implementation) (April 2024)
- No. 1 Shanghai Stock Exchange Listed Companies Self-Regulatory Guidelines – Standardized Operations (May 2025)
- GRI Sustainability Reporting Standards (2021) issued by the Global Sustainability Standards Board (GSSB)
- Environmental Information Disclosure Guidelines for Financial Institutions issued by the People's Bank of China (2021)

Data notes

- The financial data presented in this report are derived from the audited annual financial statements for the year 2025, and all other data are sourced from the Company's internal documents and relevant statistics.

- All financial figures in this report are denominated in Renminbi (RMB). In the event of any inconsistency between the financial data in this report and the Company's annual financial report, the annual financial report shall prevail.

Preparation principles

Materiality: The Company has identified material topics relevant to its operations and of concern to stakeholders as the focus of this report. While reporting on these material topics, the report also addresses the specific characteristics of the Company's industry and business operations. The process and results of the materiality analysis are detailed in the "Topic Materiality Analysis" section of this report.

Accuracy: Every effort has been made to ensure the accuracy of the information in this report. For quantitative information, the data scope, calculation methodology, and assumptions are clearly stated to ensure that any margin of error does not mislead report users. Quantitative data and accompanying notes are provided in the "ESG Data Tables and Notes" section of this report.

Balance: The content of this report reflects objective facts and provides an unbiased disclosure of both positive and negative information concerning the Company.

Clarity: This report is published in Simplified Chinese and English. It includes tables, diagrams, and other supplementary materials to enhance understanding of the textual content for stakeholders. To facilitate easier access to information, the report provides a table of contents and a cross-reference index to ESG standards.

Quantifiability: This report discloses key quantitative indicators and, where possible, includes historical data.

Comparability: The statistical and disclosure methods for the same quantitative indicators are consistent across reporting periods. If data collection, measurement, or calculation methods change, the relevant data are retrospectively adjusted, and the adjustments and their reasons are explained in the report notes. This enables stakeholders to conduct meaningful analysis and assess trends in the Company's ESG performance.

Completeness: The scope of disclosure in this report is consistent with the scope of the Company's consolidated financial statements.

Timeliness: This is an annual report covering the period from January 1, 2025, to December 31, 2025.

Verifiability: The cases and data in this report originate from the Company's original operational records or financial reports. The sources and calculation processes for the disclosed data are traceable and can support external verification procedures.

Publication format

This report is available in both print (printed on eco-friendly paper) and digital formats. The digital version can be accessed on the Company's website (<https://www.jsleasing.cn/>).

This Report is presented in Chinese and English. In the event of any ambiguity in interpretation among the different language versions, the Chinese version shall prevail.

Contact information

Address: Building 1, Financial City, No. 99 Jialingjiang East Street, Jianye District, Nanjing, Jiangsu
Tel.: 025-86816908
Email: info@jsleasing.cn

About JFL

- ◆ **Stock Code:** 600901.SH. JFL is the only financial leasing company listed on China's A-share market.
- ◆ **Service Philosophy:** Choose one industry, focus on it, and remain committed to it.
- ◆ **Strategic Goal:** To become an internationally leading equipment leasing service provider.



1

Company profile

Founded in June 1985, Jiangsu Financial Leasing Co., Ltd. (stock code: 600901.SH) is a non-banking financial institution approved by the former China Banking and Insurance Regulatory Commission to conduct financial leasing business. Since its listing on the Shanghai Stock Exchange in 2018, the Company has become the first and the only financial leasing company listed on China's A-share market.

With over four decades of experience in the leasing industry, the Company adheres to the philosophy of "choose one industry, focus on it, and remain committed to it," specializing in providing financing services for equipment renewal to medium, small and micro enterprises. It has delivered specialized and distinctive financial leasing services to over four hundred thousand of enterprises and individuals.



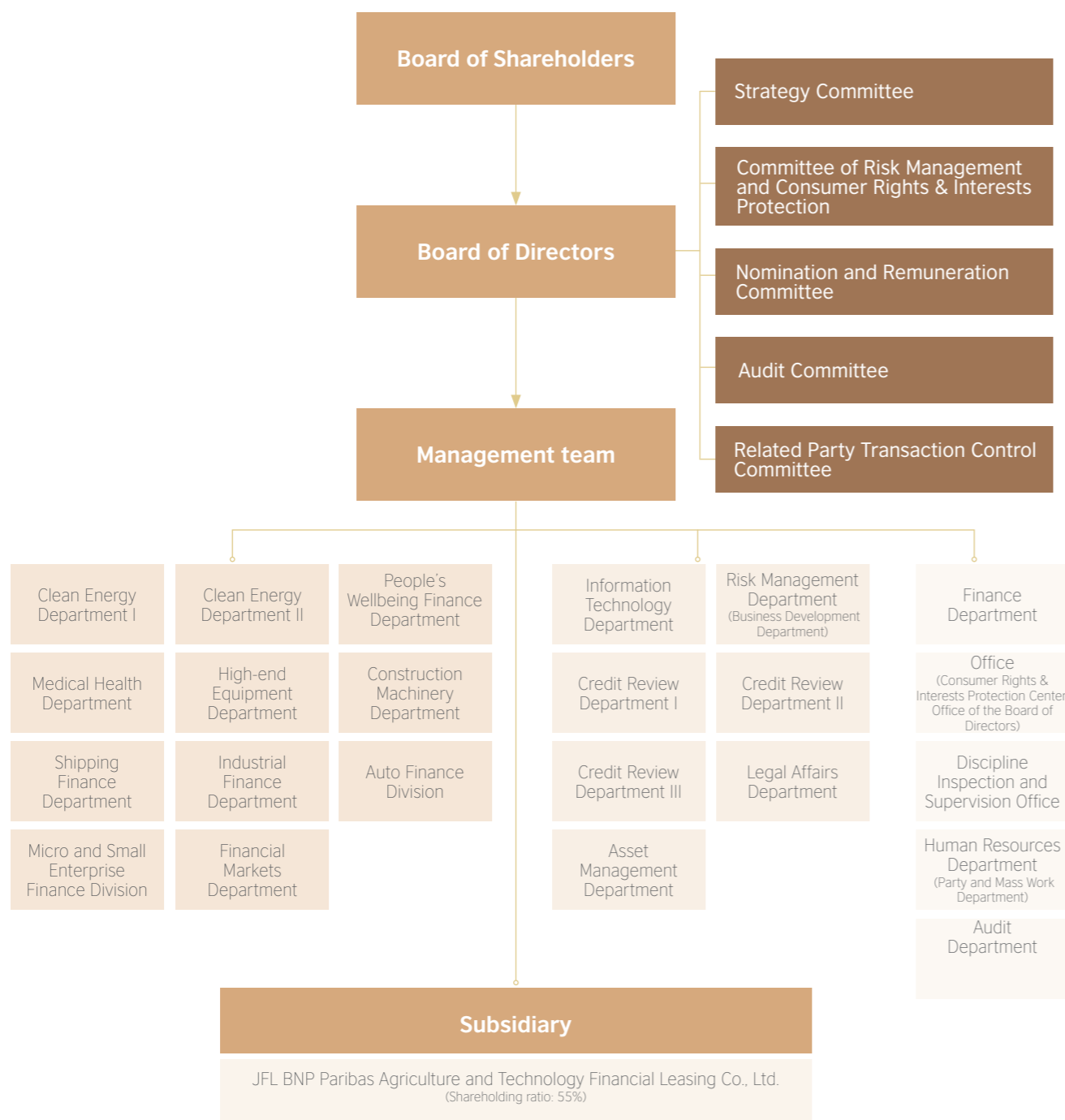
2

Business scope



3

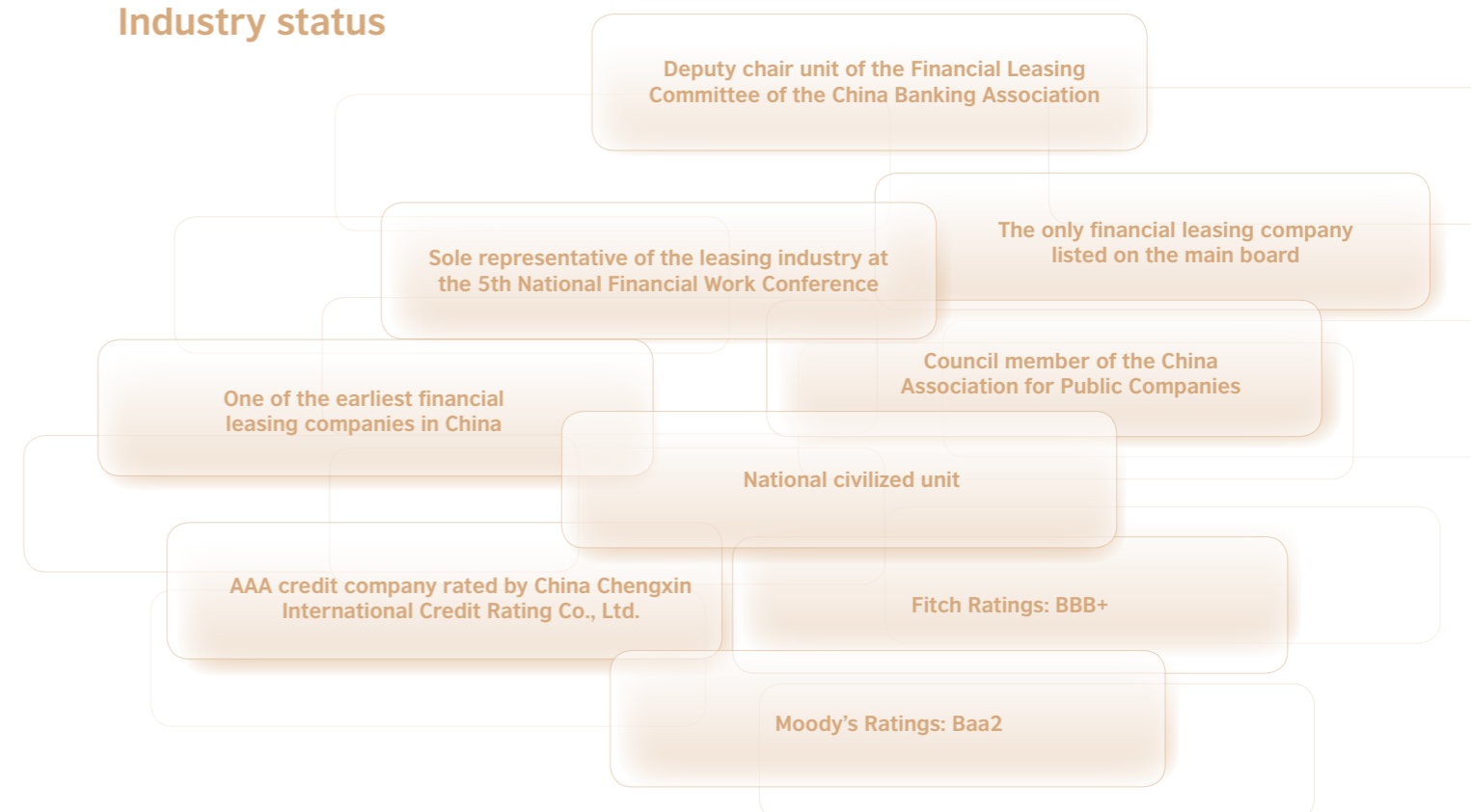
Organizational structure



4

Social recognition

Industry status



Business breakthroughs

- No.1** The first company to enter the interbank lending market
- No.1** The first company to receive authorization for receiving shareholders' deposits
- No.1** The first company to receive authorization for transferring financing lease receivables to commercial banks
- No.1** The first company to use leased assets to support the introduction of insurance funds
- No.1** One of the first companies permitted to issue financial bonds
- No.1** The issuer of the first green bond in China, certified under the International Climate Bond Standard
- No.1** One of the first companies permitted to engage in asset securitization business
- No.1** The founder of the first Sino-foreign joint venture subsidiary dedicated to serving the agriculture and technology industries

5

Honors and awards

Award	Granted by
Best Practice Case of Internal Control for Listed Companies	China Association for Public Companies
Best Practices in Investor Relations Management for Listed Companies	China Association for Public Companies
Included in the Cash Dividend Honor Roll of Listed Companies	China Association for Public Companies
"Golden Roundtable Award" of Boards of Directors of Chinese Listed Companies - Award for Special Contribution to Corporate Governance	Directors and Boards magazine
First Prize of the 32nd Jiangsu Enterprise Management Modernization Innovation Achievement Award	Jiangsu Enterprise Federation, SASAC of Jiangsu Provincial Government
"Ascendance Awards" - The Most Influential Financial Leasing Company	Global Leasing Industry Competitiveness Forum
China Financial Leasing Ranking - Company of the Year	China Association of Enterprises with Foreign Investment
China Financial Leasing Excellence Achievement Award	China International Finance Forum
Top 100 Jiangsu Service Enterprises	Jiangsu Enterprise Federation
Golden Bull Award – Most Investment-Valuable Award of the Year	China Securities Journal
Jinquan Award – Inclusive Leasing Capital Market Innovative Financing Award	Shanghai Financial Leasing Industry Association
Exceptional Financial Institution Implementing Inclusive Finance with Competitive Excellence	China Business Journal
2025 China Financial Media Publicity Excellence in "Four Capabilities" Development Work Brand	China Banking and Insurance News



Governance awards



Brand awards



Business awards



ESG Awards



Technology award

Best Practice Case for Listed Companies in Rural Revitalization	China Association for Public Companies
Excellence in Banking Industry's "Rural Revitalization" News Coverage	China Banking Association
China Top 50 Green Leasing Companies	Shanghai Financial Leasing Industry Association
Excellent Third-Party Service Organization of Leading China's Renewable Energy "Photovoltaic Top 100" of the Year	Jiangsu Province Renewable Energy Association
Best ESG Leasing Enterprise	China International Finance Forum
ESG Social Responsibility Pioneer	The Beijing News · Beike Finance
Listed Companies ESG Value Delivery Award	Easy Board & Value Online
2025 Typical Fintech Practice Case	China Times



ESG governance and strategy

- ◆ **Subject:**

To be a warm and caring financial leasing company.

- ◆ **Material topics:**

Environment: Climate change response, Green finance

Society: Consumer rights & interests protection, Employee recruitment and rights & interests, Employee training and development, Data security and client privacy protection, Social contribution, Digital finance, Services for real economy, Inclusive finance

Governance: Business ethics, Corporate governance, Compliance management, Comprehensive risk management



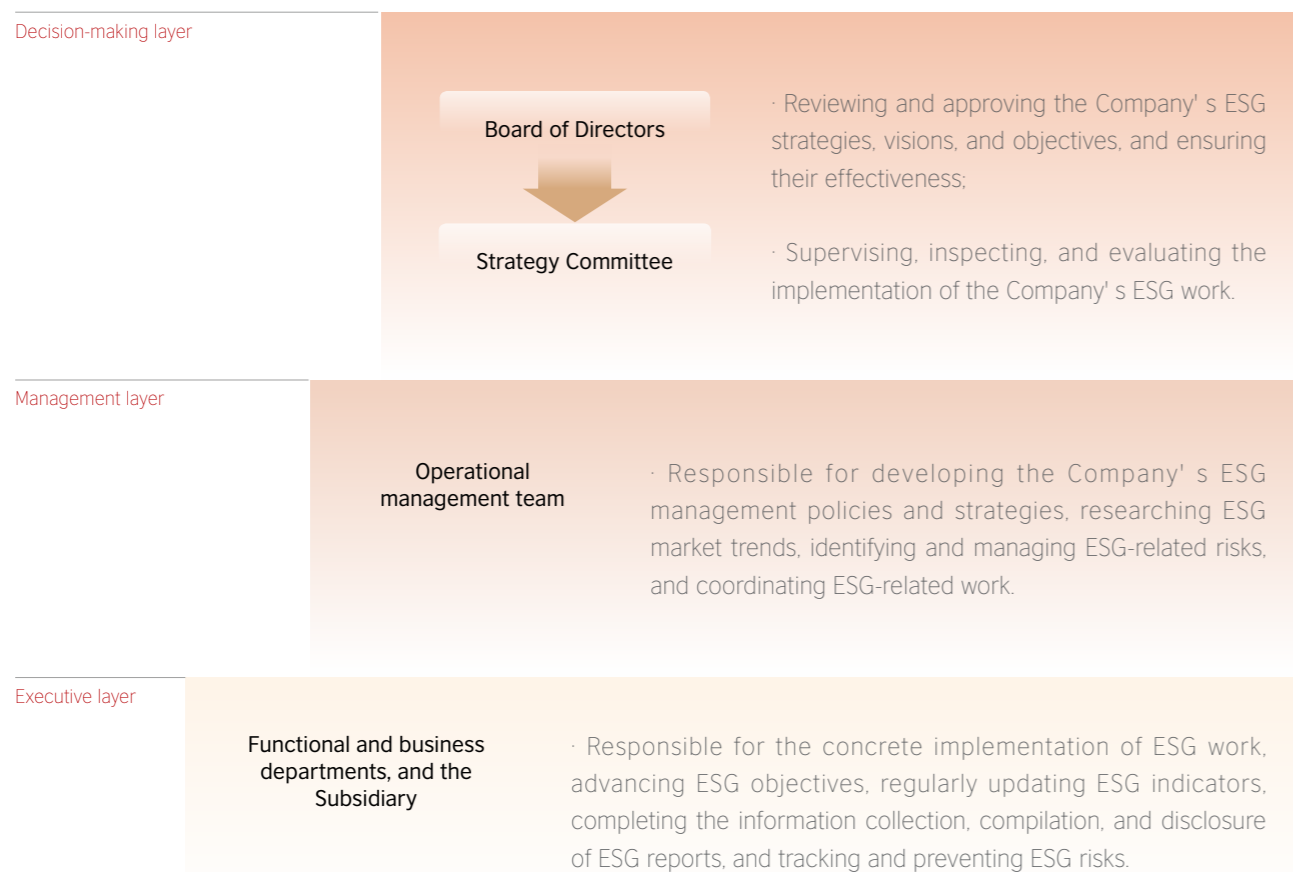
JFL has proactively integrated environmental, social, and governance factors into its corporate development strategy and daily operations. By building and continuously enhancing its ESG management and information disclosure system, the Company is driving itself toward a new phase of high-quality, sustainable development.



ESG governance

JFL has established a three-level ESG management structure comprising the “decision-making layer, management layer, and execution layer.” This top-down approach provides organizational support for the comprehensive implementation of ESG initiatives.

ESG management structure



01 | ESG management enhancement

In 2025, the Company initiated a comprehensive optimization project for its ESG management system, deeply integrating internationally advanced standards into daily operations and strategic decision-making:

- Establishing an international climatic risk management system

The Company conducted analysis on climate resilience. Leveraging IFC performance standards and industry best practices, it fully introduced and deepened the concept of climate resilience, and improved the identification, assessment, monitoring, and response processes of its environmental and social risks. In the context of frequent global ESG risk events, this initiative has strengthened the Company's ability to manage high-risk areas such as customer supply chains and extreme weather, ensuring that non-financial risks remain controllable, measurable, and manageable.
- Developing a high-quality information disclosure paradigm

In response to the regulatory requirements, the Company is enhancing the completeness and comparability of its reports. By strengthening data governance and standardizing disclosure criteria, it ensures the authenticity and accuracy of environmental and social data, providing high-value decision-making information for investors, regulators, and other stakeholders.

02 | ESG management practices

In 2025, the Company's Board of Directors and Strategy Committee fully exercised their decision-making and supervisory responsibilities regarding ESG matters. They convened regular meetings to review proposals and reports related to ESG governance, corporate governance, comprehensive risk management, and consumer rights & interests protection, continuously improving the Company's ESG governance.

ESG area	Matters reviewed or considered
ESG management	<ul style="list-style-type: none"> · Reviewed the Proposal on the Environmental, Social and Governance (ESG) Report 2024
Corporate governance	<ul style="list-style-type: none"> · Reviewed the Proposal on the Abolition of the Board of Supervisors and the Amendment to the Articles of Association · Reviewed the Proposal on the Board of Directors Work Report 2024 and the Proposal on the Director Performance Evaluation Report 2024 · Reviewed the Proposal on Formulating the Rules for Deferred and Exempted Information Disclosure and the Proposal on Amending the Investor Relations Management Measures, among others
Comprehensive risk management	<ul style="list-style-type: none"> · Reviewed the Proposal on Risk Preference 2025, the Proposal on Risk Policy 2025 · Reviewed the Proposal on Amending the Operational Risk Management Measures, the Proposal on Amending the Compliance Risk Management Measures, the Proposal on Formulating the Country Risk Management Measures, and the Proposal on Formulating the Comprehensive Risk Management Measures · Considered the Comprehensive Risk Management Report 2024 and the quarterly comprehensive risk management reports for 2025

Compliance management	<ul style="list-style-type: none"> Reviewed the Proposal on Amending the Compliance Risk Management Measures Considered the Internal Control and Compliance Management Work Report 2024 and the Internal Control and Compliance Management Work Report of H1 2025
Anti-money laundering	<ul style="list-style-type: none"> Proposal on Amending the Anti-money Laundering and Anti-terrorist Financing Management Measures Considered the Anti-Money Laundering Work Report 2024
Business ethics	<ul style="list-style-type: none"> Reviewed the Proposal on the Case Risk Prevention and Control Assessment Report 2024 Reviewed the Proposal on Amending the Case Risk Prevention and Control Management Measures and the Proposal on Amending the Crime-related Incident Management Measures
Consumer rights & interests protection	<ul style="list-style-type: none"> Reviewed the Proposal on the Work Summary 2024 and the Work Plan 2025 of the Committee of Risk Management and Consumer Rights & Interests Protection Considered the Consumer Rights & Interests Protection Work Report 2024 and the quarterly consumer rights & interests protection work reports for 2025
Digital finance	<ul style="list-style-type: none"> Considered the Data Governance Work Report 2024

03 | ESG training

The Company actively conducts training to equip all employees with relevant management and hands-on experience, strengthen ESG capacity building, and enhance the Company's overall ESG awareness.

Case study

IFC and JFL hosted an ESG risk management seminar

In July 2025, International Finance Corporation (IFC) visited the Company for a dedicated seminar on the development of environmental and social risk management systems. The two parties engaged in in-depth discussions on topics such as international standards, practical experience, and sustainable development information disclosure, reaching a consensus on deepening future cooperation in areas such as optimizing ESG risk management systems.



At the seminar



2

ESG strategy

ESG management philosophy

Subject	To be a warm and caring financial leasing company.
Economic responsibilities	Uphold the essence of financial leasing, serve the real economy, and promote the sustainable development of companies and society.
Governance responsibilities	Improve the corporate governance structure, ensure compliant operations, and achieve high-quality development.
Environmental responsibilities	Develop green leasing business, promote environmentally-friendly economic ecology; practice green office philosophy and implement green development guidelines.
Social responsibilities	Pay attention to the interests and demands of shareholders, partners, customers, employees, and communities, contribute corporate strength, put people first and achieve win-win results.

3

Materiality analysis

01 | Materiality analysis process

In 2025, based on the context of the Company's activities and business relationships, and through benchmarking against ESG standards, policy analysis, and peer comparisons, JFL identified and screened ESG topics. It analyzed the actual and potential impacts, risks, and opportunities associated with these topics, assessing their materiality from both a financial materiality and an impact materiality perspective.

Understanding the context of the Company's activities and business relationships

1

Establishing a topic list

2

Conducting impact, risk, and opportunity analysis

3

Assessment and validation of materiality

4

Topic reporting

5

- Understanding the Company's activities and business relationships
- Understanding the objective external environment
- Identifying key affected stakeholders

· Through benchmarking against ESG standards, policy analysis, and peer comparisons, JFL identified and screened ESG topics and developed a list of topics.

· JFL systematically identified the actual or potential, positive or negative impacts that topics may have on the Company's operations and its upstream and downstream value chain.

· JFL conducted an impact materiality assessment to define assessment factors and ranges. Internal and external experts evaluated the scale, scope, irremediability, and likelihood of topic impacts to derive impact materiality scores of all topics. Based on defined thresholds, conclusions on impact materiality were formed.

· JFL conducted a financial materiality assessment to define assessment factors and ranges. Internal and external experts evaluated the likelihood and magnitude of the financial effects of each topic to derive financial materiality scores of all topics. Based on defined thresholds, conclusions on financial materiality were formed.

· The results of the impact materiality and financial materiality assessments were combined for calculations, and a double materiality matrix was developed.

· Following review and confirmation by the Company's Board of Directors, topics identified as highly material for 2025 are highlighted as key disclosures in reports.

02 | Due diligence and stakeholder communication

The Company views stakeholder communication as a core component of its operating management. Through diversified communication and response methods, the Company conducts in-depth due diligence, focusing on identifying potential negative impacts and risk points, which serve as critical inputs for its materiality assessment.

Key stakeholders	Topic	Communication and response methods
Shareholders and Investors	<ul style="list-style-type: none"> Comprehensive risk management Corporate governance Compliance management Business ethics 	<ul style="list-style-type: none"> Meetings of shareholders Information disclosure and interaction platforms on exchange websites Investor communication meetings and research visits Phone calls and emails Company website, WeChat official account, and other new media platforms
	<ul style="list-style-type: none"> Services for real economy Green finance Party building Corporate governance Compliance management Social contribution Climate change response Inclusive finance 	<ul style="list-style-type: none"> Coordination in regulatory inspections Regular communication and reporting Public information disclosure Persistent efforts in peasant assistance and related support activities Climate risk identification
Clients	<ul style="list-style-type: none"> Consumer rights & interests protection Data security and client privacy protection Digital finance Inclusive finance 	<ul style="list-style-type: none"> Customer complaint hotlines and satisfaction surveys WeChat official account and other new media platforms Improvement of customer privacy protection mechanisms Application of fintech Implementation of inclusive finance projects
	<ul style="list-style-type: none"> Employee recruitment and rights & interests Employee training and development 	<ul style="list-style-type: none"> Employee recruitment strategy Employee training system Cultural and sports activities of the Labor Union Establishment of a feedback platform
Suppliers and partners	<ul style="list-style-type: none"> Procurement management Compliance management Business ethics 	<ul style="list-style-type: none"> Supplier due diligence visits Formulation of procurement management measures Development of anti-commercial bribery systems Tendering and bidding activities
	<ul style="list-style-type: none"> Green operation Green finance Climate change response Social contribution 	<ul style="list-style-type: none"> Volunteers and volunteer activities Research and implementation of public welfare projects such as rural revitalization and social contribution Energy conservation, emission reduction, and promotion of paperless operations Development of sustainable finance

03 | Materiality analysis conclusions

The Company employed an expert analysis method, integrating the perspectives of internal and external stakeholders. It incorporated inputs from various departments and senior executives, considered the specific business realities of its industry, and utilized recommendations from external professional institutions to comprehensively analyze the material topics' financial impacts on the Company, as well as their economic, environmental, and social impacts.

In 2025, the Company identified and screened 16 topics to form its ESG material topic database.

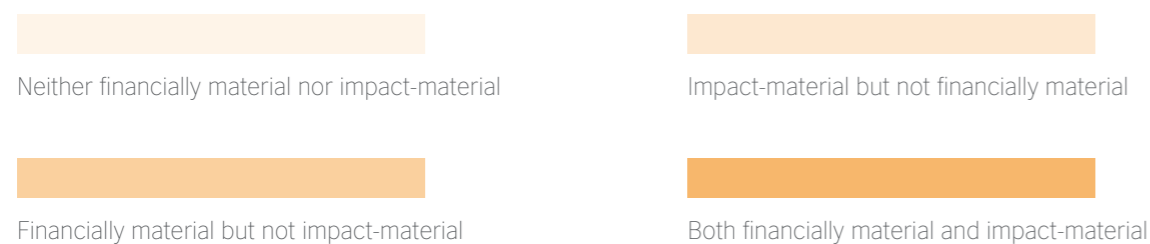
Area	Material topics of 2025	Material topics of 2024	Change	Reasons for change
Environment	Climate change response	---	New topic	The topic was added with reference to the SSE Guidelines for the Sustainable Development Report Preparation.
	Green finance	Green finance practices Green financing	Topic combination	Topics were combined based on industry characteristics and best practices of peers.
	Green operation	Efficient energy utilization	Optimized wording	Wording was optimized according to industry characteristics and Company nature.
Society	Consumer rights & interests protection	Consumer rights & interests protection	---	---
	Employee recruitment and rights & interests	Employees	Topic splitting	Topics were split with reference to international rating standards and best practices of peers.
	Employee training and development			
	Procurement management	---	New topic	The topic was added with reference to the SSE Guidelines for the Sustainable Development Report Preparation.
	Data security and client privacy protection	---		
	Social contribution	Charity and commonweal activities	Optimized wording	Wording was optimized with reference to the SSE Guidelines for the Sustainable Development Report Preparation, industry characteristics, and best practices of peers.
	Digital finance	Fintech		
Services for real economy	Response to national policies Services for real economy			
Inclusive finance	Equal treatment of small and micro enterprises	Topic deletion	With reference to the SSE Guidelines for the Sustainable Development Report Preparation and international standards, content related to "partner cooperation for win-win results" is now covered under topics such as services for the real economy, green finance, and inclusive finance.	
---	Partner cooperation for win-win results			
Governance	Business ethics	Anti-commercial bribery and anti-corruption Anti-money laundering	Topic combination	Topics were combined with reference to the SSE Guidelines for the Sustainable Development Report Preparation, and best practices of peers.
	Corporate governance	Standardized operation Shareholder investment returns	Topic combination	Topics were combined with reference to the SSE Guidelines for the Sustainable Development Report Preparation, and best practices of peers.
	Compliance management	Standardized operation	Optimized wording	Wording was optimized according to industry nature.
	Comprehensive risk management	Financial risk prevention		
	---	Communication with stakeholders	Topic deletion	Stakeholder communication and ESG Governance and Management have been moved to the ESG Governance and Management section and are no longer disclosed as standalone topics.
---	ESG management			

Among the 16 topics identified and screened by the Company, seven were found to have dual materiality, seven have impact materiality only, and two have neither impact nor financial materiality.

2025 Double Materiality Topic Matrix of JFL



Graphical representation



Dimension	Topic in the report	Topic required by SSE
Environment	Climate change response	Climate change response
	Green operation	Waste treatment, environmental compliance management, energy use, water resource use, circular economy
	Green finance	Climate change response
Society	Social contribution	Rural revitalization, social contribution
	Digital finance	Innovation-driven development
	Procurement management	Supply chain security, equal treatment of small and medium enterprises
	Consumer rights & interests protection	Safety and quality of products and services
	Data security and client privacy protection	Data security and client privacy protection
	Employee training and development	Employees
	Employee recruitment and rights & interests	
	Services for real economy	---
	Inclusive finance	Rural revitalization
	Corporate governance	Business ethics
Corporate governance		---
Compliance management		---
Comprehensive risk management		---

Note: "—" denotes topics independently identified by the Company. Due diligence and stakeholder communication are fully disclosed in the "ESG Governance and Strategy" section of this report. As an enterprise in the financial industry, the Company is not involved in pollutant emissions, ecosystem and biodiversity protection, or technology ethics; see the "Benchmark Index" section for further explanation.

Governance

strengthening the governance foundation and ensuring steady, long-term development

SDGs addressed in this chapter

Sustainable Development Goals



- ◆ JFL upholds Party building as a guiding principle, and by improving its governance structure, optimizing information disclosure, and strengthening investor relations management, it continues to enhance its corporate governance.
- ◆ JFL has established a "value-creation-oriented" risk management system, adheres to the principle of "risk-based, prudent and sound" management, and continuously improves its three lines of defense for internal control and compliance, thereby ensuring compliant operations and stable business performance.
- ◆ JFL has built a solid defense against money laundering risks, continuously improved its anti-corruption oversight mechanism, adhered to the principles of integrity in operations and fair competition, and shaped a clean and impartial corporate image.



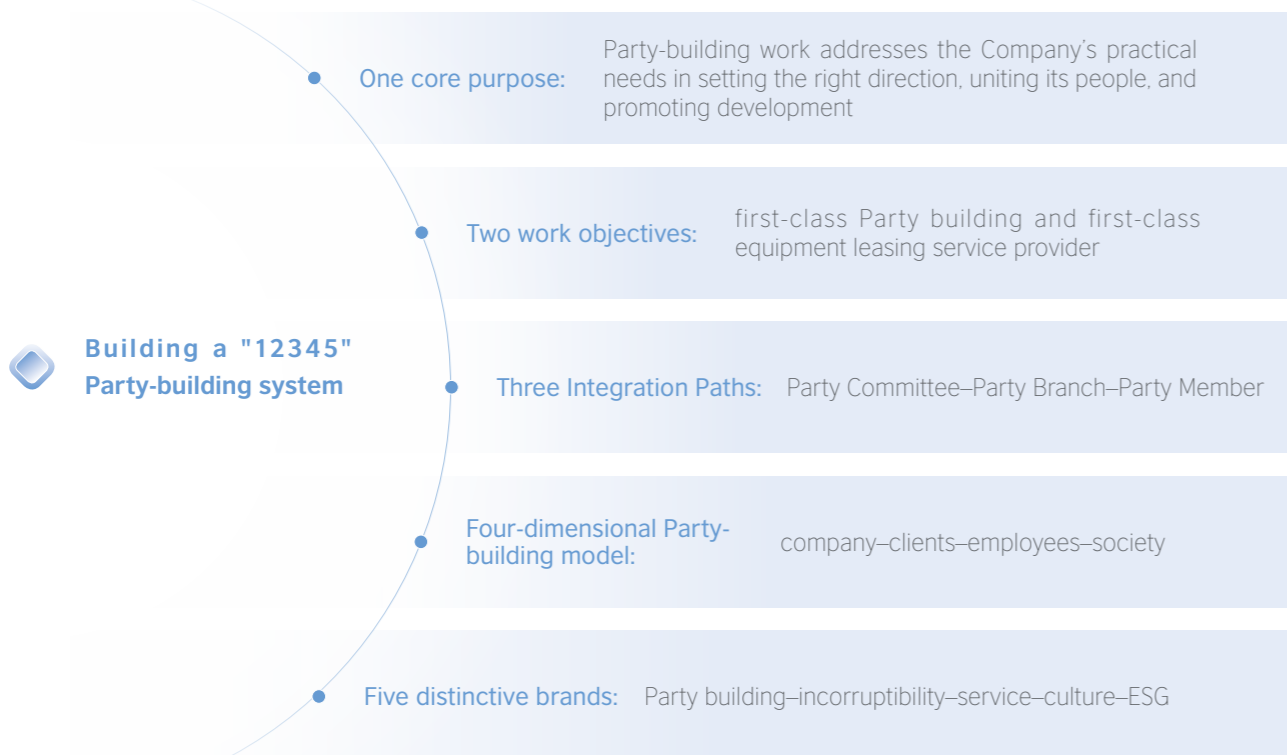
1

Governance as a priority for a solid foundation

The Company continuously improves its governance mechanisms, strengthens development of the Board of Directors, fulfills its information disclosure obligations in a timely manner, protects investors' lawful rights and interests, and achieves sound and sustainable development through high-standard corporate governance.

01 | Adhering to Party building as the guiding principle

The Company lays emphasis on Party building and strives to drive business growth and empower development through practical and integrated Party-building initiatives.



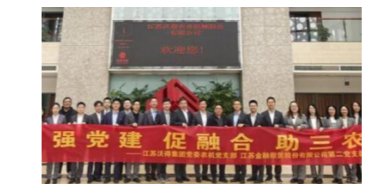
Continuously strengthening branch-level foundations

Innovating new approaches to branch work. Each branch has broadened the scope of its work and introduced innovative mechanisms for Party members to share experience and for tracing the roots of Party-building work, making Party building more engaging and effective.

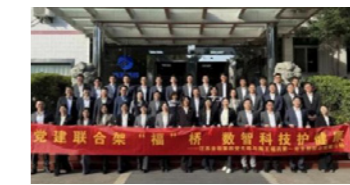
Fully leveraging the benefits of Party-building co-construction. Relying on the "Party building +" activity platform, each branch has joined hands with the Company's key partners to carry out co-construction initiatives. Through joint themed Party Day activities and business exchange programs, the branches have promoted the deep integration of primary-level Party building with the core work of the Company, achieving mutual reinforcement and shared progress.

Case study

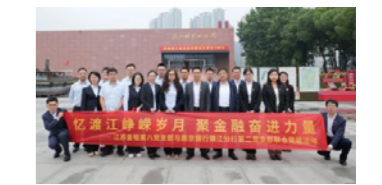
The Second Party Branch of JFL and the Agricultural Machinery Party Branch of the Party Committee of Jiangsu World Group jointly carried out a Party-building co-construction activity:



The Fourth Party Branch of JFL and the First Party Branch of Neptunus Fuyao jointly carried out a themed Party Day activity:



The Eighth Party Branch of JFL and the Second Party Branch of the Zhenjiang Branch of Bank of Nanjing jointly carried out a themed Party Day activity:

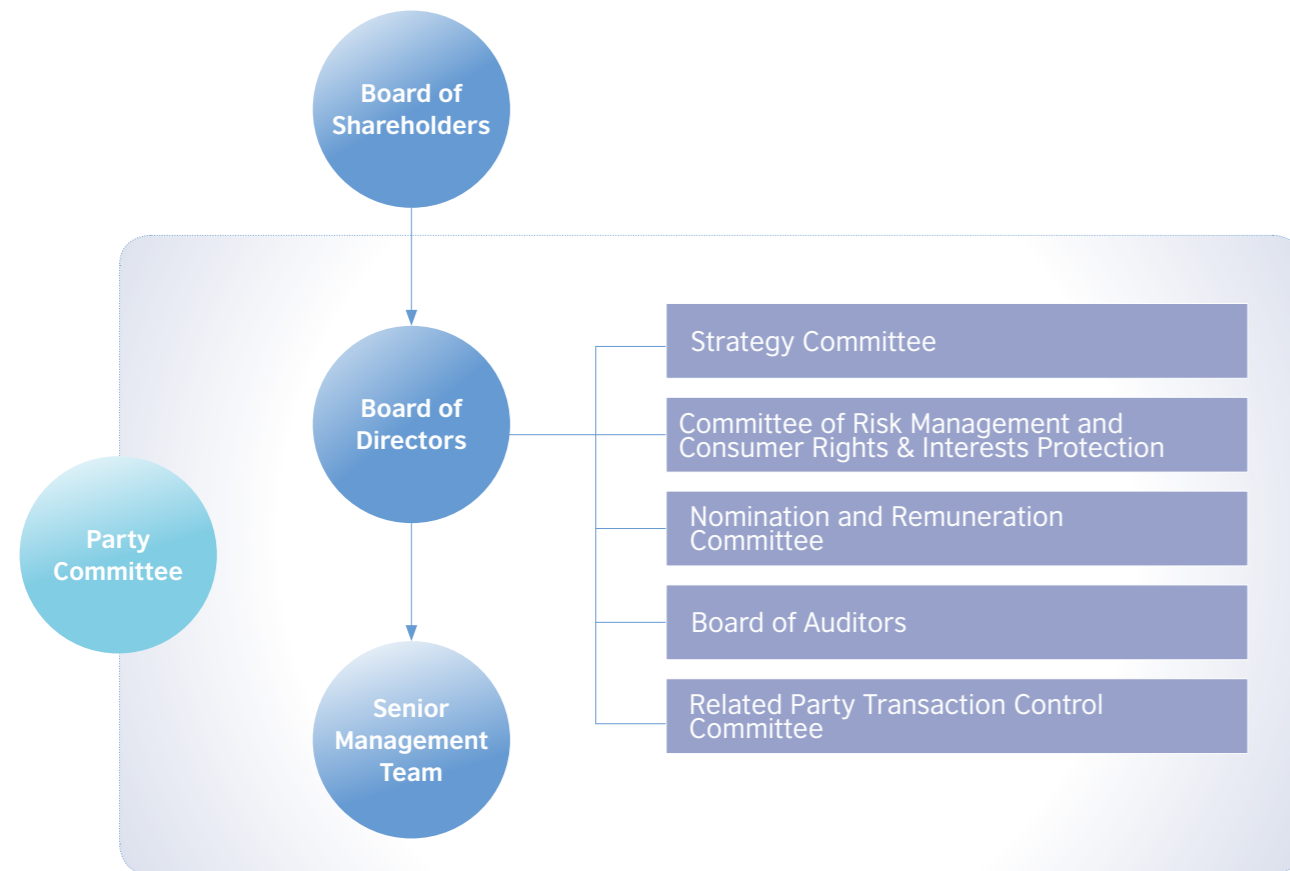


Continuously giving full play to the exemplary role of Party members

The Company has optimized the "Rongyao JFL" recognition and reward system and compiled "JFL micro role-model" case stories. Through positive guidance, it has fostered a strong atmosphere across the workforce in which everyone embraces responsibility, dares to take on challenges, and is encouraged to shine in their roles and contribute their strength.



02 | Improving the governance structure



Reform of the Board of Supervisors

In 2025, the Company strictly implemented regulatory requirements and no longer maintained the Board of Supervisors or supervisors.

The transition and adjustment of supervisory functions from the Board of Supervisors to the Audit Committee were successfully completed.

Corresponding revisions were made to the Articles of Association and the Working Rules of the Audit Committee.

Nearly 50 internal management rules, including the Rules of Procedure of the Board of Shareholders, the Rules of Procedure of the Board of Directors, and the Management Measures for Impairment of Expected Credit Losses, were revised accordingly.

Standardized operation of the Board of Directors

In accordance with the Articles of Association, directors are elected by the Board of Shareholders and serve a three-year term, which may be renewed upon re-election at the end of the term. Each year, the Company evaluates the effectiveness of the Board of Directors from dimensions including professional expertise, experience, and diligence in the performance of duties.

Effectiveness of the Board of Directors

Meetings held by the three types of meetings

- Five meetings of the Board of Directors were held, at which 61 proposals were reviewed and 25 reports were Considered. Directors' attendance rate was 98%.
- Fourteen meetings of special committees of the Board of Directors were held, at which 43 proposals were reviewed and 35 reports were Considered.
- Two special meetings of independent directors were held.

Professionalism and diversity of the Board of Directors

Board composition



Directors' professional backgrounds

· cover economics, finance, accounting, management, law and other fields. They hold key positions in major enterprise groups, associations and academic institutions, and have strong social influence.

Independence of the Board of Directors

· As of the end of 2025, independent directors accounted for one-third of the Board of Directors.

· The Audit Committee, Related Party Transaction Control Committee, and Nomination and Remuneration Committee under the Board of Directors are all chaired by independent directors and are mainly led by independent directors, ensuring objectivity and fairness in key matters such as financial audits, related-party transaction review and performance evaluations of senior executives.

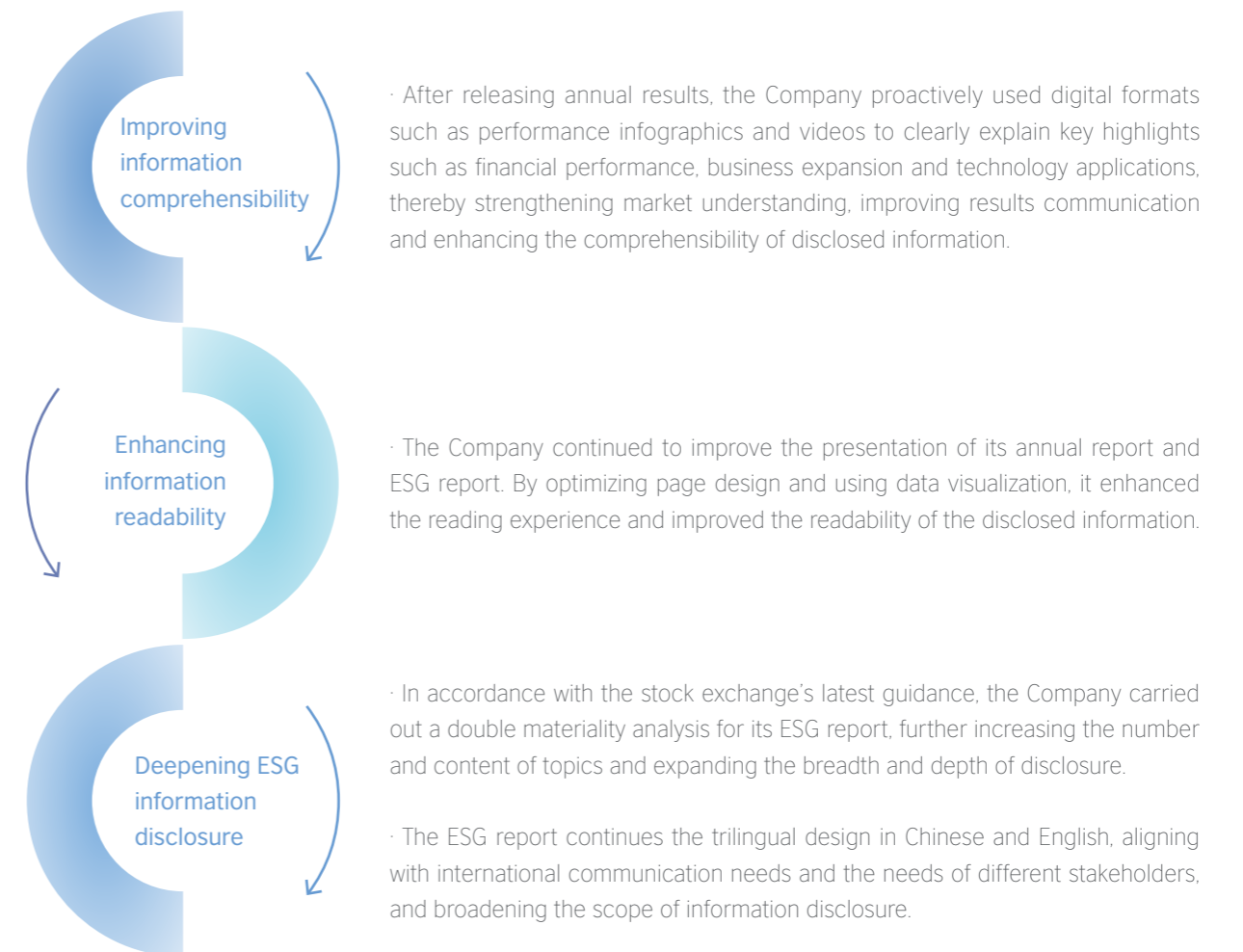
· Relying on a diversified shareholding structure with checks and balances and a standardized governance mechanism, the Company ensures that decisions of the Board of Directors are not influenced by major shareholders, senior executives or other stakeholders.

03 | Information disclosure

The Company continuously improves its information disclosure and insider information management, advances the development of its information disclosure management mechanism, strengthens insider information management, and ensures that disclosures are truthful, accurate, complete, timely and fair, thereby effectively protecting investors' legal rights and interests.



Main actions and outcomes in improving the quality of information disclosure in 2025

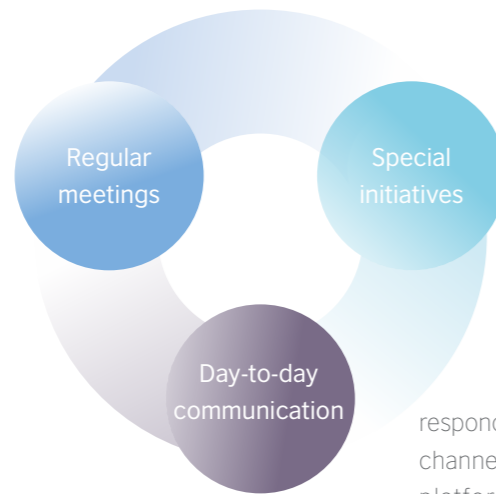


04 | Investor relations management

The Company always places the protection of investors' interests at its core and is committed to building diversified communication bridges to ensure close contact and efficient interaction with investors.

Investor communication forms

hosting live-streaming results briefings to respond to investor questions; and setting up Q&A sessions after meetings of shareholders.



roadshows and reverse roadshows. In 2025, the Company held a total of 87 investor communication activities, reaching 448 institutional investors and covering 517 participant instances.

responding to investor concerns through channels such as the "SSE E-Interaction" platform, the Company's website, the investor mailbox and the investor relations hotline.

Case study

JFL held its 2025 interim results presentation and investor open day

In September 2025, JFL held its 2025 interim results presentation and investor open day. Using an "online live streaming + on-site event" form, the activity attracted on-site participation from more than 50 institutions and over 1,000 online views. Centered on JFL's interim results presentation, the event included a Q&A session between senior executives and investors. The Company's senior executives engaged in in-depth communication with investors on key topics such as the focus of JFL's new round of strategic planning, the Company's asset quality control, and the challenges and opportunities in the financing market, and explained the Company's response strategies and development plans.



Actively rewarding shareholders

The Company has long adhered to a dividend policy of "stable returns to shareholders" and rewards shareholders through cash dividends, ensuring that the fruits of the Company's development are genuinely shared with all investors.

· Since its listing, the Company has distributed a cumulative RMB 9.375 billion in dividends (the dividend plan for 2025 is to be implemented), with an overall dividend payout ratio of 49.21%, ranking among the top in the market.

· In the 2025 Cash Dividend Honor Roll of Listed Companies, the Company ranked 33rd in the "dividend payout list" with a dividend payout ratio of 53.15%, and 24th in the "dividend yield list."

· In December 2025, the Company implemented an interim dividend for the first time, distributing RMB 1.30 in cash dividends per 10 shares to all shareholders, with a cash dividend payout ratio of 48.14%. For the full year of 2025, the proposed total cash dividend distribution is RMB 3 per 10 shares, representing a cash dividend payout ratio of 53.62%, the highest level in the Company's history.

Cumulative Dividends
9.375 RMB billion

Overall Dividend Payout Ratio
49.21 %

Year	Dividend plan (RMB/share)	Total dividend amount (RMB 100 million)	Cash dividend ratio
2017	0.12	3.58	35.46%
2018	0.2	5.97	47.75%
2019	0.24	7.17	45.27%
2020	0.3	8.96	47.73%
2021	0.35	10.45	50.44%
2022	0.35	10.61	44.00%
	4-for-10 bonus issue	/	/
2023	0.32	13.98	52.57%
2024	0.27	15.64	53.15%
2025	Interim dividend Annual dividend	0.13 17.38	53.62%

2

Strengthened risk control for stable operations

01 | Governance

The Company has established a “value-creation-oriented” risk management system, adheres to the principle of “risk-based, prudent and sound” management, continuously strengthens key mechanisms, consolidates the management foundation, and steadily improves its comprehensive risk management system.

Comprehensive risk management framework

Decision-making layer	Board of Directors, Committee of Risk Management and Consumer Rights & Interests Protection
	<ul style="list-style-type: none"> · The Board of Directors serves as the highest decision-making body for comprehensive risk management and bears ultimate responsibility. · Its principal responsibilities include reviewing and approving risk management systems and policies, setting risk appetite and limits, supervising the risk management performance of senior executives, and appointing the Chief Risk Officer. · Under the authorization of the Board of Directors, the Committee of Risk Management and Consumer Rights & Interests Protection performs certain risk management responsibilities.
Management layer	Operational management team
	<ul style="list-style-type: none"> · Senior executives bear responsibility for implementing comprehensive risk management. They are responsible for establishing the operating and management structure, formulating and implementing risk management policies and procedures, enforcing risk appetite, reporting to the Board of Directors on a regular basis, and firmly establishing a bottom-line mindset for risk.
Executive layer	Risk Management Department, business departments and functional departments
	<ul style="list-style-type: none"> · As the lead department, the Risk Management Department is responsible for system building, leading risk identification, measurement, assessment, monitoring, control and reporting, monitoring the implementation of risk appetite and limits, and issuing timely early-warning reports. · Business departments and functional departments serve as important lines of defense for risk management and carry out specific risk management work within the scope of their respective responsibilities.

02 | Strategies

Adhering to the principles of alignment, full coverage, independence and effectiveness, the Company has established a sound and comprehensive risk management framework to effectively prevent and control various risks and ensure stable operations.

Comprehensive risk management strategy

Risk	Description	Scope of impact	Financial impact	Response strategy
Traditional risks	<ul style="list-style-type: none"> · Strategic risk, credit risk, market risk, liquidity risk, compliance risk, operational risk, leased asset risk, information technology risk, reputational risk and country risk, among others 	Short-, medium- and long-term	Higher compliance costs	By upgrading systems and policies, optimizing processes and mechanisms, empowering intelligent risk control, making breakthroughs in compliance management and cultivating culture and talent, the Company is building a comprehensive, multi-dimensional risk management system.
ESG risks	<ul style="list-style-type: none"> · Policy and legal risks, market risks and technology risks that may arise if the Company fails to properly manage its own material ESG topics. · ESG risks transmitted from business counterparties during the course of operations may turn into reputational risk, operational risk and other risks. 	Medium- and long-term		The Company is integrating ESG risks comprehensively into its management system. Through due diligence, negative lists and leased asset assessments, it is deeply embedding environmental and social risk control into the full business decision-making process.

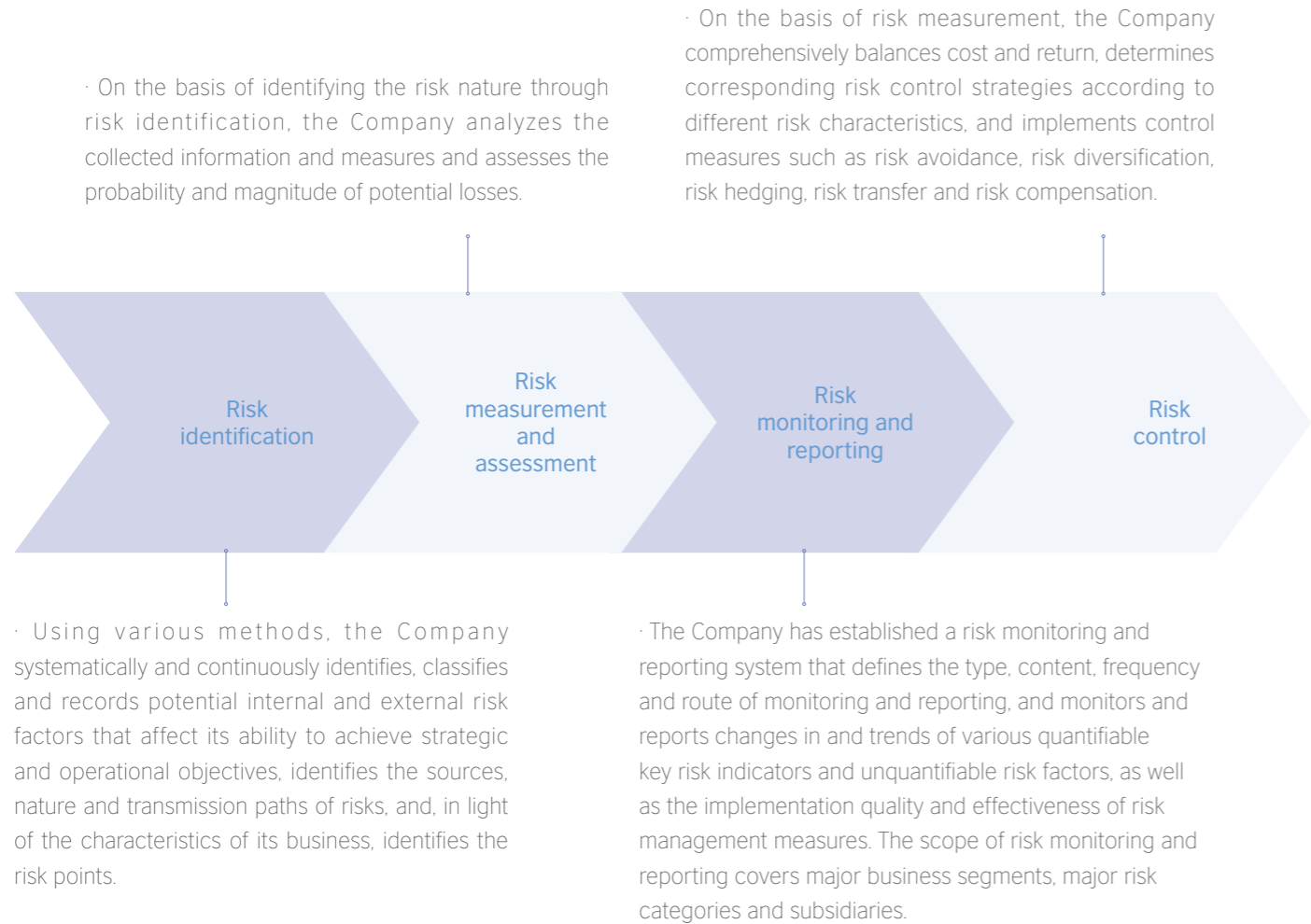




03 | Management of impacts, risks and opportunities

The Company has established a sound risk management process covering risk identification, risk measurement and assessment, risk monitoring and reporting, and risk control, ensuring the stable operation of its business.

Comprehensive risk management process



Main risk management actions and outcomes in 2025

Category	Main actions and outcomes
System development and policy upgrades	<ul style="list-style-type: none"> · The Company drafted and issued the Comprehensive Risk Management Measures, providing a top-level institutional framework for comprehensive risk management. · It improved specialized management systems, including issuing the Country Risk Management Measures, formulating the Management Measures of Bank Book Interest Rate Risks, and revising the Market Risk Management Measures, among others. · The Company formulated the 2025 Risk Appetite and the 2025 Risk Policy, defining risk tolerance boundaries and management direction, and upgraded the Company's risk appetite and policies.
Optimization of risk management processes and mechanisms	<ul style="list-style-type: none"> · To support business innovation, the Company formulated the Working Plan for Establishing a New Business Decision-making Mechanism and established its new business decision-making mechanism. · It completed the upgrading and revision of the key risk indicator (KRI) system, incorporating the annual risk appetite indicators into the system; and it worked with the Information Technology Department to advance online monitoring of 120 detailed KRI indicators, thereby strengthening the Company's risk monitoring. · The Company further optimized its risk pricing model, refined pricing dimensions, and promoted special initiatives such as asset portfolio management, thereby improving the overall risk-return structure and advancing asset portfolio management and risk pricing. · Drawing on the experience of the International Finance Corporation, the Company initially built a climate physical risk scoring model, issued relevant research reports, and began addressing environment-related risks and establishing an emerging risk management mechanism.
Technology application and intelligent risk control development	<ul style="list-style-type: none"> · The Company continued to advance the online deployment of routine risk monitoring tools such as KRIs, improving the timeliness and automation of risk identification. · It advanced the development of an anti-money laundering information system and developed specialized risk systems, using technology to comprehensively improve anti-money laundering efforts. · The Company optimized its business process systems, increased the proportion of automated contract review for retail business, and advanced the systematic development of processes such as post-leasing changes, thereby embedding risk control processes in systems and reducing operational risk.
Compliance, internal control and special risk mitigation	<ul style="list-style-type: none"> · The Company engaged a professional institution to launch an anti-money laundering consulting project, optimizing systems, models and tools. · It improved its case prevention work framework, revised and issued systems such as the Crime-related Incident Management Measures, and organized risk inspections in key areas. · The Company identified and rectified credit reporting-related risk matters and issued the Compliance Manual — Manual for Handling Complaints and Disputes in Credit Reporting.
Risk culture building and talent development	<ul style="list-style-type: none"> · The Company established the "JFL Research" system and issued industry and thematic research reports; it also regularly ran the "Brainstorm Classroom," where employees learn industry knowledge and hot financial topics. · The Company conducted in-depth exchanges with internationally advanced peers, learnt their management experience in governance structure, credit risk, operational risk and other areas, and produced themed reports. · Through training sessions and experience-sharing meetings organized in coordination with business departments, the Company helps risk management staff get closer to the front lines of business, cultivating well-rounded professionals with expertise in risk, business, and strategy.



In the pre-leasing due diligence stage, the Company focuses on the client's fulfillment of social responsibility, including timely and full payment of labor remuneration and compliance with legal working-hour requirements. In addition, the Company has established a clear ESG negative-list mechanism and will not provide services to enterprises that have not obtained the required pollutant discharge permits, fail to meet environmental impact assessment requirements, or have a record of serious environmental violations.

The Company dynamically assesses whether leased assets may involve environmental and social risk exposures, tracks whether clients have committed major environmental violations, and uses the risk assessment results as an important basis for post-leasing management.

Case study

ESG due diligence on a chemical enterprise

In May 2025, for a sale-and-leaseback financial leasing project involving a chemical enterprise in Jilin, the Company identified the client's environmental compliance qualifications, work safety management and rectification regarding historical penalties as the core ESG due diligence items. The project team systematically conducted ESG risk verification and re-verification through multiple methods, including reviewing business license and pollutant discharge permit, verifying environmental protection and safety supervision penalty records, comparing against the negative list, and conducting on-site inspections. According to the findings, the project's environmental and social risk level was "low," and no high ESG risks were identified.



3

Compliance as the cornerstone and strict adherence to standards

The Company integrates a compliance mindset into every aspect of its decision-making and operations. It has established a comprehensive and fully integrated internal control and compliance management system to enable proactive compliance governance and support high-quality development.

Internal control and compliance management framework

Hierarchy

Main responsibilities

Decision-making and oversight layer

- The Board of Directors bears ultimate responsibility for the Company's operational compliance. It is responsible for defining the overall risk management strategy, reviewing and approving compliance policies, overseeing their implementation, and evaluating the effectiveness of compliance risk management.
- The Committee of Risk Management and Consumer Rights & Interests Protection under the Board of Directors guides and supervises the Company's overall risk management, including compliance risk. It reviews compliance risk management policies, monitors their implementation, guides the development of compliance risk management systems, and promotes consumer rights protection efforts.
- Audit Committee under the Board of Directors is responsible for overseeing and examining the Company's internal control and risk management, and for driving remediation efforts, while leading the Audit Department in carrying out independent compliance audits.

Management layer

- Senior executives are responsible for effectively managing the Company's compliance risks. This includes drafting and revising compliance policies for approval by the Board of Directors, implementing compliance policies and handling violations, defining the roles of departments responsible for compliance risk management, reviewing and approving compliance risk management plans, and reporting regularly to the Board.

Executive layer

- The Risk Management Department is responsible for the overall management of compliance risk and assists senior executives in formulating compliance risk management policies and internal control systems. Within this department, a dedicated internal control and compliance management team handles day-to-day compliance activities, conducts special compliance inspections, and organizes compliance education and training.
- Through its project review function, the Credit Approval Department is responsible for reviewing the compliance of proposed leasing projects, including their eligibility for approval.
- The Legal Affairs Department is responsible for reviewing the contractual compliance of proposed leasing projects.
- Under the leadership of the Audit Committee, the Audit Department conducts independent compliance audits across all business lines and internal management functions. It reports its findings directly to the Audit Committee and provides recommendations for improvement.

04 | Indicators and targets

In 2025, the Company improved its top-level risk management design, revised its 2025 risk appetite and policies, defined 33 risk-control areas and 97 monitoring indicators, and carried out ad hoc risk inspections periodically. No major risk events occurred at the Company in 2025.

Going forward, the Company will focus on enhancing the resilience of its risk control system, continuously strengthening its professional management capabilities, and deepening the development of intelligent risk control to support business innovation and growth, thereby building a strong safety barrier for the Company's long-term and stable development.

The three lines of defense in internal control compliance



Main actions and outcomes of compliance management in 2025

Category	Main actions and outcomes
Strengthening the compliance management system	<ul style="list-style-type: none"> The Company continuously optimized its three lines of defense for internal control and compliance, implementing a multi-level, multi-dimensional compliance management model. With clearly defined departmental responsibilities, this model creates a coordinated and efficient management structure.
Improving compliance management rules	<ul style="list-style-type: none"> The Company revised six core compliance management rules, including the Compliance Management Measures, Internal Control Management Measures, Operational Risk Management Measures and Related Party Transaction Management Measures. The Company optimized the work framework for case prevention and control, revising and issuing the Crime-related Incident Management Measures and the Measures for Case Risk Prevention and Control, among others.
Carrying out special compliance governance	<ul style="list-style-type: none"> The Company tackled key issues in credit reporting management, identifying risks such as the disclosure of adverse information, retention of records for declined loan applications, and the online transmission of credit reports. It then developed and implemented rectification plans. The Company issued the Compliance Manual — Manual for Handling Complaints and Disputes in Credit Reporting to standardize the complaint handling process. The Company issued the Working Plan on Further Strengthening Channel Partner Management (for Trial Implementation) to improve oversight in this area.
Enhancing compliance culture building	<ul style="list-style-type: none"> The Company developed a compliance culture brand, launching a series of sub-brands such as "Compilation of Internal and External Rules," "Annual Regulatory Policies," "Textual Interpretation of Compliance," "Illustrations of Compliance," and "Compliance Manual." These initiatives were presented to regulators and received high praise. Through strengthened professional research by the team, including internal "Brainstorm Classroom" sessions, closer exchange and learning with compliance teams from peers such as BNP Paribas Leasing Solutions, and continuous enhancement of the "JFL Research" platform, the Company has steadily improved the team's compliance expertise. Through the "JFL E-Learning" platform, the Company provided centralized compliance training for new employees and rolled out illustrated communications on new regulatory requirements, such as the Measures for the Administration of Financial Leasing Operations of Financial Leasing Companies, to all employees.
Empowering compliance management with technology	<ul style="list-style-type: none"> The Company upgraded its e-signature system and added video dual-recording functionality to strengthen the legal enforceability of business activities. The Company used the "Smart IoT Manager" platform to carry out IoT monitoring of leased assets, thereby preventing asset risks.

4

Ethical conduct for stable and sustainable development

01 | Anti-money laundering

The Company has continuously strengthened money laundering risk management, enhanced anti-money laundering (AML) awareness and capabilities across its workforce, and built robust defenses against money laundering risks. It established internal rules such as the Measures for Client Identification Management and the Operational Guidelines for Self-Assessment of Money Laundering Risks, revised the Anti-money Laundering and Anti-terrorist Financing Management Measures, and set up an AML management framework to bolster its efforts.

Anti-money laundering management framework

Hierarchy	Main responsibilities
Decision-making and oversight layer	<ul style="list-style-type: none"> The Board of Directors assumes the ultimate responsibility for anti-money laundering management. The Risk Management Committee under the Board of Directors performs certain responsibilities related to anti-money laundering management.
Management layer	<ul style="list-style-type: none"> The senior executives lead the anti-money laundering management under the guidance of the Board of Directors. Under senior management, an AML Working Group is responsible for leading, managing, and supervising the Company's AML efforts. It reports risk management matters to the Board of Directors, develops internal AML rules, reviews and approves suspicious transaction reports, guides money laundering risk self-assessments, and recommends disciplinary actions for violations.
Executive layer	<ul style="list-style-type: none"> Business and functional departments are responsible for implementing AML measures, and employees are required to fulfill their AML obligations.

Main actions and outcomes of anti-money laundering management in 2025

Category	Main actions and outcomes
Improving the anti-money laundering system framework	<ul style="list-style-type: none"> In response to updated regulatory requirements and the Company's evolving business, the Company improved its "1+N" policy framework. During the year, it revised and issued five AML-related policies, including the Anti-money Laundering and Anti-terrorist Financing Management Measures, ensuring clear rules and guidelines for AML work. To comprehensively strengthen its AML efforts, the Company engaged an external consulting firm to launch an AML advisory project.
Advancing the development of the AML information system	<ul style="list-style-type: none"> In full alignment with regulatory requirements, the Company advanced the development of its AML system through in-house development and external procurement, building an intelligent risk identification and monitoring system.
Optimizing risk monitoring models and tools	<ul style="list-style-type: none"> The Company established and improved indicator monitoring rules for suspicious transaction monitoring models and client money laundering risk classification models, clarified the calculation logic of each indicator, and confirmed the test results, enabling more accurate identification and assessment of potential money laundering risks.
Actively participating in regulatory discussions and communication	<ul style="list-style-type: none"> The Company proactively engaged with the regulatory community. As the only financial leasing company invited, it participated in a meeting organized by the Anti-Money Laundering Department of the People's Bank of China to discuss the Measures for the Identification and Verification of Beneficial Owners of Financial Institutions (for Research and Discussion), demonstrating its professional engagement and influence in the AML field. From the perspective of vendor leasing business, the Company researched and prepared the paper Research on Money Laundering Risks in Financial Leasing Companies: From the Perspective of Vendor Leasing Business and submitted it for publication, contributing to the development of the industry.

Category	Main actions and outcomes
<p>Conducting education and AML training for all employees</p>	<ul style="list-style-type: none"> · The Company conducted AML training for the Board of Directors, inviting a professional institution to explain the new Anti-Money Laundering Law and key regulatory priorities to Board members. · The Company stepped up its internal AML communications. By summarizing the latest regulatory requirements, it distributed six issues of "Textual Interpretation of Compliance," "Illustrations of Compliance," and the "Compliance Manual" to all employees, helping reinforce AML knowledge. · The Company hosted training by external experts, inviting experts from the Provincial Public Security Department to deliver a session on the Current Anti-money Laundering Crime Situation and New Regulatory Requirements to explain the money laundering threats facing financial institutions and the latest regulatory developments.



Launch meeting for the "AML upgrade" and AML training session



Explanation of AML obligations in "Textual Interpretation of Compliance"



AML "One-Stop" compliance manual

02 | Anti-commercial bribery and anti-corruption

The Company has continuously improved its anti-corruption mechanisms, regularly conducted incorruptibility awareness and education activities, strengthened management measures such as "joint supervision," and fostered a clean financial culture.





Main actions and outcomes of anti-corruption management in 2025

Category	Main actions and outcomes	
Incorruptibility awareness and education activities	Company-wide awareness campaigns:	The Company held a warning education conference for all employees, reported typical cases related to the "Four Forms of Misconduct," and issued a negative list of prohibited practices regarding banquet. It also conducted a themed warning education session on "learning from cases in four ways," inviting leaders from the provincial discipline inspection and supervision team stationed at the Company to provide guidance to middle and senior management and all senior account managers on ethics, discipline, law, and responsibility.
	Targeted education for frontline business:	For the automotive finance retail business, the Company implemented the "Incorruptibility Action" in Taiyuan, Chongqing, Nanjing, and other locations, providing targeted incorruptibility education to provincial managers and partners. It also conducted specialized education sessions for team members in remote locations, such as the Construction Machinery Division.
	Education for new employees:	The Company provided new employees with a "first lesson" on incorruptibility and ethical conduct, guiding them to start their careers on the right foot.
	Regular incorruptibility discussions:	The Company conducted over 150 one-on-one incorruptibility conversations with team leaders across various business areas, reminding them to act with incorruptibility and perform their duties in accordance with regulations.
Supervision and inspection, and risk prevention and control	Dynamic identification of incorruptibility risks:	Focusing on key processes and positions, the Company analyzed risk mechanisms in depth, dynamically identified risk points across the entire chain, and explored appropriate incorruptibility risk rating methods.
	Improved rules and list management:	The Company developed the Three Responsibility Lists for Strict Party Governance and the Measures for Supervisory File Management (for Trial Implementation), and revised the Crime-related Incident Management Measures. It also compiled and organized lists of fraudulent intermediaries involved in cases and their affiliates, establishing a "blacklist database of fraudulent intermediaries." This helps the Risk Management Department standardize channel partner management and prevent commercial bribery and unfair competition at the source.

Category	Main actions and outcomes	
	Explore technology-based supervision measures:	The Company promoted online management of employee reporting on material matters and home visits, and conducted verification of information submitted by employees.
	Conduct targeted special oversight:	Under the leadership of the Discipline Department, the Company and the Audit Department jointly conducted a special discipline inspection and audit oversight initiative focusing on procurement management, emphasizing the incorruptibility, compliance, and necessity of procurement activities.
	Close attention to key periods:	"Incorruptible JFL" specialists were guided to conduct special investigations into issues related to the "Four Forms of Misconduct" and improper banquets during key holidays such as Labor Day, the Dragon Boat Festival, National Day, and the Mid-Autumn Festival. No issues were reported throughout the year.
	Company-wide signing of Incorruptibility Commitment Letter:	All employees signed the incorruptibility Commitment Letter, explicitly agreeing to comply with the Central Committee's Eight Provisions and requirements on incorruptibility in practice, and prohibiting any violations of discipline or rules.
Reinforced joint supervision and collaborative governance	Joint prevention and control mechanism:	The Company continued to deepen its "trinity" mechanism. During the year, it held four joint meetings on incorruptibility risk prevention and control, strengthening coordination among back-office departments such as risk management, credit approval, legal affairs, audit, and discipline inspection to pool efforts in risk prevention and control.
	Extend oversight beyond working hours:	The Company's Party and Mass Work Department and Human Resources Department collaborated on employee home visits, distributing over 700 copies of a Proposal to Support Incorruptibility. This encouraged family members to help reinforce incorruptibility and helped build a family-based anti-corruption foundation.
	Cooperation with internal and external inspections and rectification:	The Company actively cooperated with the Party Committee's "look-back" inspection, comprehensive supervision reviews, and regulatory authorities' case investigations, submitting dozens of reports and materials and ensuring that problems identified were properly addressed.

Category	Main actions and outcomes	
Strengthened clean financial culture	Strengthened clean-brand initiative:	The Company made dedicated efforts to strengthen its "Incorruptible JFL" clean financial culture brand, fostering a culture of incorruptibility through a combination of special initiatives and ongoing efforts.
	Clarified employee conduct standards:	The Company focused on helping employees correctly understand the principles that "strict management is the truest form of care" and "trust cannot replace supervision." It clearly required all employees to maintain professional and transparent relationships with business partners.
	Atmosphere of incorruptibility:	Through the ongoing release of incorruptibility-themed posters and the distribution of publications on incorruptibility and self-discipline to business teams, the Company fostered a corporate culture that embraces the idea that "incorruptibility makes life better."

Reporting management mechanism

To promptly detect and prevent corruption and fraudulent conduct, the Company established rules for registering, investigating and handling petitions and reports. It ensures that reporting channels are accessible, protects whistleblowers, and safeguards their lawful rights and interests.

Reporting channels

The Company provides multiple reporting channels, including website, mail, telephone, and fax. It has set up a 7×24 hotline for reporting improper business conduct and has published the number on its website, actively encouraging public oversight.

Whistleblower protection

The Company accepts anonymous reports and is legally obligated to keep whistleblowers' personal information and the content of reports confidential. No one may disclose such information without approval. In addition, the Company has a recusal mechanism in place: personnel involved in handling a report must recuse themselves if they have any direct conflict of interest with the matter reported, the whistleblower, or the subject of the report, ensuring fair handling.

Case study

JFL held a meeting on Party governance under strict standards and a warning education conference

On July 18, 2025, JFL held its 2025 Party Building Work Conference, Meeting on Comprehensive Strict Party Governance and Warning and Education Conference in a hybrid format combining in-person and video participation. Company leadership and all employees attended, with sessions taking place at the main venue and 19 sub-venues. Through Party lectures delivered by external experts and the Chairman, all employees were guided to maintain a sense of reverence, caution, and integrity, reinforcing their ideological commitment to resisting corruption and misconduct.



03 | Anti-unfair competition

The Company strictly follows the Anti-Unfair Competition Law, upholds the principles of integrity and fair competition, and prohibits false advertising, anti-competitive practices, and the misuse of trade secrets. It is committed to ensuring fair and transparent transactions and firmly opposes any form of market monopoly, trade secret infringement, or other unfair competition. When facing external infringement, the Company actively uses legal means to protect its legitimate rights and interests. In 2025, the Company was not involved in any litigation or major administrative penalties arising from unfair competition.

Development

Putting finance at the service of the people and improving service quality and efficiency

SDGs addressed in this chapter



- ◆ JFL stays true to the core of financial leasing and its commitment to “serving the real economy”, driving progress in five priority areas of finance: technological finance, green finance, inclusive finance, elderly care finance, and digital finance.
- ◆ JFL continuously strengthens consumer rights and interests protection. With the goal of building a comprehensive, full-lifecycle consumer protection management system, it safeguards client privacy and property security while enhancing the client service experience.



1

Core business focus for serving the real economy

The Company fully leverages its distinctive advantages of financial leasing in combining financing with asset leasing, adheres to the service philosophy of “focusing on and remaining committed to one industry after choosing it,” and continues to deepen its presence in more than 100 sub-sectors across 10 major segments, including industrial equipment, agricultural equipment, clean energy, transportation, healthcare and science and technology.

Overview of JFL's business experience, talent teams, and clients and partners

Business experience

- More than 20 years serving the industrial equipment and medical device markets
- More than 15 years serving the construction machinery markets
- More than 10 years serving the agricultural machinery, clean energy, and information technology markets

Talent teams

- More than 62% of employees hold a master's degree or above
- Average industry experience of 8 years
- 154 business teams

Clients and partners

- More than 400,000 clients served in total
- Business coverage spans 13 countries across 3 continents



Case study

Grateful for the joint efforts during the past four decades

— A Chronicle of JFL's 2025 “Together, For Better” 40th anniversary journey of gratitude

- In 2025, the Company launched the “40th Anniversary Journey of Gratitude” client visit initiative, with the aim of looking back on four decades of challenges and achievements, reaching deep into the frontlines of various industries, and extend its sincerest appreciation to the clients who have long supported JFL with their trust.
- This Journey of Gratitude was more than a routine client follow-up; it was a heartfelt tribute to the spirit of hard work, captured through a return to the heart of industry. Since its founding in 1985, JFL has remained dedicated to its mission: “embedding finance within industry, delivering services through equipment leasing, and standing alongside clients.” Focusing on its core leasing business, it has supported the growth of over 400,000 small and medium-sized enterprises. The team traveled along industrial chains, visiting workshops, ports, and industrial parks to capture authentic moments of industrial development. They documented the strategic considerations of entrepreneurs upgrading equipment at critical junctures, witnessed the wisdom of managers maintaining quality amid market fluctuations, and celebrated the dedication of frontline workers transforming “manufacturing” into “creation.”
- These stories also underscore the long-term commitment behind the leased assets—where the deployment of a single piece of equipment impacts a company's efficiency and safety, and a single financing deal connects the entire industrial chain. Through this initiative, JFL not only gained insight into the pioneering, resilient, and pragmatic spirit of Chinese enterprises but also used the opportunity to recalibrate its own path forward. Looking ahead, the Company will continue to leverage its professional expertise and warm service to deepen industrial-financial symbiosis and steadfastly fulfill its commitment to “partnering with the best.”



Highlights from the journey.

01 | Governance

Governance framework for “serving the real economy”

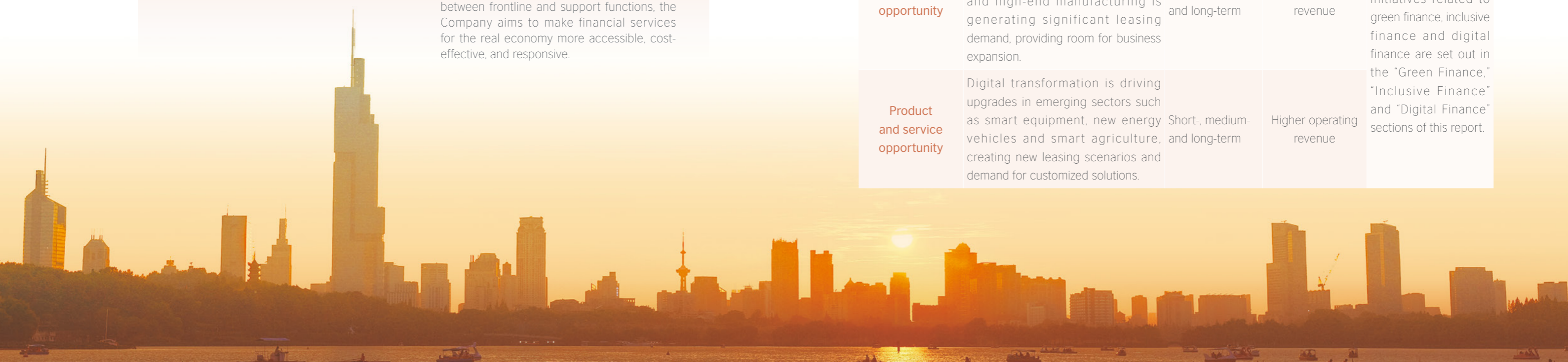
Hierarchy	Organization / Responsibilities	
Decision-making layer	Board of Directors and its specialized committees <ul style="list-style-type: none"> Review the development plans, annual key tasks and major matters related to serving the real economy, and define the strategic direction and priorities. Supervise the progress and implementation results of work related to serving the real economy. 	
Management layer	Operational management team <ul style="list-style-type: none"> Coordinate the organization and implementation of real economy service efforts across business lines and relevant departments, ensuring the orderly execution of strategic goals. 	
Executive layer	Business departments and subsidiaries <ul style="list-style-type: none"> Integrate real economy service initiatives effectively into business operations. 	Functional departments <ul style="list-style-type: none"> Adhere to the principle of “frontline teams serving the market while support teams back them up.” Through efficient collaboration between frontline and support functions, the Company aims to make financial services for the real economy more accessible, cost-effective, and responsive.

02 | Strategies

The Company pursues a path of specialized and differentiated development. Evolving from a “Transformation + Growth” dual-drive strategy to a “Retail + Technology” dual-leading strategy, it consistently focuses on its core equipment leasing business, deepens the role of retail and technology, and continuously improves the quality and efficiency of its services to the real economy.

Analysis of risks, opportunities and response strategies

Type of risk and opportunity	Risk and opportunity analysis	Time horizon of impact	Financial impact analysis	Response strategy
Policy risk	Adjustments in national industrial policies or increased regulatory scrutiny may restrict financing for certain key supported sectors. Failure to adapt to policy shifts in a timely manner could result in missing out on government-backed projects or facing compliance penalties.	Medium- and long-term	Higher operating costs Lower operating revenue	The Company try to excel in “five priority areas of finance”, namely technological finance, green finance, inclusive finance, elderly care finance, and digital finance, support Chinese industries go global, and enable high-quality financial services to drive high-quality economic development.
Reputational risk	If a client company experiences environmental violations, work safety incidents, or debt defaults, it could lead to public scrutiny and damage the Company’s brand and social standing.	Medium- and long-term	Lower operating revenue	The strategies and initiatives related to green finance, inclusive finance and digital finance are set out in the “Green Finance,” “Inclusive Finance” and “Digital Finance” sections of this report.
Market opportunity	The rapid growth of sectors such as “specialized, refined, characteristic, and innovative” SMEs, green energy, and high-end manufacturing is generating significant leasing demand, providing room for business expansion.	Short-, medium- and long-term	Higher operating revenue	
Product and service opportunity	Digital transformation is driving upgrades in emerging sectors such as smart equipment, new energy vehicles and smart agriculture, creating new leasing scenarios and demand for customized solutions.	Short-, medium- and long-term	Higher operating revenue	



03 | Management of impacts, risks and opportunities

The Company closely monitors national policies and regulatory requirements. Leveraging the characteristics of the financial leasing business, it focuses on key regions, core industries, and primary service areas to systematically assess the strategic importance of impacts, risks, and opportunities related to “serving the real economy.”

Leveraging its existing strategy and operating mechanisms, the Company prioritizes and dynamically manages relevant matters, and optimizes strategies and resource allocation in a timely manner in response to market changes and business progress.

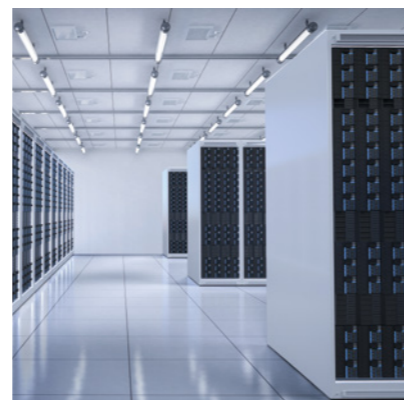
Technological finance

- A virtuous cycle among finance, technology, and industry is a crucial driver of technological and industrial innovation. The Company provides financial leasing support to meet the financing needs of enterprises at different stages of development, including “specialized, refined, characteristic, and innovative” firms, high-tech companies, and technology innovation startups.
- Additionally, the Company organizes diverse industry forums to gain a deep understanding of sector-specific challenges, identify common needs among enterprises, and design financial products that better meet the demands of the technology sector, thereby effectively delivering technological finance.

Case study

Launching a green computing-power leasing project to support the green upgrade of high-performance computing capacity

A national high-tech enterprise faced the dual challenges of high investment and high energy consumption when deploying a high-performance computing cluster. To address this, the Company provided a five-year financial leasing solution to support the construction of 300 high-efficiency servers. IoT technology was integrated to dynamically monitor equipment energy efficiency, ensuring that funds were precisely directed towards green, efficient computing assets, effectively easing the client’s capital pressure. The computing resources supported have been applied in technological fields such as smart property management and autonomous driving safety testing.



Case study

Hosting the themed forum “Digital and Intelligent Oral Care Empowered by JFL” to build an ecosystem platform for medical technology Commercialization

In September 2025, the Company, in partnership with a leading oral surgery robot company, hosted the themed forum “Digital and Oral Care Empowered by JFL.” The event brought together clinical experts, medical institution administrators, and technology company representatives to discuss topics such as the digital transformation of oral healthcare, smart equipment applications, and clinic upgrades. A customized financial solution tailored for dental clinics was also unveiled, promoting the implementation of a “finance + technology” service model.

By creating an industry dialogue platform, the Company actively connects technology providers with healthcare service providers. Through ecosystem-oriented services, it facilitates the wider application of advanced medical technologies, supports the intelligent and precise upgrading of oral healthcare, and demonstrates the bridging role of finance in driving technological commercialization and industrial upgrading.



Elderly-care finance

As society develops, the elderly care needs of the elderly population are becoming increasingly diverse and multifaceted. Upgrading the elderly care service system has become a critical issue related to public welfare. Actively responding to the strategic call to address population aging, the Company has elevated its elderly care finance business to a strategic priority, supporting key areas of the elderly care industry across multiple dimensions.

Dimension	Initiatives and outcomes
 <p>Strengthening strategic guidance</p>	<ul style="list-style-type: none"> The Company has incorporated elderly-care industry into the medium- and long-term development strategy and clearly defined it as a key service area. A dedicated team has been established to conduct in-depth research on the elderly care industrial chain and its financing needs. The Company tracks national and local elderly-care policies dynamically to ensure alignment between business and policy.
 <p>Providing targeted client services</p>	<ul style="list-style-type: none"> The Company supports enterprises focused on smart health monitoring devices for seniors with chronic conditions. The Company partners with long-term care insurance programs to promote the adoption of assistive devices for the disabled elderly. The Company finances the construction of accessible recreational and sports facilities for active seniors in communities.
 <p>Innovating leasing models</p>	<ul style="list-style-type: none"> The Company use direct leasing and sale-and-leaseback flexibly to meet client funding needs at different stages of development. The Company innovates guarantee mechanisms by incorporating subsidies and cash flow into credit enhancement measures. The Company has established a comprehensive risk management system that integrates policy, operational, and reputational indicators.
 <p>Deepening ecosystem cooperation</p>	<ul style="list-style-type: none"> The Company supports the R&D and scenario implementation of smart elderly-care technology enterprises. The Company helps long-term care insurance service providers to scale up assistive device leasing. The Company assists community-based elderly care institutions and elderly care-related manufacturers in upgrading quality and capacity.

Case study

Supporting the implementation of a smart health monitoring system to safeguard the lives of seniors

In 2025, the Company provided specialized financial leasing services to a senior care group facing capital constraints in deploying a smart health monitoring system for seniors with chronic conditions. This support facilitated the R&D and upgrade of smart devices and management platforms capable of real-time transmission of blood pressure, heart rate, and other data. This initiative helps technology empower the “last mile” of health management, currently benefiting over 60,000 seniors with chronic conditions.

By focusing on the urgent needs of seniors with chronic conditions and providing financial support to smart elderly care technology companies, the Company promotes the large-scale application of health monitoring technologies. This enhances the precision and accessibility of elderly care services, demonstrating an effective path for embedding leasing services into the elderly care industry chain and supporting the development of inclusive smart elderly care.



Smart health monitoring dashboard

Supporting the nationwide expansion of an assistive device leasing service company, addressing challenges in purchasing and using assistive devices for disabled elderly

In 2025, the Company provided special financing to an assistive device leasing service provider in Jiangsu through a sale-and-leaseback arrangement. This funding enabled the company to rapidly procure rehabilitation assistive devices and expand its service network to over ten provinces in China, significantly improving access to professional care for the disabled elderly.

The Company is highly attentive to the real-world challenges faced by disabled elderly individuals who “cannot afford or access” assistive devices. Leveraging opportunities presented by long-term care insurance policies, it utilizes customized leasing solutions to reduce operational costs for service providers. This promotes the standardization and scaled development of assistive device leasing services, effectively enhancing the accessibility of inclusive elderly care financial services.

Supporting Chinese enterprises in “going global”

Staying true to its mission to serve the real economy, the Company actively engages in the national strategy of high-level opening-up. In 2025, focusing on advanced manufacturing sectors such as high-end equipment and green vessels, the Company provided comprehensive and specialized financial support for domestic enterprises “going global” through export leasing models, helping Chinese manufacturing enhance its global competitiveness.

Case study

Completing the first cross-border direct leasing transaction and helping a Chinese enterprises go global

In 2025, the Company successfully completed its first cross-border direct equipment leasing project. It provided customized financial support to a leading manufacturer of specialized equipment in the construction machinery sector, facilitating the export of three mining dump trucks to Chile for use in local copper mine earthmoving operations. This effectively alleviated the capital and risk management pressures faced by the enterprise in its overseas expansion. This case marks a significant step for the Company in supporting Chinese enterprises “going global.” By innovating cross-border leasing models, the Company systematically addressed challenges related to policy alignment, cost control, and risk isolation, establishing a replicable business model that provides financial backing for high-end domestic equipment manufacturers expanding into international markets.



Case study

Continuously supporting the cross-border expansion of green vessels “made in China”

In 2025, the Company supported the successful delivery of three 40,500 DWT bulk carriers built in China for a Turkish shipowner. These vessels are large-hatch, energy-efficient and environmentally friendly bulk carriers with dual functions as ordinary bulk carriers and timber transport vessels. Their Energy Efficiency Design Index (EEDI) significantly surpasses the International Maritime Organization (IMO) Phase III requirements, establishing them as a true benchmark for green and energy-saving vessels. To meet the strictest emissions standards, their main engines are equipped with exhaust after-treatment systems such as selective catalytic reduction (SCR), ensuring that nitrogen oxides (NOx) emissions comply with IMO Tier III standards. In addition, the vessels integrate advanced energy efficiency management and navigation assistance systems, leveraging digital tools for comprehensive energy savings and consumption reduction.

Through its specialized leasing services, the Company helps Chinese shipyards secure high-tech, high-value-added orders, effectively alleviating the funding pressures associated with the “build first, get paid later” model. This accelerates the export of domestically produced green vessels and strengthens the global competitiveness of Chinese shipbuilders.



Hosting the “Together For Further — Heading to the Sea, Heading to the Future” going global forum

Going global has become a strategic choice for enterprises seeking broader markets and diversified development, and this places higher demands on financial services. In December 2025, JFL hosted the “Together For Further — Heading to the Sea, Heading to the Future” Jiangsu Enterprise Going Global Forum. The forum brought together experts from industry, finance, and technology to directly address the pain points of cross-border financing and compliance challenges. Industry leaders delivered insightful presentations on pressing issues and shared cutting-edge trends and real-world case studies. JFL unveiled its distinctive “Financing + Asset Leasing + Intelligence” service system for going global, offering practical ideas for companies navigating the complexities of overseas expansion financing.



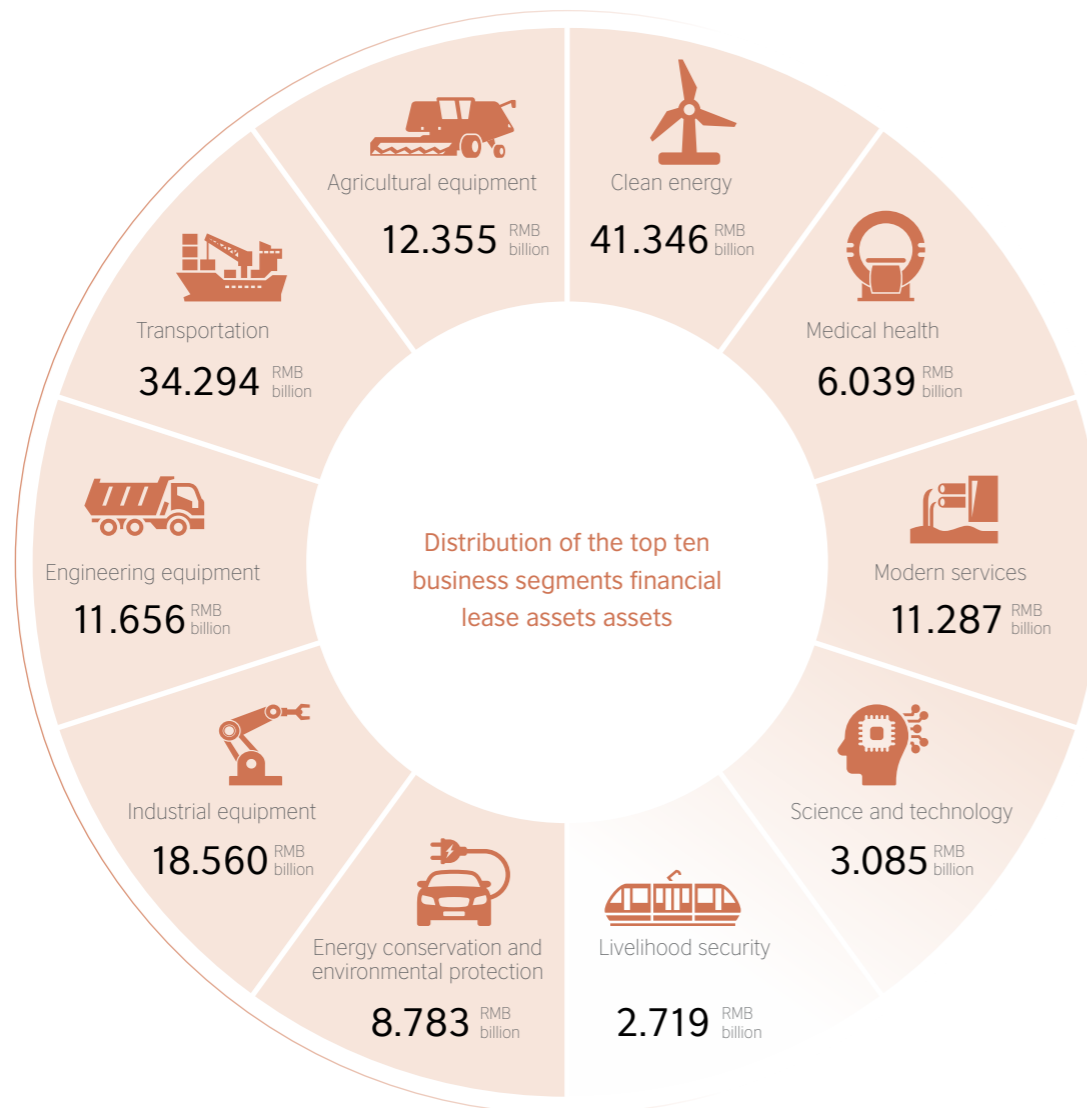
04 | Indicators and targets

Objectives

Leveraging its professional strengths in financial leasing to serve national strategies, the Company continued channeling resources into key areas of the real economy such as high-end manufacturing, clean energy and inclusive finance, helping industrial upgrading and the high-quality development of the real economy.

Progress in 2025

In 2025, new investments reached RMB 99.124 billion, up RMB 16.202 billion year on year, representing growth of 19.54%. At the end of 2025, financial lease assets amounted to RMB 150.124 billion, an increase of RMB 22.321 billion from the end of the previous year, representing growth of 17.46%.



2

Inclusive finance for benefiting small and micro enterprises

The Company has always adhered to a differentiated development path for inclusive leasing for micro and small businesses, and regards micro and small enterprises, and self-employed entrepreneurs as important clients. It deploys business teams in regions with concentrated micro and small business clusters and in areas with dense manufacturer sales networks, and deeply integrates with local industries to better serve local micro and small businesses in a more focused and effective way.

In 2025, the number of projects funded by the Company surpassed 100,000 for the first time, of which 99% were for micro, small and medium clients, and the average financing amount per project was less than RMB 1 million.

01 | Governance

In accordance with the governance framework for "serving the real economy", and under the leadership of the Board of Directors, the management team coordinates management matters related to inclusive finance, while all business departments and subsidiaries carry out inclusive leasing for micro and small businesses based on their respective industry characteristics, dedicated to serving and benefiting micro and small clients.



02 | Strategies

The Company attaches great importance to the management of risks and opportunities in inclusive finance. In light of its focus on serving micro, small and medium-sized enterprises, livelihood-related needs and rural revitalization, among other priorities, it systematically identifies reputational risks and market opportunities, and builds a sustainable inclusive finance service system by improving service quality and effectiveness and increasing application scenarios.

Analysis of risks, opportunities and response strategies

Type of risk and opportunity	Risk and opportunity analysis	Time horizon of impact	Financial impact analysis	Response strategy
Reputational risk	If the Company has problems such as overly high entry thresholds, insufficient financing accessibility or uneven service coverage when serving micro, small and medium-sized enterprises, it may be criticized for inadequate implementation of inclusive finance, triggering regulatory attention or negative social evaluation.	Medium- and long-term	Lower operating revenue	By deepening inclusive finance and focusing on micro, small and medium-sized enterprises, livelihood needs and rural revitalization, the Company supports industrial upgrading through equipment leasing, improves service quality and effectiveness, proactively responds to reputational risk, and captures market opportunities.
Market opportunity	The state is vigorously advancing high-quality development of inclusive finance and encouraging financial resources to be allocated to less supported areas such as micro and small enterprises, science and technology innovation, elderly care and green development, creating sustainable room for business growth for the Company to leverage the distinctive features of leasing and reinforce its presence in niche scenarios.	Short-, medium- and long-term	Higher operating revenue	



03 | Management of impacts, risks and opportunities

The Company dynamically tracks policies related to inclusive finance, and in light of its actual business, identifies key risk points such as service coverage, compliant implementation and reputational impact, while also seizing market opportunities brought by growing financing demand from micro, small and medium-sized enterprises.

Service areas:

- 

Serving clusters of micro and small manufacturing enterprises
Leveraging the “vendor + direct leasing” model, the Company has forged deep partnerships with more than 100 leading equipment makers such as Komori and Rieter, embedding financial services into the core of supply chains in industrial clusters such as printing and textiles. Through standardized products, it supports equipment renewal and technological upgrading for micro and small industrial enterprises, helping address their pain points in financing access and weak collateral.
- 

Serving micro and small clients related to agriculture, rural areas and farmers
The Company has built an agricultural machinery leasing system that covers the full process of “plowing, sowing, management and harvesting,” and has extended it to the entire animal husbandry chain, providing customized financing support for feed production, breeding and processing. It has also brought the service focus closer to the field through technology-enabled risk control, adapting to diverse agricultural scenarios.
- 

Serving the transportation sector
Focusing on operating vehicles such as sanitation trucks, heavy-duty trucks and logistics fleets, the Company provides flexible financing solutions for vehicle acquisition and replacement. Moreover, it is actively exploring new sectors such as the low-altitude economy, providing equipment financing support for emerging transportation scenarios such as drone logistics and urban commuting.
- 

Serving the clean energy sector
The Company is vigorously expanding distributed commercial and industrial photovoltaic projects, providing stable funding for the green energy transition of small and micro enterprises. It is also developing “PV+” projects such as residential PV, Fishery-PV projects and Agri-PV projects, helping drive the green transition of the rural energy mix.
- 

Serving the construction machinery sector
For special-purpose equipment such as mining trucks and construction machinery, the Company designs leasing products that match long equipment life cycles and high residual values, easing the pressure of large capital expenditures on micro and small construction firms.

Case study

Supporting the sugarcane industry by financing solutions for tractors during the spring ploughing season

In the early spring, the roar of machinery filled the vast sugarcane fields of Chongzuo, Guangxi. As a sugarcane planting region accounting for 30% of the national total, Chongzuo has been actively pursuing an upgrade to mechanized farming.

However, the high cost of imported agricultural machinery has made it difficult for local farmers to purchase equipment. Leveraging its "HiLeasing" platform, JFL tailored flexible financing solutions for the local farmers. It provided RMB 300,000 to a local cooperative to acquire CASE T1504 tractors, boosting operational efficiency by seven times and expanding its service radius by nearly five times. Additionally, JFL offered RMB 2 million in financing to a major local grower, Mr. Huang, enabling him to purchase four CASE tractors, reducing his operating costs by 60% and increasing yield by approximately one ton per mu.

Through its "financing + asset leasing" model, JFL has removed funding bottlenecks for spring ploughing, ensuring that farmers can upgrade their equipment in time for the critical farming season. This use of financial resources helps drive the development of new productive forces in agriculture.



Helping an enterprise to address the "transport capacity challenge" and safeguarding public mobility

After the 2025 Spring Festival, a car rental company in Suzhou faced a dual challenge while handling the Spring Festival travel rush and accelerating its transition to new energy vehicles: insufficient vehicle inventory and a lack of funds for replacements. JFL's small enterprise finance team conducted on-site research, accurately assessed the company's peak-season operational needs, and efficiently provided RMB 5 million in customized financing support, helping the company purchase new vehicles and upgrade its charging facilities.

By focusing on the financing pain points of private medium, small and micro transportation service enterprises—namely, the difficulty and urgency of obtaining funds—the Company provides efficient and flexible financial support during critical periods such as festivals and holidays. This helps safeguard public mobility and demonstrates the inclusive value of financial leasing in serving small and micro market entities and improving access to public services.



Case study

Ramping up logistics capacity ahead of the Lunar New Year

In the run-up to the 2025 Lunar New Year, Mr. Fang's logistics and transport company in Nanyang, Henan, was bustling with activity. He added another freight vehicle through JFL. As a seasoned operator in transporting pasture feed and live pigs, he has purchased over 30 trucks through JFL over the past eight years. During the expansion period in 2018, when traditional financing was plagued by slow approvals and difficult communication, JFL's proactive service proved to be a turning point. From real-time progress updates to considerate payment reminders, the professionalism and customer-centric approach gave Mr. Fang great peace of mind.

Built on this trust, the business partnership between Mr. Fang and JFL has steadily grown. Through its professional and convenient financial leasing model, JFL not only addresses urgent funding needs but also supports countless ordinary dreams through long-term partnership.



Supporting small and micro foreign trade enterprises in stabilizing production and ensuring supply

In the spring of 2025, a textile printing and dyeing enterprise in Zhangjiagang was racing to fulfill peak-season overseas orders. However, tight international supply chains and volatile raw material prices left the company facing a funding gap for the large deposit required for imported dyes. JFL's small enterprise finance team responded swiftly. Leveraging the flexible "financing + asset leasing" mechanism, it provided a specialized RMB 10 million facility within just a few days. This not only secured procurement costs in time to ensure production and delivery, but also helped this export-oriented company gain a competitive edge in the fierce international market.

By focusing on the "short-term, frequent, and urgent" financing needs of small and micro foreign trade enterprises, the Company uses flexible and efficient leasing services to ease their liquidity pressures and address their urgent needs as they go global.



Supporting enterprise transformation and upgrading to ease the pressures on the private economy

In 2025, an industrial plastic products company in Changzhou, Jiangsu, actively pursued digital transformation and green upgrading, but ran into a funding bottleneck when introducing high-end intelligent production lines and expanding its modern industrial park.

With its expertise in the packaging industry, JFL precisely identified the company's transformation challenges and potential risks. Taking a proactive approach, it tailored a combined "direct leasing + sale-and-leaseback" solution: direct leasing supported the acquisition of advanced extrusion equipment to boost production capacity and efficiency, while sale-and-leaseback unlocked capital from existing assets to supplement working capital for the park's construction.

This efficient and flexible financial solution not only quickly filled the company's funding gap, but also helped it successfully unlock new production capacity and expand into high-value-added business areas, injecting strong momentum into the high-quality development of the traditional manufacturing enterprise.



04 | Indicators and targets

The Company continues developing inclusive finance and, by setting targets for the number of projects funded and the amount of financing provided to micro and small clients, continuously monitors and manages the implementation of inclusive finance. Going forward, the Company will continue to deepen inclusive finance services, focus on micro and small enterprises, agriculture, rural areas and farmers, and livelihood-related areas. It aims to channel financial resources more precisely and efficiently to the underserved segments of the real economy, effectively driving the development of inclusive finance.

Objectives

The Company continues expanding the reach of its inclusive finance services, precisely matching the financing needs of market entities such as micro, small, and medium-sized enterprises and self-employed entrepreneurs. Through flexible and efficient leasing products, it improves the accessibility and convenience of financial services.

Progress in 2025

In 2025, the Company provided approximately RMB 70 billion in financial services to micro, small and medium-sized clients, up 25% year on year.
In 2025, the Company executed over 100,000 contracts, with an average financing amount of RMB 0.95 million per contract.



3

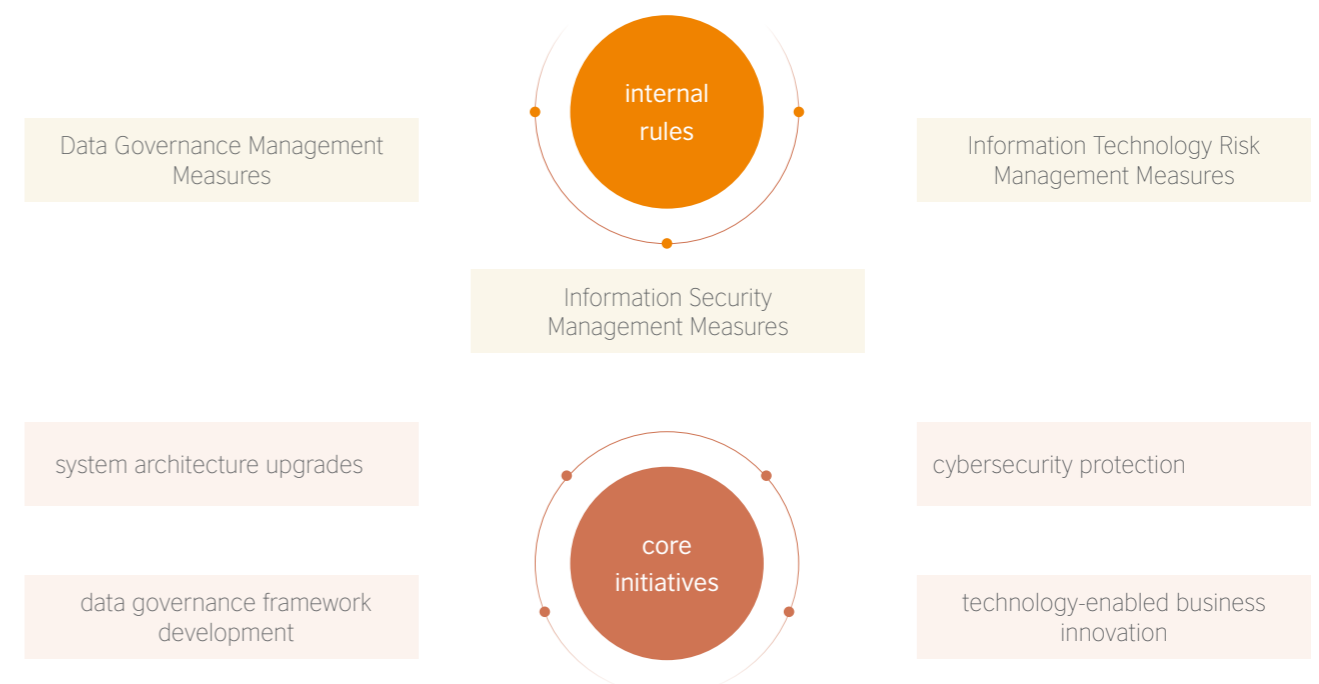
Digital finance and technology enablement

Digital finance has become a key engine for reshaping financial leasing processes and improving service efficiency. With the “integration of industry, technology and finance” as its core strategy, JFL is comprehensively advancing a secure, intelligent, and fully digital transformation to enhance the precision and efficiency of its services to the real economy.

01 | Governance

In accordance with the planning and guidance on “digital finance” set out in the five priority areas of finance, as well as the requirements of documents such as the Fintech Development Plan (2022–2025), the Company continuously improves and refines its digital finance management system, and has formulated internal rules such as the Data Governance Management Measures, Information Security Management Measures and Information Technology Risk Management Measures to standardize the specific processes for implementing digital empowerment initiatives.

Under the strategic guidance of the Board and the support of senior executives, the Information Technology Department oversees the Company’s overall digital transformation roadmap. It leads core initiatives such as system architecture upgrades, data governance framework development, cybersecurity protection, and technology-enabled business innovation, ensuring the implementation, iterative improvement, and value realization of the Company’s digital finance strategy.



JFL's digital & intelligent business matrix



Optimization initiative of JFL's mobile business development platform in 2025

 <p>Vehicle Leasing (Che Le Zu)</p> <p>Achieved end-to-end mobile processing for the auto retail business, completed foundational upgrades such as underlying architecture and CDN optimization, and improved system stability.</p>	 <p>HiLeasing (Hi Le Zu)</p> <p>Integrated with key vendors' applets, launched services like pre-approval result inquiries and project progress tracking, and promoted digital and intelligent management of vendor financing.</p>	 <p>Mobile Leasing (Zhang Le Zu)</p> <p>Added client map and opportunity management modules, integrated multi-dimensional external data and AI-powered outbound call channels for lead screening, enabling more targeted client outreach.</p>
---	--	--

Building a specialized business support system

Focusing on the needs of key industries, the Company has built a middle platform centered on "industry adaptation + capability reuse." It rebuilt five due diligence systems for small businesses, regional direct leasing, and other business lines, launched general capabilities such as video-based due diligence, strengthened risk control by integrating intelligent analysis tools, and enabled automatic generation of contracts and insurance policies. These changes are driving a shift toward more intelligent and efficient due diligence and review processes.

Additionally, focusing on automotive finance, the Company has built a digital support system covering the full process. It has launched a new online mortgage and release management system that is directly connected to the Ministry of Public Security platform, compressing the processing cycle for mortgage registration and release from several weeks to within half a day and significantly reducing costs.

Case study

Intelligent restructuring and practical application of the regional direct leasing due diligence system: driving standardized risk control and service efficiency enhancement through digital finance

To address challenges in regional direct leasing—such as scattered clients, non-standardized documents, and cumbersome manual processes—the Company restructured its regional direct leasing due diligence review system in 2025. The core objective was to break down data silos by integrating common capabilities such as "intelligent bank statement analysis," "financial statement recognition and analysis," "AI digital-human review," and "client relationship mapping" into the system. The Company also connected directly with multiple insurance companies, creating a fully closed-loop process from project review to automatic generation of contracts and insurance policies. Future plans include launching a reward points mall to manage marketing channels digitally. By embedding risk control rules and algorithmic models into the system, the Company has standardized and automated the due diligence process, reduced manual operational risk and compliance costs, and improved the response speed and risk-control precision of financial services to the real economy.

Strengthening full-process risk management capabilities

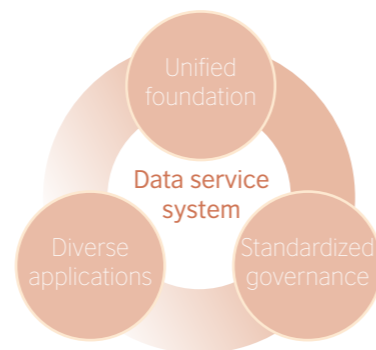
Through its indicator management platform, the Company has further developed its digital risk control system, dynamically optimized strategy models and upgraded the monitoring and early-warning system, enabling routine tracking and handling of risk matters.

Furthermore, the Company has launched digital systems such as post-leasing management, promoting online processing and data aggregation for critical aspects. For its passenger vehicle business, it has established a complete management process covering risk monitoring, behavior tracking, and asset disposal.



Improving data governance and application capabilities

Focusing on a data service system of “unified foundation + diversified applications + standardized governance,” the Company is working to unlock the value of data.



JFL’s actions and outcomes in enhancing data governance and application capabilities in 2025

Dimension	Actions and outcomes
Regulatory system upgrades and reporting item optimization	<ul style="list-style-type: none"> The Company completed multiple system upgrades, added and revised 69 types of regulatory reports, and optimized 153 key reporting items.
Iteration of the Comprehensive Budget 2.0 system	<ul style="list-style-type: none"> The Company implemented eight core feature upgrades, including a net income-to-disbursement ratio model, two-year cycle forecasting, and foreign exchange rate adjustments; the system has become a core tool for the Finance Department’s monthly budget execution analysis. The Company optimized the accounting logic 2.0 of the Profit Center, differentiating the accounting of funding costs and the performing targeted allocation of operating costs.
Launch of the online asset portfolio and risk pricing system	<ul style="list-style-type: none"> The system calculates probability of default and loss rates across different business markets, and features a new function of automatic risk cost calculation.
Deepened data application scenarios	<ul style="list-style-type: none"> The Company launched more than 20 thematic dashboards, carried out special analyses on agricultural machinery, regional micro and small businesses, private hospitals and more, and produced more than 50 refined management recommendations. The Company advanced the construction of “specialized industry data asset applications,” setting up joint project teams with groups focused on printing and packaging, sanitation vehicles and other segments to build a client tagging system and tiering standards. The Company restructured and upgraded the data portal, adding modules such as strategic development and financial operations, redesigning over 40 pages, and creating a mobile “data pocket.”

Enriched external data resources

The Company has improved its enterprise client tagging system to include passenger and commercial vehicle model databases, farmer verification, affiliated companies, agricultural machinery subsidies, and real estate data.

Centralized data asset integration

A unified data foundation was established. The hardware of the data integration and analysis platform was upgraded, computing power improved by 40%, and report generation speed shortened by an average of 25%.

Improved company data governance system

The Company built special data marts for automotive retail and digital risk control, added 72 common models to the offline data warehouse, and achieved a model reuse rate of 65%. The Company revised the Data Governance Management Measures, carried out certification-based training for data entry personnel, and cumulatively covered 600 participants. The Company built an indicator management platform and a knowledge base of data standards and terminology, with 1,165 indicators input and applied. The Company added multiple regulatory data validation rules and completed the sorting and cataloging of data sources for three main reporting systems.



Continuously enhancing independent R&D and innovation capabilities

In terms of self-developed system building, the Company completed microservice transformation and modular upgrades for key systems, significantly enhancing system stability and scalability. It continues enriching its distributed microservice component library, shortening response time for new requirements. The Company is also continuously improving its open-source governance framework, advancing a path toward fully autonomous and controllable system development.

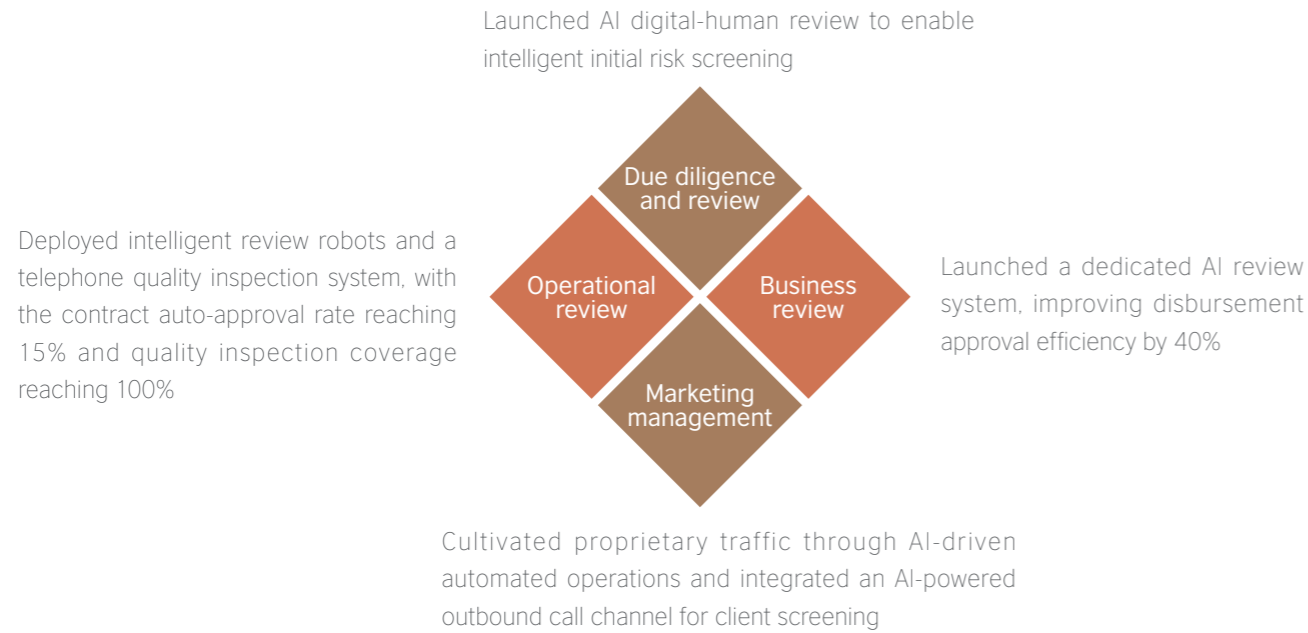
In addition, the Company has strengthened knowledge management and built a shared knowledge ecosystem. In 2025, the Company’s knowledge management system was initially implemented, and the Youle Knowledge Service Platform had accumulated 328 knowledge assets, including 69 policy and procedural documents, 32 industry research reports and 7 classic case reviews. Through AI-powered smart search, it provides precise knowledge services and helps improve employees’ innovative capabilities.



Expanding AI applications

In 2025, the Company significantly expanded its use of AI technology, enriching application scenarios to improve business processing efficiency and risk control precision, driving its digital transformation from process digitalization to intelligent decision-making.

JFL's AI applications and outcomes across processes in 2025



Intelligent compliance quality inspection system for the passenger vehicle retail business

· To address the challenges of an average monthly volume of 7,000 passenger vehicle retail cases, low manual sampling coverage, and compliance blind spots, the project adopted a dual-engine architecture combining automatic speech recognition (ASR) and large language model (LLM). Using large models for full-scope semantic analysis, the system accurately identifies risks related to fee disclosure and sales inducement, creating a human-machine collaboration workflow of "AI full-scope initial review + manual review of suspicious risks."

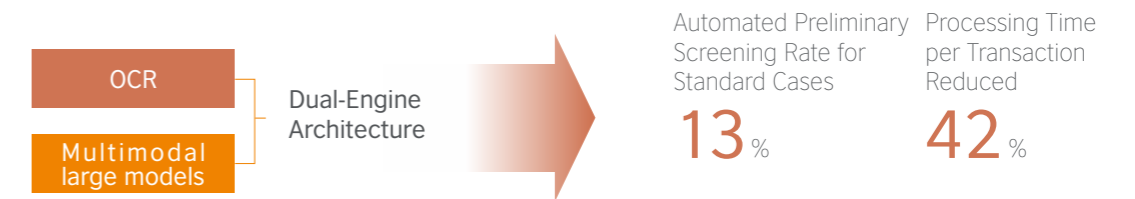
· Following implementation, quality inspection coverage increased to 100%, eliminating blind spots and protecting consumer rights and interests. The system saves nearly six person-months of work per month, enabling staff to transition to higher-value risk analysis roles. This shift from labor-intensive to technology-assisted risk control has significantly improved the quality and efficiency of consumer protection compliance.



Intelligent disbursement review system for the passenger vehicle retail business

· To tackle the challenges of complex disbursement review materials and inconsistent standards in passenger vehicle retail, the Company adopted a dual-engine architecture combining optical character recognition (OCR) and multimodal large models. It created AI digital employees for automated pre-review. By extracting key elements through semantic analysis, the system established a process of "AI-assisted initial review + manual substantive review and decision-making," balancing risk control accuracy with business efficiency.

· After the system went live, 13% of standard cases were automatically screened in the first round. Per-case processing time was reduced by 42% to 3.35 minutes, and initial review labor was cut by half, allowing the team to focus on complex risk assessments. The system has transformed traditional comparison-based review, significantly improving business processing efficiency while maintaining risk control accuracy.



Intelligent marketing management system for regional micro and small clients

Traditional marketing relied heavily on manual efforts, resulting low efficiency. The Company adopted a complementary public-private architecture and, on the premise of ensuring "data can be used but not seen," integrated AI digital employees for business opportunity insight, intelligent outbound calling, and task management. This "digital employee matrix" is driving a shift from manual blanket outreach to intelligent, targeted engagement.

By building an intelligent marketing system covering the entire chain from "public pool - potential leads - prospects - outreach - conversion," the Company achieved 7×24 network-wide monitoring, handled an average of 3,600 calls per day, and tracked over 300 tasks. It accumulated more than 200 external tags and over 50 internal tags, built a pool of nearly 50,000 prospective clients, and facilitated nearly 200 conversions. The Company's transition from experience-driven to technology-enabled operations provides a digital model for large-scale client acquisition in inclusive finance for micro and small businesses.



04 | Indicators and targets

The Company places a strong emphasis on digital finance. It continues increasing investment in information technology, expanding its IT talent pool, and setting relevant indicators and targets to implement its digital finance strategy. By driving high-quality business development through digitalization, it is building a safer, more efficient, and smarter financial leasing service system.

Objectives

The Company expands the application of technology, promotes digital and intelligent upgrades across business operations, and leverages technology to empower risk management, service innovation, and operational management. This improves the efficiency of financial services and supports the high-quality development of the real economy.

Progress in 2025

Technology investment for the year totaled RMB **78.4135** million up **26.59%** year-on-year.

For the full year:

20 self-developed systems **1,340** functions launched **27** business scenarios digitized and moved online



4

Service excellence and consumer protection

Objective

Build a full-life cycle management system for consumer rights and interests protection

Key tasks

Improve service quality and efficiency, enhance product quality, strengthen outreach of consumer rights and interests protection, and optimize complaint management

Service philosophy

enhancing client service upgrading brand image deepening client trust empowering business development

01 | Governance

The Company has established and continuously improves internal rules such as the Management Measures for the Protection of Consumers' Rights and Interests and the Management Measures for Client Complaint Handling. It optimizes the systems and mechanisms for consumer rights and interests protection, safeguards the legitimate rights and interests of financial consumers, and strives to deliver more attentive service.

Governance framework for consumer rights and interests protection

Hierarchy	Organization / Responsibilities
Decision-making layer	<p>Board of Directors, Committee of Risk Management and Consumer Rights & Interests Protection</p> <p>The Board of Directors integrates the consumer rights and interests protection strategy into corporate governance and culture. It provides overall planning, oversees implementation, and incorporates it into the evaluation system, strengthening top-level design and strategic guidance.</p> <p>The Committee of Risk Management and Consumer Rights & Interests Protection regularly reviews progress on consumer rights and interests protection, system improvements, and issue resolution, promoting deep integration of systems with business operations and ensuring effective performance of its duties.</p>
Management layer	<p>Working Committee for Protecting Rights and Interests of Consumers</p> <ul style="list-style-type: none"> A robust system and management framework for consumer rights and interests protection are in place, with clear departmental responsibilities, improved decision-making, implementation, and assessment mechanisms, and guaranteed resources to execute the strategy. Complaint data analysis is strengthened, a fair and honest consumer rights protection culture is cultivated, and consumer needs are embedded throughout business operations and risk management.
Executive layer	<p>Consumer Rights & Interests Protection Center</p> <ul style="list-style-type: none"> The Center coordinates policy development, evaluation, and compliance oversight. It manages the entire process of complaint handling, root cause analysis, and regulatory reporting, laying a solid foundation for implementing consumer rights and interests protection. It promotes outreach and training, emergency response, and digital empowerment, while strengthening cross-departmental collaboration and closed-loop processes to improve the quality, efficiency, and responsiveness of consumer rights and interests protection services.

02 | Strategies

In 2025, JFL upheld a people-centered philosophy and systematically improved service quality and efficiency by refining management systems, deepening digital empowerment and expanding communication channels.

Analysis of risks, opportunities and response strategies

Type of risk and opportunity	Risk and opportunity analysis	Time horizon of impact	Financial impact analysis	Response strategy
Liability risks	<ul style="list-style-type: none"> Regulatory requirements for consumer rights and interests protection continue to tighten. Any flaws in processes could result in penalties and accountability, increasing costs for compliance remediation and legal matters. Improper handling of customer complaints may lead to dissatisfaction, causing customers to seek legal recourse, which carries the risk of legal disputes. 	Short-, medium- and long-term	Higher operating costs	The Company further strengthens its consumer rights and interests protection capabilities by improving service quality and efficiency, enhancing product quality, and optimizing complaint handling.
Product and service opportunity	<ul style="list-style-type: none"> Optimizing the end-to-end service experience can significantly improve client satisfaction and consumer trust, driving business growth through positive word-of-mouth. Adhering to high standards of consumer rights and interests protection helps build a reputation as a responsible financial institution and creates a competitive advantage, contributing to a larger market share. 	Short-, medium- and long-term	Higher operating revenue	



03 | Management of impacts, risks and opportunities

The Company continues reinforcing its consumer rights and interests protection efforts, focusing on improving rules, enhancing service quality, and strengthening outreach to effectively safeguard consumers' right to know, right to choose, and right to fair dealing.

Improving service quality

JFL's main actions and outcomes of service quality and efficiency improvement in 2025

Dimension	Actions and outcomes
Improving management rules	<ul style="list-style-type: none"> The consumer rights and interests protection management rules were revised in a timely manner. A "first-contact accountability system" was introduced, and the responsibilities of senior executives within the Consumer Rights & Interests Protection Center were clarified. A tiered management mechanism for consumer complaints was improved. Key complaints are subject to escalated review and case-specific resolution, ensuring efficient and effective handling.
Improving digital service capabilities	<ul style="list-style-type: none"> The intelligent customer service system was continuously optimized. Voice scripts tailored to different scenarios were designed to better guide customer emotions, and AI was integrated with human service to deliver 7×24 support. The customer service system was connected to backend modules such as collections, financing assistance, and SMS, enabling automated voice responses, intelligent outbound calls, and voice quality inspection. This improved service efficiency and consistency. A consumer rights and interests protection section was added to the Company's website, providing centralized information on complaint channels, handling procedures, timeframes, and responsible personnel, making it easier and more transparent for customers to exercise their rights.
Establishing comprehensive consumer communication channels and approaches	<ul style="list-style-type: none"> A multi-layered information disclosure mechanism was established. Progress and outcomes of consumer rights and interests protection work are regularly disclosed through channels such as reports of specialized committees under the Board of Directors, annual reports, ESG reports, and website announcements.

Case study

Establishing a retail small-order factory to improve client service efficiency

In January 2025, to address the surge in small retail orders of construction machinery and the insufficient responsiveness of traditional large order processes, the Company actively integrated resources and established a "Retail Small-Order Factory." Through a new organizational structure, new processes, and a new operating model, it achieved standardized, assembly-line project management and drove system improvements in e-signatures, automated pre-review, and online order submission. For the full year, the number of small-order engineering machinery contracts increased by 91.74% year-on-year, with projects under RMB 3 million accounting for nearly 80%. Through measures such as process streamlining, one-time disclosure of required documents, and simplified signing procedures, the Company reduced repetitive steps and waiting times for clients, enhancing transaction transparency and service efficiency.



Case study

Building an “insurance supermarket” to enhance post-leasing support

To address post-leasing risk management needs, the Company conducted research and collaborated with several insurance brokerages, both international and domestic, to develop standardized insurance products for clients. Clients can choose suitable insurance solutions based on their needs and risk analysis. This “insurance supermarket” model improves the quality and efficiency of client service. In 2025, the Company facilitated a total of 30 insurance policies, with coverage amounting to RMB 305,600. It continues promoting the rollout of insurance products across more business segments. This initiative effectively improved clients’ risk protection during equipment use. Through a standardized and transparent insurance selection mechanism, it enhances clients’ awareness of the need to protect leased assets throughout their lifecycle and effectively safeguards their right to know, right to choose, and right to protection against risks. It reflects the Company’s proactive commitment and professional service capability in consumer rights and interests protection.



Employees participating in insurance-focused training



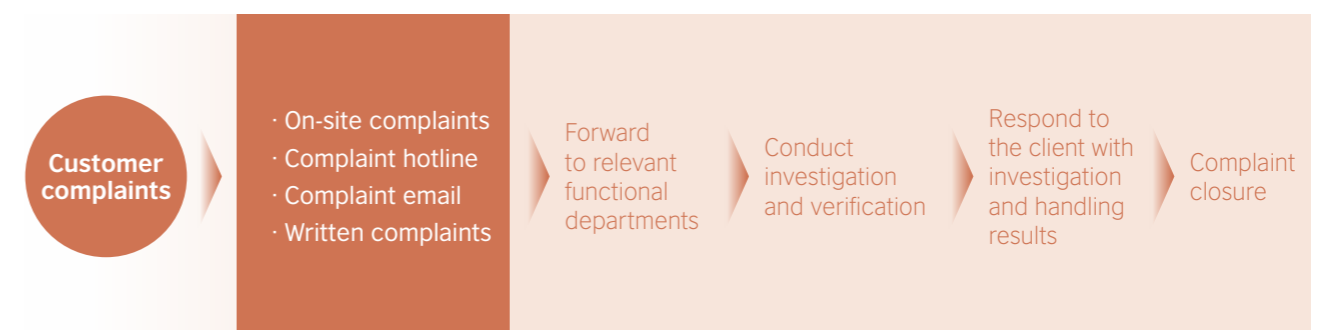
Optimizing complaint management

Adhering to the principle of “balancing business development with risk prevention and control,” the Company and all relevant departments work together efficiently to enhance the ability to proactively resolve complaints and further improve complaint management.

JFL’s main actions and outcomes of complaint management optimization in 2025

Dimension	Main actions and outcomes
Enhancing the ability to proactively resolve complaints	<ul style="list-style-type: none"> The policy for one-time credit reporting corrections was implemented. Internally, operating guidelines were developed, specialized training was provided, and an online verification process was established to protect customers' legitimate rights and interests. For common issues such as early settlement and asset repossession, the Company improved the authorization mechanism for fee waivers and developed operating guidelines for leased asset repossession, reducing disputes at the source.
Optimizing business processes and information notifications	<ul style="list-style-type: none"> Key terms such as lease interest rate and ownership are now highlighted during the signing and video recording process, improving clients' right to know. Documents such as the Financial Leasing Contract and the Credit Reporting Notice were revised to clarify core rights, responsibilities, and credit reporting rules, comprehensively enhancing clients' right to know and risk awareness.
Strengthening compliance management and cooperation standards	<ul style="list-style-type: none"> Full-process risk management for retail business was strengthened, due diligence standards were improved, and a cross-departmental emergency response mechanism was established. Cooperation agreements with partner institutions were comprehensively reviewed to further clarify rights and responsibilities, improve default handling clauses, and standardize third-party cooperation practices.

Complaint handling process



Case study

The mechanism of monthly consumer rights and interests protection meetings and case reviews improve quality and efficiency of consumer rights and interests protection

The Company's Consumer Rights & Interests Protection Center organizes monthly meetings on consumer rights and interests protection and holds ad hoc case review sessions as needed. These meetings cover topics such as resolving complex issues, targeted improvements and rectification in response to growth in consumer complaints, managing frequently occurring problems, and benchmarking best practices, all aimed at improving the effectiveness of consumer rights and interests protection efforts.



Strengthening financial literacy outreach

Internally

the Company regularly promotes financial literacy. Through systematic training and standardized service protocols, it ensures that frontline staff have a strong understanding of consumer rights and interests protection and strong service capabilities.

Externally

the Company carries out diverse awareness and education activities to help clients and partners "understand, know, and use finance."

on-site

It conducts on-site "Five-Entries" campaign by going into communities, setting up information booths, distributing brochures, addressing common scams, and answering questions one-on-one. It also publishes risk alerts, educational graphics.

online

and short videos online through its official website and new media channels to improve public financial literacy and risk prevention skills.

Case study

Launching the "3·15" all-domain consumer rights and interests protection publicity campaign

Around March 15, 2025, the Company focused on protecting the rights and interests of financial consumers and built an integrated online and on-site outreach campaign. Online, it released posters, comics, and promotional videos, reaching nearly 40,000 users. It partnered with five manufacturers to set up on-site "Financial Literacy Stations," reaching over 800 clients. It also carried out the "Elderly Care" campaign in communities, providing more than 200 on-site consultations and distributing over 100 brochures.



04 | Indicators and targets

The Company will continue to strengthen its consumer rights and interests protection system, focus on improving service quality and efficiency, enhancing risk prevention and control, and improving complaint handling mechanisms. It will also strengthen outreach and education, working to make consumer rights and interests protection more systematic, regular, and refined, thereby safeguarding consumer rights and interests.

Objectives

It will effectively protect clients' legitimate rights and interests, enhance service transparency and satisfaction, and build a safe and reliable financial leasing service environment.

Progress in 2025

Annual complaint handling rate: **100%** Annual complaint resolution rate: **98.97%**

5

Information security and privacy protection

JFL's data and information management covers external data such as client data and transaction data recorded in business operations, risk management and internal control processes, as well as internal data such as the Company's operating information.

Management structure

Hierarchy

Decision-making and supervision organizations

Responsibilities

- The Chairman is the primary person responsible for information security at the Company. The Data Security Team is the highest decision-making organization for information security management, responsible for reviewing and approving the information technology security strategies.
- The Internal Audit Department regularly conducts information technology security risk audits and supervises data security and client privacy protection.

Execution organization

- The Work Safety Committee is responsible for organizing the implementation of information technology security strategies; hearing work reports, reviewing solutions to major issues, coordinating resources, supervising the implementation of duties and reporting to the Board of Directors.

Execution departments

- The Information Technology Management Department is responsible for organizing, coordinating and implementing the Company's information technology security management work, and for developing information technology risk management rules, including information technology security management policies.

Through a combination of proactive management and passive defense measures, the Company implements information security protections. It also conducts regular internal and external information reviews and ongoing employee training and awareness campaigns, continuously improving information security awareness and execution capabilities at both the Company and employee levels.

In 2025, the Company had no data or client privacy breaches, and its data center maintained 100% business continuity.

Category	Initiatives and outcomes
Implementing information security protection measures	<ul style="list-style-type: none"> · Proactive management measures: The Company has built an enterprise-wide data governance system, implemented tiered and classified management and full lifecycle encryption, and regularly conducts security awareness training for all employees and routine attack and defense exercises to strengthen human-related risk prevention at the source. Additionally, it has established strict supplier vetting and third-party service audit mechanisms, embedding security and compliance requirements into the entire business process to ensure no blind spots in outsourced activities. · Passive defense measures: The Company has deployed next-generation firewalls, intrusion detection systems, and endpoint security software, building a "cloud-network-endpoint" three-dimensional technical defense line to block malicious attacks and abnormal access in real time. It has also established a 7×24 Security Operations Center (SOC) and an automated incident response mechanism to ensure that in the event of a security incident, risks can be quickly isolated, threats neutralized, and business operations restored.
Conducting internal and external information reviews	<ul style="list-style-type: none"> · The Company obtained ISO 27001 Information Security Management System certification
Employee information security training and awareness campaigns	<ul style="list-style-type: none"> · Cybersecurity, information security, and data security training is provided to employees in key roles and new hires. In 2025, data security and client privacy protection training sessions were conducted, covering 100% of the staff.
 Information Security Management System Certification (ISO 27001) certificate	 Software Capability Maturity Model Integration Level 3 Certification (CMMI Level 3) certificate
 Data Management Capability Maturity Assessment Model Level 3 Certification (DCMM Level 3) certificate	

Environment

advancing green development and building a beautiful China

SDGs addressed in this chapter



- ◆ JFL responds to the national goals of “peaking carbon dioxide emissions and achieving carbon neutrality,” seizing the trend toward green development and actively addressing climate change.
- ◆ JFL continues developing green finance, strengthening green leasing management, and supporting enterprises in their green and low-carbon transition.
- ◆ JFL integrates green principles into operations and office practices, forming a low-carbon action system and fulfilling its environmental responsibility.



1

Climate change response

In the face of the global challenge brought by the frequent occurrence of extreme weather events, both domestic and international attention to climate resilience and transition risk continues to rise. Actively addressing climate change is no longer merely an environmental issue, but a global strategy that bears on economic security and high-quality development.

JFL integrates climate risk management into its governance framework and business decision-making processes. On the one hand, it allocates financial resources to help enterprises transition to low-carbon operations and supports the development of green finance; on the other hand, it carries out green operations and, through measures such as energy conservation and carbon reduction, fulfills its environmental responsibility in a practical way.



01 | Governance

In terms of its climate governance structure, the Company has established a three-tier governance framework covering decision-making, management and execution, clearly defining the responsibilities of each level and integrating climate risk management into corporate governance and business operations.

Governance framework for “climate change response”

Hierarchy

Organization / Responsibilities

Decision-making layer

Board of Directors and specialized committees

- Formulating the overall strategy and policies for addressing climate change, incorporating climate risk into the corporate governance framework, reviewing major environmental issues, and supervising the performance of the management team.

Management layer

Operational management team

- Coordinating and advancing the implementation of climate-related strategies, organize the formulation of implementation plans, coordinating resource support, and reporting progress and risk conditions to the Board of Directors on a regular basis.

Execution layer

Risk Management Department

- Taking the lead in identifying, assessing and monitoring climate-related risks, incorporating climate risk into the comprehensive risk management system, developing management methods and tools, support information disclosure, and guiding business departments in implementing risk response measures.

Business, functional departments and subsidiaries

- Implementing green operations, supporting green finance, advancing support for green projects and low-carbon transition, and cooperating in information disclosure and data management.

02 | Strategies

In the Company's "Retail + Technology" strategic plan for 2022–2026, green leasing is positioned as an important development direction, with a focus on industries such as clean energy, energy conservation and environmental protection, and high-end equipment. Against this backdrop, the Company systematically identifies the risks and opportunities brought about by climate change, develops targeted response strategies, and continuously enhances its green finance service capabilities.

Analysis of risks, opportunities and response strategies

Type of risk and opportunity	Risk and opportunity analysis	Time horizon of impact	Financial impact	Response strategy
Policy and legal risks	As the national strategy of "peaking carbon dioxide emissions and achieving carbon neutrality" continues to advance and green finance regulation becomes more stringent, financial institutions face stricter requirements for environmental information disclosure and compliance. Failure to meet those requirements may affect business access and reputation.	Short-, medium- and long-term	Higher operating costs	For all business segments, the Company is gradually integrating climate risk into comprehensive risk management and accelerating the expansion of green finance business, supporting the green transformation of the energy mix, green development in urban transportation, the construction of energy-saving and environmental protection facilities, and technological upgrading in high-end equipment.
	Differences in local environmental regulations and their dynamic adjustments may increase the complexity of project compliance, especially creating implementation uncertainty in cross-regional business.			

Market risk	The asset value of high-carbon industries may decline due to rising carbon costs or policy restrictions, increasing the risk of leased asset impairment and affecting asset quality and earnings stability.	Medium- and long-term	Lower operating revenue	For operations, the Company continues promoting green operations and strengthening awareness of climate risk across the Company.
	With the accelerating iteration of green technologies, equipment whose technology path is replaced may face the risk of early obsolescence or asset devaluation.			
Reputational risk	If progress in the green transition is slow or there is suspicion of "greenwashing," public concerns may be triggered, negatively affecting brand credibility and client trust.	Medium- and long-term	Lower operating revenue	
Market opportunity	Policy incentives for green financing and the improvement of carbon trading mechanisms are prompting more enterprises to seek support for low-carbon transition, increasing market demand for green leasing business.	Short-, medium- and long-term	Higher operating revenue	
	The spread of ESG investment concepts is driving capital toward green assets, helping the Company optimize its financing structure, lower funding costs and enhance market recognition.			
Product and service opportunity	Continued growth in demand in areas such as clean energy, energy conservation and environmental protection, and high-end equipment creates broad market space for financial leasing and drives the launch of green projects and the development of innovative products.	Short- to medium-term		
	New scenarios continue to emerge in niche segments such as distributed photovoltaics, electric heavy-duty trucks and intelligent agricultural machinery, creating new opportunities for customized and scenario-based leasing services.			



Pilot project on climate resilience analysis

Climate risk includes physical risk and transition risk. For physical risks, the Company uses methodologies from authoritative organizations such as the Intergovernmental Panel on Climate Change (IPCC) as a reference. It selects the major categories of electricity, heat, gas, and water production and supply as samples in that they involve the highest share of assets. Based on physical risk vulnerability and historical disaster losses, the Company assesses the risk level and exposure level of ten types of natural disasters across different regions, analyzes their risk ratings, and develops response measures.

JFL's 2025 physical risk results for the major categories of electricity, heat, gas and water production and supply

Fourth-tier industries	Industry physical risk score										Average physical score
	Flood	Coastal flood	Earthquake	Landslide	Tsunami	Volcano	Cyclone	Drought	Extreme high-temperature	Wildfire	
Other electricity generation	16	2	4	5	1	1	15	5	5	5	6
Production and supply of natural gas	25	6	4	5	2	3	20	16	10	10	10
Solar power generation	20	3	4	4	2	2	20	8	10	10	8
Hydropower generation	20	6	4	5	2	2	20	16	10	10	10
Wastewater treatment and reuse	20	10	4	3	5	1	25	25	20	10	12
Production and supply of liquefied petroleum gas	25	2	3	4	1	1	25	16	10	10	10
Thermal power generation	15	5	4	4	3	5	25	10	4	10	9
Heat production and supply	25	8	4	4	2	1	25	20	15	15	12
Combined heat and power generation	15	4	4	3	4	1	25	10	5	10	8
Biomass power generation	20	3	4	4	2	2	25	8	10	10	9
Electricity supply	20	4	4	5	2	1	20	8	12	20	10
Production and supply of tap water	25	10	3	4	4	1	25	16	15	15	12
Wind power generation	20	3	4	4	2	2	20	10	5	10	8

Disaster rating	Physical risk score	Explanation of disaster rating scores:
1	1 — 5	1—No data available
2	6 — 10	2—Very low sensitivity
3	10 — 15	3—Low sensitivity
4	15 — 20	4—Medium sensitivity
5	20 — 25	5—High sensitivity

The final analysis shows that the overall physical risk of the Company's assets in the major categories of electricity, heat, gas and water production and supply is of very low sensitivity.

JFL's risk description and response strategies for the solar power generation and wastewater treatment and reuse sectors



Solar power generation
Centralized and distributed photovoltaic systems
Significantly differentiated risks



Wastewater treatment and reuse
High concentration and prominent key disaster risks

- Conduct targeted risk assessments
- Optimize the layout of newly added assets
- Enhance protection capabilities for critical facilities
- Promote regional dispersion and technological upgrading

03 | Management of impacts, risks and opportunities

Leveraging the methodology of the climate resilience pilot project, the Company has systematically established a climate physical risk identification and assessment system covering three levels: region, industry, and client; it has incorporated climate physical risk into its comprehensive risk management framework, forming a full lifecycle climate risk management system spanning "pre-leasing, during leasing, and post-leasing."

Full lifecycle climate risk management spanning "pre-leasing, during leasing and post-leasing"



In 2025, the Company actively responded to the green finance policy requirements in the "five priority areas of finance". For details, see the "Green Finance" and "Green Operations" sections of this report.

04 | Indicators and targets

The Company actively responds to the national strategy of "peaking carbon dioxide emissions and achieving carbon neutrality", increases financial support for areas such as green energy and energy conservation and environmental protection, fully advances the low-carbon transition of industries, and jointly addresses the challenge of climate change.



Green finance for low-carbon transition

JFL actively responds to the national strategy of “peaking carbon dioxide emissions and achieving carbon neutrality” and deeply integrates the green development philosophy into its business strategy and practices. By supporting the green transition of the energy mix, serving the green development of urban transportation, and supporting the advancement of energy conservation and environmental protection business, it leverages specialized and distinctive financial leasing services to help drive green and high-quality economic development.

01 | Governance

The Company has formulated internal management rules such as the Green Leasing Management Measures, incorporated the practice of green finance into its strategic planning, and promoted the standardized development of green leasing and green financing business.

Governance framework for “green finance”

Hierarchy	Organization / Responsibilities
Decision-making layer	<p>Board of Directors and Strategy Committee</p> <ul style="list-style-type: none"> · Approving the Company’s strategies, including development plans for green leasing, and supervising and evaluating the implementation of related strategic objectives.
Management layer	<p>Operational management team</p> <ul style="list-style-type: none"> · Implementing strategic plans for green leasing, formulating management rules related to green financing and green leasing, and establishing and improving the relevant internal management mechanisms. · Regularly approving the Company’s green leasing work reports.
Execution layer	<p>Business, functional departments and subsidiaries</p> <ul style="list-style-type: none"> · In terms of green leasing, the execution layer is responsible for implementing requirements of green leasing policies, including investigating and assessing customers’ environmental and social risks, continuously tracking changes in customers’ environmental and social risks, and conducting quality checks on green leasing business data. · In terms of green financing, formulating green financing policies and standards, promoting the implementation of products such as green bonds and green loans, ensuring that funds are directed to industries included in the green industry directory, and strengthening oversight of fund use and compliance management.

02 | Strategies

The Company practices the philosophy of green development, implements the relevant deployment requirements of the five priority areas of finance, and fully integrates the concept of green finance into every aspect of business development. It proactively seizes the strategic opportunities brought by the green transition, and continuously advances the high-quality development of its green finance business.

Analysis of risks, opportunities and response strategies

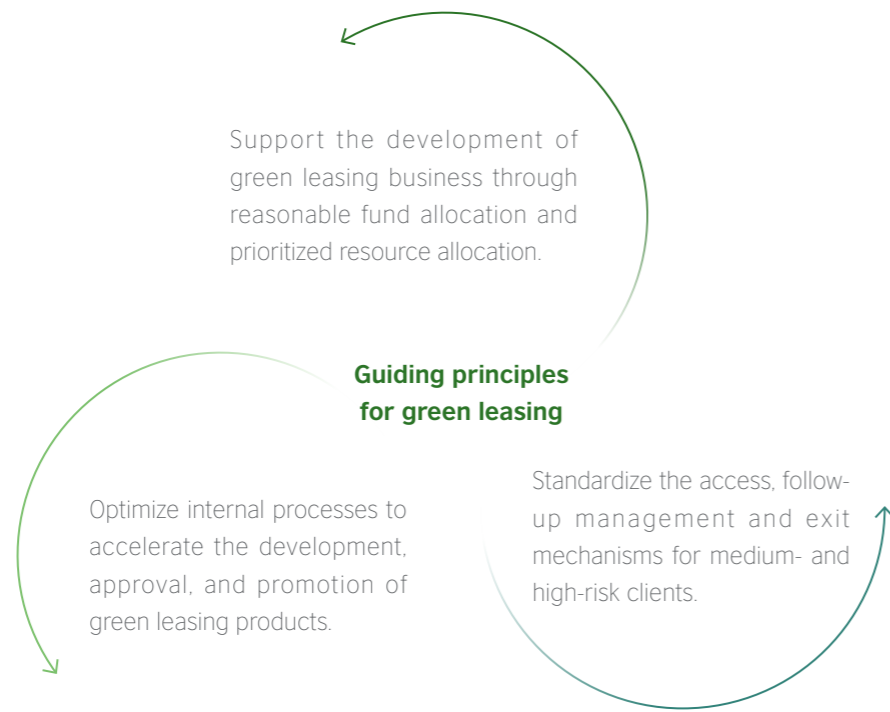
Type of risk and opportunity	Risk and opportunity analysis	Time horizon of impact	Financial impact analysis	Response strategy
Market risk	As green finance regulatory policies continue to improve and disclosure requirements continue to rise, failure to keep pace with compliance standards in a timely manner may expose the Company to risks such as restricted business access, higher financing costs and weaker market competitiveness.	Short-, medium- and long-term	Higher operating costs Lower operating revenue	Centering on green leasing and supported by green financing, the Company focuses on key areas such as clean energy and energy conservation and environmental protection, and systematically seizes the development opportunities of green finance through system building, process optimization and risk management, while effectively addressing transition and compliance risks.
Reputational risk	As public and investor attention to financial institutions’ environmental responsibilities increases, any gap between the Company’s green practices or information disclosure and market expectations may affect corporate credibility and brand value.	Medium- and long-term	Higher operating costs Lower operating revenue	
Product and service opportunity	Based on external demand for green financial products, the Company expands the scope and service forms of green leasing business, enriches its comprehensive financial service system, and enhances its professional service capabilities in the green industry.	Short-, medium- and long-term	Higher operating revenue	
Market opportunity	Driven by the national strategy of “peaking carbon dioxide emissions and achieving carbon neutrality” and the rapid accumulation of green capital, green credit, green bonds and other instruments are becoming increasingly mature, channeling funds steadily into sustainable projects and providing long-term momentum for financial institutions to expand high-quality business.	Short-, medium- and long-term	Higher operating revenue	

03 | Management of impacts, risks and opportunities

By tracking green finance policies and regulations, regulatory guidance and market trends, the Company systematically identifies risks and opportunities related to green finance. It regularly carries out assessments in light of industry trends and business realities, and embeds the results into strategy formulation, product design and risk control processes, thereby achieving full-process monitoring and closed-loop management.

Green leasing

In the Green Leasing Management Measures, the Company clearly defines three support measures — capital allocation, process optimization and risk management — and actively promotes the efficient implementation of green projects, helping drive the green transformation of the real economy.



Due diligence for green leasing clients

- National Financial Regulatory Administration, the Company has incorporated a number of ESG-related self-assessment indicators into its client due diligence checklist, refining its ESG risk assessment for clients.
- Additionally, the Company has established a green leasing assessment system, incorporating the growth of business in restricted industries and the provision of business to clients with significant environmental and social risks as deduction factors within its green leasing assessment metrics. It also regularly conducts audits of green leasing management to ensure that its green leasing business is conducted in compliance with regulations.



Key initiatives and outcomes in green leasing

In 2025, the Company cumulatively funded 21,800 green leasing projects, up 70.3% year on year, with a cumulative investment amount of RMB 23.12 billion. At the end of the year, the outstanding balance of green leasing business reached RMB 50.65 billion, up 22.5% year on year, accounting for 34% of the leasing business balance.

Key dimensions	Initiatives and outcomes
Supporting the green transition of the energy mix	<ul style="list-style-type: none"> · The Company expanded the clean energy market, deepened engagement in large-scale centralized wind and solar projects, vigorously developed distributed retail business for commercial and industrial users, and steadily advanced residential photovoltaic business. · The Company accelerated the deployment of complementary energy sources such as energy storage, biomass power generation, and hydrogen energy, with a strong focus on the harmless treatment of solid waste and energy conservation and consumption reduction in industrial parks and high-energy-consuming enterprises. · In 2025, the Company supported new installations of new energy power stations with a total capacity of 11 GW, equivalent to generating 13.2 billion kWh of clean electricity annually, saving 4.03 million metric tons of standard coal, and reducing carbon dioxide emissions by 9.92 million metric tons.
Serving the green development of urban transportation	<ul style="list-style-type: none"> · The Company supported green consumption in passenger vehicles, facilitated the replacement of gasoline-powered ride-hailing vehicles with electric ones, helped to replace urban buses with electric alternatives, promoted the electrification of sanitation vehicles, and accelerated the development of charging and battery swap projects. · In 2025, the Company facilitated the purchase and replacement of over 30,000 new energy vehicles, with a total disbursement exceeding RMB 6.6 billion.
Supporting energy conservation, environmental protection, and green technology upgrades	<ul style="list-style-type: none"> · The Company helped enterprises improve energy efficiency in production, seized the opportunity to promote the "new energy + industry" model, and assisted industrial parks and high-energy-consuming enterprises in reducing energy consumption and achieving green power substitution for self-generation and self-use. · The Company vigorously supported pollution prevention and control, with increased service efforts in the areas of waste gas, wastewater, and solid waste treatment. · In 2025, the Company disbursed RMB 3.2 billion in business segments such as energy conservation, environmental protection, and green technology upgrades.

Case study

Empowering the sanitation industry to protect the ecological balance of a pristine lake



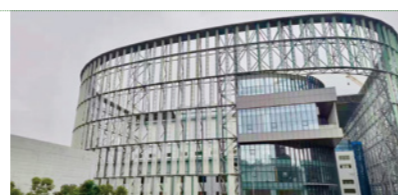
In 2021, facing the eutrophication crisis in Erhai Lake caused by the combined pressures of tourism and agriculture, the Dali municipal government urgently commissioned a local environmental protection company to carry out aquatic weed removal and waste transport. However, the company faced rejection from traditional banks due to the long project cycle and a lack of collateral, putting the remediation work at risk of stalling. At this critical moment, JFL stepped in. Addressing the “asset-light” pain point of sanitation companies, it customized a RMB 7 million direct leasing solution for equipment. With an extremely fast turnaround—“approval within one day, vehicle pickup within three days”—it enabled the first batch of sanitation trucks to be deployed immediately for lakeside cleanup.

In 2024, as the company prepared for the spring plowing season, it faced a short-term liquidity squeeze caused by the procurement of organic fertilizer. JFL responded quickly, providing a

supplementary funding solution through a sale-and-leaseback arrangement, precisely matching the seasonal needs of organic fertilizer production and ensuring the stable operation of 30 intelligent production lines.

As of 2025, JFL provided a total of nearly RMB 20 million in financial support, covering the replacement of 69 vehicles and supplemental working capital for raw material procurement ahead of the spring plowing season. This support has helped the environmental protection company process over 500,000 metric tons of organic waste annually, transforming what was once an ecological burden into 3 million metric tons of organic fertilizer resources. This case vividly illustrates how financial leasing, through its “financing + asset leasing” model, can resolve financing challenges in the environmental protection industry, turning each sanitation truck into a solid force safeguarding a plateau lake.

Supporting green technological upgrades at a waste-to-energy plant to create an urban environmental “green power bank”



Faced with the pressure of treating over 20,000 metric tons of waste per day in Shenzhen, coupled with stringent environmental standards, the local waste-to-energy power plant urgently needed technological upgrades. However, the high cost of equipment replacement left the plant with a significant funding gap. Moreover, the plant was reluctant to tie up its core assets to secure traditional mortgage loans, a process that would also consume considerable time. JFL provided a precise solution, adopting a sale-

and-leaseback model. It unlocked the value of the plant’s existing equipment—such as incinerators and generator sets—with a financing amount of RMB 270 million, effectively turning these core assets into a “green power bank” of liquidity. This solution quickly filled the funding gap for the technological upgrades, helping the plant increase its daily waste treatment capacity by 600 metric tons and generate over 300,000 kWh of green electricity per day.

Case study

One helicopter safeguarding the ecological forests of southern Jiangxi and strengthening the ecological security barrier



In the spring of 2025, faced with the challenge of forest fire prevention in the mountainous and densely forested areas of southern Jiangxi, where traditional ground-based patrols were insufficient, a local forest protection company urgently needed to acquire a high-performance helicopter to establish an aerial patrol network. However, the high procurement cost and the nature of aerial forest protection projects—which are characterized by strong public service attributes and a lack of collateral—created a financing dilemma for the company.

JFL proactively stepped in and provided a targeted financing solution through a direct leasing model, offering a special financing facility of RMB 75 million. This ensured that the helicopter was delivered on schedule and put into operation for patrol monitoring and aerial firefighting. This partnership successfully bridged the final gap in forest fire prevention and control, providing a solid “protective umbrella” for the vast forested mountains through the specialized “financing + asset leasing” model.

Supporting a photovoltaic sand control project in the gobi and promoting synergistic development of desertification control and clean energy

In 2025, the Company provided financial leasing services for a 360 MW photovoltaic sand control project in Changji, Xinjiang. This project helped build a combined clean energy base in the gobi, characterized by “generating electricity above ground while controlling sand below.” By using photovoltaic arrays to reduce surface wind speed and evaporation, the project promotes vegetation restoration, achieving synergy between power generation and ecological restoration. Once fully connected to the grid,

the project is expected to generate over 510 million kWh of electricity annually, equivalent to reducing carbon emissions by 268,000 metric tons each year.

Through its green leasing model, the Company has demonstrated its ability to precisely address the needs of ecologically sensitive areas, facilitating the creation of renewable energy assets and opening up new pathways for financial support of ecological governance.



Case study

Facilitating the delivery of a new-generation green oil tanker and expanding applications in international maritime emission reduction

In August 2025, the Company provided financial leasing support to a Singapore-based shipowner, facilitating the successful delivery of the “JAL KALP,” a new-generation 50,000 dwt green MR tanker. The vessel’s energy efficiency design index (EEDI) reaches a leading level in the current MR tanker market. Through its professional service capabilities in

the low-carbon transformation of the shipping industry, the Company directs financial resources precisely into the high-efficiency shipbuilding sector, promoting the renewal of green shipping equipment and expanding the application of green leasing in the context of international maritime emission reduction.



Building a green mine to protect a “life corridor” in the gobi

In December 2025, the Company helped a mining operation in Xinjiang introduce 40 pure electric, unmanned mining trucks. The mine is located adjacent to the Kalamaili Nature Reserve, a key migration corridor for rare species such as Przewalski’s horses and Mongolian wild asses. Given the fragile Gobi ecosystem, the project prioritized “zero emissions and low disturbance.” The pure electric drive eliminates noise and vibration, avoiding disturbance to wildlife. AI-

based intelligent path planning, combined with electronic fencing technology, precisely avoids animal migration routes and water sources, minimizing disruption to wildlife habitats. It is estimated that in 2026, the application of these pure electric, unmanned mining trucks will help reduce carbon emissions at the project by approximately 9,000 metric tons, achieving green mining while effectively protecting desert vegetation and wildlife habitats.



Green financing

The Company maintains deep cooperation with external financial institutions, executing green syndicated loans, issuing green financial bonds, and advancing blue loan projects. Additionally, the Company continues to explore innovative financing methods such as green asset securitization, consolidating high-quality internal green assets to provide sustained impetus for the development of its green business.

Management initiatives and outcomes

Dimension	Initiatives and outcomes
Investment management	<ul style="list-style-type: none"> Initial screening of leasing projects was conducted in strictly accordance with the Catalogue of Green Bond Endorsed Projects. Projects that pass the initial screening are reviewed by professional third-party green rating agencies to ensure they fall within the scope of green bond investment. After funds are disbursed, the Company uses the “Green Financial Bond Management Cockpit” to conduct real-time supervision and verification of the use of funds for ongoing green bond projects, ensuring that funds are used exclusively for their designated purposes and to support the development of green projects.
Fund management	<ul style="list-style-type: none"> The Company has established a special ledger to record the initial investments, subsequent fund inflow and re-investments of green leasing projects. This ensures traceability and monitorability throughout the entire process of green financing funds, enhancing the specialization and standardization of fund management.

Since 2019, the Company has been issuing green financial bonds. By the end of 2025, it had issued six series of green financial bonds totaling RMB 6.5 billion, with all raised funds used for green industrial projects as stipulated in the “Catalogue of Green Bond Endorsed Projects (2021 Edition).”

Summary of JFL’s green financial bond issuances

Issue date	Bond name	Interest rate (%)	Term (year)	Issuance scale
2019/4/11	19 Jiangsu Leasing Green Bond 01	3.7	3	RMB 0.5 billion
2019/4/11	19 Jiangsu Leasing Green Bond 02	4.12	8	RMB 0.5 billion
2020/3/6	20 Jiangsu Leasing Green Bond 01	3.05	3	RMB 1 billion
2023/11/7	23 Jiangsu Leasing Green Bond 01	2.8	3	RMB 1.5 billion
2024/1/18	24 Jiangsu Leasing Green Bond 01	2.76	3	RMB 1.5 billion
2024/3/7	24 Jiangsu Leasing Green Bond 02	2.5	3	RMB 1.5 billion

Case study

Advancing the first blue loan project undertaken by a domestic non-bank financial institution

In 2025, the Company partnered with International Finance Corporation (IFC) to advance a cross-border blue and green syndicated loan project. The aim was to secure medium-to-long-term funding to support blue and green leasing business that meets international standards, with funds to be deployed as green and blue assets in sectors

such as agriculture, forestry, animal husbandry, fisheries, new energy, environmental protection equipment, and the marine economy. The Company continuously breaks new ground in the field of sustainable financing and has taken a pioneering role in exploring blue finance pathways for non-bank financial institutions, supporting the development of green finance.

Securing insurance funds to support green leasing asset projects

In 2025, the Company successfully issued an insurance asset-backed plan invested by PICC Capital. The funds raised were used to support high-quality existing leasing assets. Through this asset securitization, the Company introduced long-term "patient capital" from the insurance sector, effectively revitalizing equipment leasing receivables in areas such as green energy and

high-end manufacturing. This initiative is a significant step in the Company's efforts to expand its sustainable financing channels, strengthening the role of financial resources in supporting the low-carbon transition and the upgrading of advanced manufacturing.

04 | Indicators and targets

The Company actively positions itself across multiple green sectors to support the high-quality development of green finance.

The Company has established specific quantitative targets and conducts regular reviews and statistics to ensure that its green leasing business progresses as planned.

The Company coordinates the planning of its green financing structure to ensure sufficient support for the development of its green leasing business.

Objectives

It continuously improves the green finance management system and innovates green leasing products and service models, with a focus on supporting the development of low-carbon industries such as clean energy, energy conservation and environmental protection, and green infrastructure. Through specialized financial services, it aims to drive the green and low-carbon transformation of the economy and society.

Progress in 2025

At the end of 2025, the Company's green leasing asset balance reached RMB 50.65 billion, up 22.5% year on year.

3

Green operations for energy conservation

As a financial institution, the Company's energy consumption is primarily derived from its daily office operations, including electricity, natural gas, and gasoline. The Company's water usage comes from municipal water supplies, with stable access conditions and no significant water source risks. Solid waste mainly comprises general non-hazardous materials such as office waste and kitchen waste, along with a small amount of discarded electronic products, all of which are disposed of in accordance with regulations.



In 2025, the Company formulated the Interim Measures for Environmental Protection Management, strengthening the institutional framework for its environmental protection management.

The Company's green and low-carbon action system:



Main actions and outcomes of green operations:

Dimension	Main actions and outcomes
 Water use	<ul style="list-style-type: none"> Water-saving equipment such as sensor-activated faucets and water-efficient fixtures have been installed in office areas, improving overall water efficiency by approximately 30%. Water conservation initiatives are continuously promoted in daily office settings, embedding water-saving requirements into employee habits and management reminders. The installation of direct drinking water dispensers has reduced bottled water consumption by over 600,000 bottles per year.
 Power consumption	<ul style="list-style-type: none"> With a comprehensive approach of "photovoltaics + energy storage + intelligent control," the Company introduced smart energy use and energy-saving retrofits in office scenarios, forming a replicable integrated management model. A 10 kW distributed photovoltaic power station on the office building's rooftop generates approximately 9,800 kWh of electricity annually, reducing carbon dioxide emissions by about 5 metric tons. The accompanying energy storage system is used for peak shaving and energy use optimization. Lighting fixtures with intelligent sensor control and efficient energy-saving have been installed in meeting rooms, saving about 2,100 kWh of electricity per year and reducing emissions by about 1 metric ton. Energy consumption of the elevator system has been reduced by approximately 40% through elevator group control optimization. The centralized cooling system uses high-efficiency centrifugal chillers, reducing carbon emissions by about 800 metric tons annually compared to conventional equipment.
 Paper use	<ul style="list-style-type: none"> By digitizing business and management processes, and utilizing online tools such as the "LeLeasing" series of apps, the Company has closed the loop online for key stages such as application submission, approval, and contract signing. This reduces paper consumption by approximately 34 metric tons annually, equivalent to saving about 500 mature trees. The intelligent OA system covers approximately 95% of internal processes, enabling various internal approvals, workflows, and archiving to be handled online, reducing printing and physical document transfer. The shift to electronic meeting materials has resulted in 100% of core meeting materials for the Board of Directors and Party Committee being digital, reducing paper usage at the source. The utilization rate of used paper has been increased, with double-sided printing reaching 90%. Cloud-based print management has reduced waste from misprints and duplicate printing, achieving "controllable, traceable, and quantifiable" paper use management.

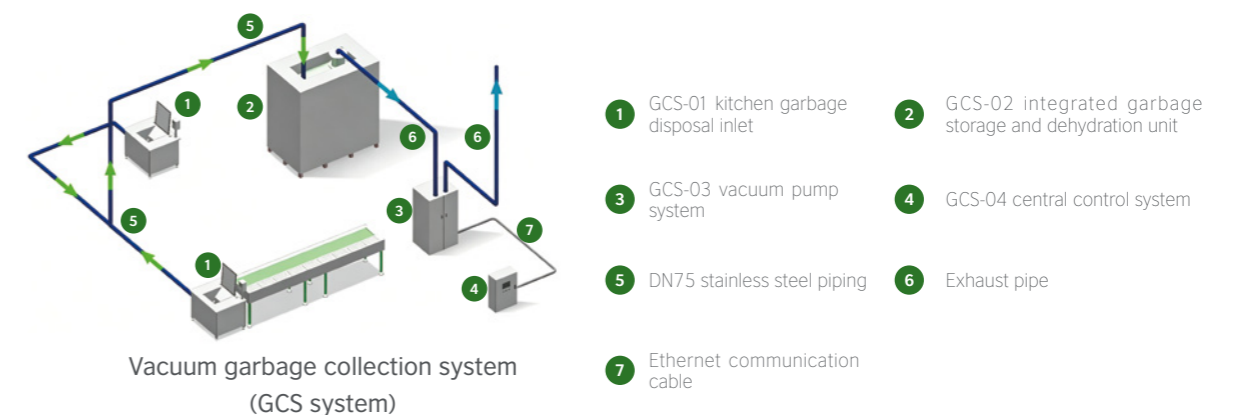
Dimension	Main actions and outcomes
 Meal	<ul style="list-style-type: none"> A kitchen waste vacuum treatment system has been introduced in the canteen, achieving 100% resource utilization of food waste and reducing landfill waste by over 90 metric tons annually. Resource management in the canteen has been improved from the perspectives of "reduction, substitution, and recycling," reducing end-of-life disposal pressure and improving resource recovery efficiency.
 Travel	<ul style="list-style-type: none"> The closed-loop online processing for application submission, approval, and contract signing, along with a 30% increase in remote collaboration capabilities through the OA system, has reduced physical travel and business trips, resulting in an annual reduction of over 200 metric tons of carbon emissions. A 4K ultra-high-definition remote conferencing system has replaced approximately 30% of in-person meetings, reducing business travel-related carbon emissions by about 150 metric tons annually. The Company has launched energy-saving and carbon-reduction initiatives related to travel, and uses a points-based reward system linked to step counts to incentivize green commuting, promoting low-carbon travel as a regular practice.

Case study

Kitchen waste treatment system driving a low-carbon circular transition

The Company has introduced a vacuum collection and treatment system for kitchen waste in its canteen, enabling the resource utilization of food waste. On average, this system converts waste into approximately 18 metric tons of fertilizer annually. Additionally, hazardous waste is entrusted to qualified environmental protection companies for recycling and is centrally processed by the sub-district where the Company is located.

By closing the loop for resource recovery from waste, the Company reduces its environmental footprint, fulfills its responsibility for green operations, and promotes the transition of its logistics management toward a low-carbon circular model.



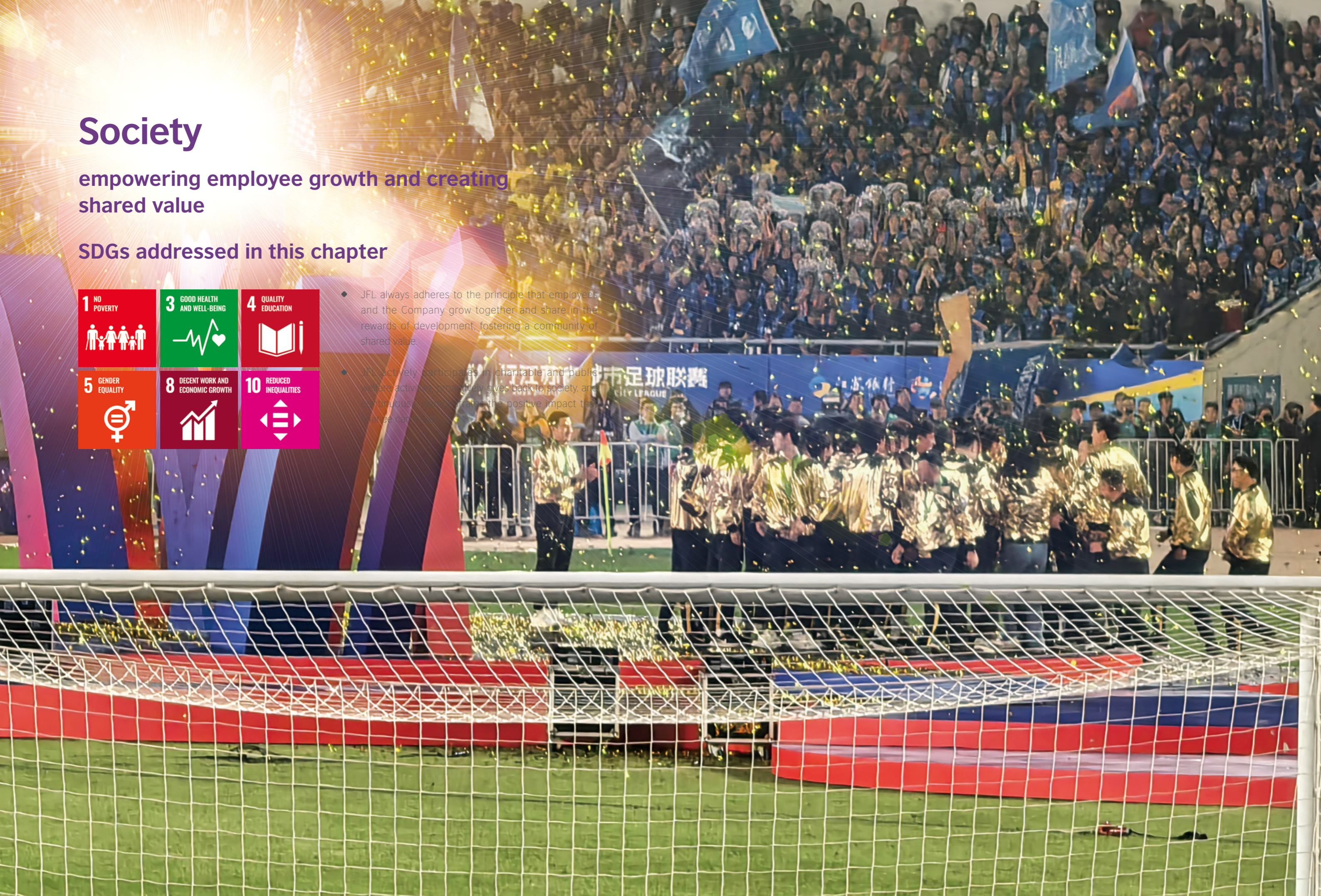
Society

empowering employee growth and creating shared value

SDGs addressed in this chapter



- ◆ JFL always adheres to the principle that employees and the Company grow together and share in the rewards of development, fostering a community of shared value.
- ◆ JFL actively participates in charitable and public welfare activities, proactively gives back to society, and continuously demonstrates the positive impact that the Group can make.



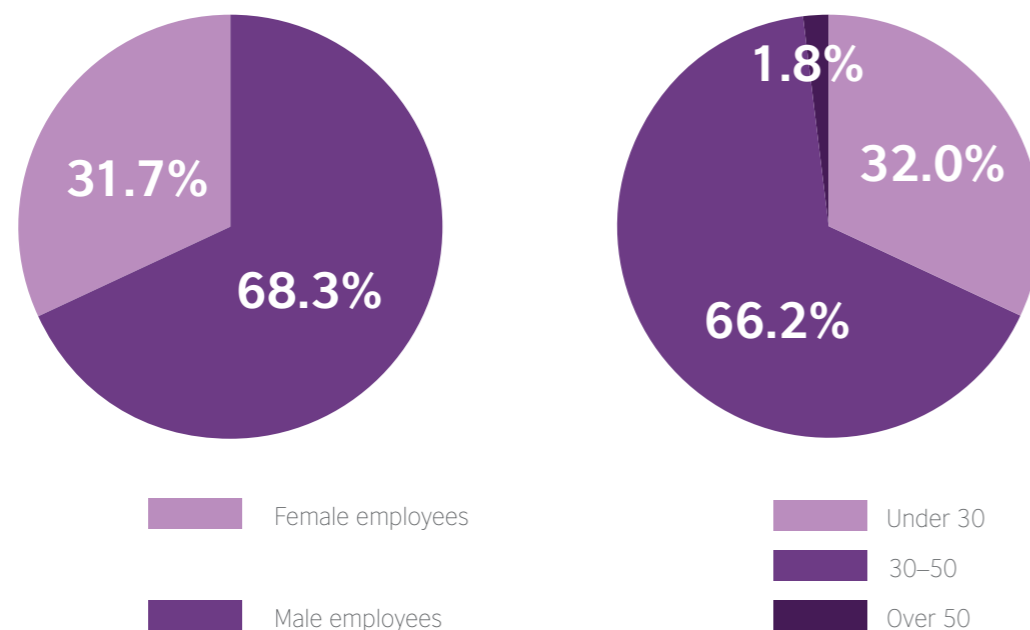
1

Joint progress and care for employees

01 | Employee recruitment and hiring

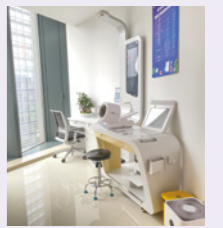
JFL follows the principles of legality, fairness, equality, mutual consent, consultation and good faith, and effectively safeguards the lawful rights and interests of employees. The Company is committed to diversity in recruitment and firmly opposes all forms of employment discrimination. It ensures that female employees, ethnic minority employees, and others enjoy equal opportunities, rights and interests. During recruitment, the Company verifies identity information in accordance with laws and regulations and strictly prohibits child labor. In workforce management, it regularly monitors and reviews employee workloads to prevent forced labor, maintaining a fair and compliant work environment. In 2025, the Company had no incidents of employee discrimination, child labor, or forced labor.

JFL's employee composition in 2025



02 | Employee rights and benefits

Category	Measures and outcomes
Employee physical and mental health protection	<ul style="list-style-type: none"> The Company provides supplementary commercial medical insurance, including global emergency assistance services, along with related claims training. This creates a closed loop of health protection: securing an insurance service provider, upgrading coverage, and empowering employees through claims training. The Company organizes annual health check-ups for all employees, provides AED equipment and a standardized medical room, and offers "Four-Leaf Clover – Psychological Stress Relief" training. The Company has developed an employee psychological health EAP program and held two stress management sessions during the year.
Employee sports and cultural activities	<ul style="list-style-type: none"> Through the "Company-Wide Exercise Initiative," the Company partners with professional sports and cultural venues to reserve time each week for employee use. It also organizes annual sporting events and occasional hiking activities, etc.
Employee communication and participation	<ul style="list-style-type: none"> The Company revised the Working Rules of the Congress of Workers and Staff to clarify the congress scope and decision-making procedures, ensuring employees' rights to be informed, participate, express their views, and provide oversight. In 2025, the Company held three congresses of workers and staff to discuss major matters affecting employee interests.
Care for female employees	<ul style="list-style-type: none"> The Company provides a dedicated rest room for pregnant employees and a mother-and-baby room. It also organizes activities such as International Women's Day celebrations to enhance the well-being of female employees.



Case study

A vibrant club ecosystem: creating a haven for employees



These clubs regularly host sports and cultural competitions and cultural exchanges with distinct themes and diverse formats. By cultivating a lively internal community, the Company not only strengthens team cohesion and a sense of belonging, but also inspires a positive and energetic spirit across the workforce.



Case study

Enriching lives through culture and sports: diverse activities for a dynamic workplace

“Hand in Hand, Together in Youth” social event

Women’s Day event: “Her Power for the Future”



The 11th “Rainbow Run”: “Run, For Better ·Unstoppable Momentum, Brilliance Ahead”

The finals of the 6th “JFL Lecture Hall” concluded successfully

2

Talent cultivation and joint growth

01 | Employee training

The Company continues strengthening its “1+2+3” talent development system:



In 2025, the Company delivered 90 company-wide training courses, 392 departmental training sessions, and 86 online courses, achieving 100% employee training coverage.




人才培养机制

- 【一张人才发展地图】** (职业发展路径)
 - Business: 业务
 - Administration: 管理
 - Management: 管理
- 【两层面+三层级】** (员工培训体系)
- 【OBA带教】** (员工辅导机制)
 - OBA: On Boarding Advisor / 入职引导人

Employee training system

Training category	Measures
“New voyage” new employee training	<ul style="list-style-type: none"> Seven specialized courses were redesigned and paired with mentoring, helping new hires quickly integrate into the company while boosting industry understanding and operational skills. This training program deepened the mentor-apprentice system, identifying role models for knowledge transfer to help young employees grow more effectively.
“Far voyage” account manager training	<ul style="list-style-type: none"> This training program focused on improvement of business development, risk management, and industry specialization. Specialized training was provided to team leaders and those handling large projects to enhance their professional skills.
“Navigation” middle and senior management training	<ul style="list-style-type: none"> A new training cycle was launched, inviting university professors and industry experts to address topics such as economic trends and leadership enhancement, helping the new cohort of managers execute strategy and foster innovation.
“Cruise” cross-department courses	<ul style="list-style-type: none"> In 2025, the newly launched “Cruise Program” strengthened department-level training and enriched the Company’s “1+2+3” training and development system.

Training initiatives were further deepened and innovated in 2025

Training dimension	Measures
In-depth specialized business capability training	<p>· Aligned with frontline business needs, the Company launched targeted training series on topics such as "Business Quotation and Negotiation," "Strategic Vendor and Dealer Development and Maintenance," and "Business Risk Prevention and Control." It adopted practical teaching methods like simulation drilling, roundtables, and interview-style sessions to enhance effectiveness.</p> 
Customized training programs	<p>· The Company worked closely with business departments to address specific challenges and needs, such as business complexities, team integration, performance pressure, and management improvement. This led to customized training programs on topics like credit review and risk management for small and medium-sized enterprises, as well as effective communication and team management.</p> 
Cross-departmental "Cruise Program"	<p>· In 2025, the newly launched "Cruise Program" strengthened department-level training and enriched the Company's "1+2+3" training and development system.</p> 

02 | Employee development

The Company links internal performance appraisal results to performance-based pay, job adjustments, competitive recruitment and mutual choice mechanism, and recognition programs. This helps the Company break down strategic goals into actionable objectives and drive performance, fostering shared growth for both the Company and its employees.

JFL's initiatives and outcomes in promoting employee development

Management mechanisms	Initiatives and outcomes
Competitive recruitment and mutual choice mechanism	<p>Guided by job requirements, the Company implements an internal competitive recruitment and mutual choice mechanism. This is supported by probationary assessments and follow-up evaluations for middle managers. By deciding promotion and demotion based on merit and placing the best candidates in the right roles, the Company strengthens key positions and improves organizational efficiency.</p> <p>· By optimizing resource allocation, including creating new departments and performing competitive recruitment, the Company has strengthened specialized review capabilities in its retail business.</p> <p>· In early 2026, the Company completed the 11th round of competitive recruitment and mutual choice, resulting in position changes for 13 middle managers.</p>
Performance appraisal mechanism	<p>The Company uses a system of quarterly and annual reviews, centered on annual target setting and responsibility agreements. Performance feedback, performance discussions, and personnel changes are clearly defined as part of the process.</p> <p>· The Company organized the signing of the 2025 Annual Assessment Target Responsibility Letter and completed performance appraisals for all employees.</p> <p>· The Company advanced preparations for the annual appraisal, tracked the appraisal results of regional teams and individuals, and conducted annual simulations.</p>
Dynamic remuneration adjustment mechanism	<p>Performance results are linked to position and salary adjustments, with dynamic annual position-and-remuneration adjustments carried out annually to continuously optimize the team structure.</p> <p>· For the year, the Company explicitly aligned talent pipeline development with position-and-remuneration adjustments, and strengthened the rules governing such adjustments.</p> <p>· The Company "successfully completed the annual dynamic adjustment of employees' positions and remunerations," providing timely incentives for high-performing employees.</p>
Recognition and award mechanism	<p>Performance results serve as a key criterion for awards and recognition, linked to adjustments of performance-based pay, position and remuneration.</p> <p>· The Company organized the "2024 Recognition and Commendation Program" and provided support for the annual summary and commendation conference, among other activities.</p>

3

Boundless love and warmth for the society

JFL upholds the philosophy of using finance for good and giving back to society, and continuously participate in and support various public welfare initiatives. Over the years, the Company has integrated social responsibility into its daily operations and organizational actions through rural revitalization, volunteer activities, and charitable giving, conveying warmth and responding to social needs with pragmatic action.

01 | Rural revitalization

Through its core financial business, the Company supports rural revitalization and development in remote areas via targeted initiatives, including industrial support, consumption-based support, and targeted support.

Dimension

Main actions and outcomes



· Serving agriculture, rural areas, and farmers:

The Company has built an agricultural machinery leasing system that covers the full process of “plowing, sowing, management and harvesting,” and has extended it to the entire animal husbandry chain, providing customized financing support for feed production, breeding and processing.

· Supporting rural infrastructure construction:

The Company offers customized financial services for equipment upgrades at primary healthcare facilities, rural road network improvements, dedicated transport routes, and high-standard farmland irrigation and water conservancy projects.

· Simplifying business processes:

Through its “HiLeasing” online platform and “LeLeasing” series of apps, the Company provides end-to-end services including online applications, credit assessment, and e-signing, simplifying procedures for rural clients. For details, see the “Inclusive Finance” section of this report.



· Tibet Autonomous Region:

In 2025, the Company provided consumption-based support by purchasing local specialty products such as glacier water, taking practical action to support economic development in Tibet.

· Zigui County, Hubei Province:

In 2025, despite a bumper harvest of navel oranges and citrus in the Three Gorges Reservoir area, farmers faced difficulties in sales. The Company invested RMB 130,000 to purchase navel oranges from Zigui, directly helping farmers increase their income and supporting rural industrial revitalization.



· Chahar Right Back Banner, Inner Mongolia Autonomous Region:

In 2025, the Company invested RMB 410,000 in assistance funds to help the local government of Chahar Right Back Banner, Inner Mongolia upgrade its office automation systems, equip petition departments with security inspection devices, improve basic office conditions, and replace convenience service facilities in the government service hall.

Case study

A dedicated bus line to the tea-growing villages: improving public mobility and supporting revitalization

Shihe District in Xinyang City is the core production area for Xinyang Maojian tea. The region is long and narrow, stretching far from east to west, and key tea-producing towns like Dongjiahe, Tanjiahe, and Shihegang are located far from the city center. For the most distant tea farmers, traveling to the city is over 100 kilometers. For years, the difficulty of getting to the city and the high cost of transporting tea have constrained the tea industry and the incomes of tea farmers.

To address this, the local public transportation company launched two new circular bus routes around Nanwan Lake. These routes not only connect the core tea-growing areas around the lake with tourist attractions, providing a convenient way for visitors to explore the region, but also serve as the main transportation link for tea farmers in the mountains to reach the city.

The Company provided dedicated funding for these two bus routes to purchase 40 Zhongtong electric buses. The routes offer affordable fares and serve as “poverty-alleviation routes reaching every village.” Tea farmers can now take a bus from their doorstep to the city as early as 6:00 a.m. to sell their tea. This has fully resolved the last-mile transportation issue for both travel and tea transport, ensuring efficient and convenient access for tea farmers and providing transportation infrastructure to support integrated tea-tourism development.



Case study

Yellow school buses safeguarding the journey to school

In the past two years, Zaozhuang City has implemented a policy of consolidating rural schools, closing village-level primary schools and centralizing education in township schools. This aims to address challenges faced by small, scattered, and under-resourced rural schools. To address the resulting transportation needs, local education and traffic authorities coordinated efforts with local transport and school bus companies to purchase dedicated yellow school buses to transport students to township central schools. Upon learning of the situation, the Company promptly reached out and provided nearly RMB 15 million in funding specifically for the purchase of 48 yellow school buses, effectively ensuring safe and convenient transportation for rural students.



02 | Charitable giving

The Company fulfills its social responsibility by integrating philanthropy into its core values. Through initiatives such as the "One-day Charitable Donation," "Dream Houses," and "Heartfelt New Wishes," it focuses on supporting vulnerable groups and education. These small acts of kindness come together to demonstrate the compassion and responsibility of JSL as a state-owned enterprise.

Case study

One-day Charitable Donation: Upholding the spirit of enduring benefactions and boundless love

Adhering to the concept that "enduring benefactions and boundless love," the Company has continuously held One-day Charitable Donation events for 10 consecutive years. In 2025, nearly 500 employees participated and raised nearly RMB 50,000 in total. All funds raised were used to support disadvantaged individuals in Jiangsu Province, with a focus on targeted assistance for families with seriously ill members receiving subsistence allowances, orphaned and disabled children, elderly individuals living alone, and people with severe disabilities, ensuring that the resources reached those most in need.



Voluntary blood donation public welfare activity

In August 2025, the Company's CCYL Committee, together with the Jiangsu Province Blood Center, organized the voluntary blood donation public welfare activity under the theme "Bringing JFL's Positive Energy, Continuing the Brilliance of Four Decades with Passion." The event attracted 123 employees, who donated over 30,000 milliliters of blood.



03 | Public science outreach

In 2025, the Company launched a public science outreach initiative called "Z Live House." Focusing on the Company's core business areas, it produces videos explaining the science behind leased assets. Through engaging short videos, the initiative makes complex topics such as cutting-edge technology, healthy living, and the wonders of nature accessible to the public, helping to integrate science outreach into daily life and improve scientific literacy of the public.

Dimension	Form	Specific content
Online science outreach videos	Produced by JFL	The Company continuously creates content on math, physics, and chemistry concepts related to leased assets. It uses IP mascots/virtual characters to interact with content creators, encouraging more intuitive formats such as animated breakdowns, visual comparisons of scientific principles, and short scenario-based skits to enhance reach and engagement.
	Co-produced with university youth organizations and partner enterprises	The Company collaborates with universities and enterprises to create content based on leased equipment. Drawing inspiration from formats like "Study with the Youth," it explores knowledge from the perspective of young people visiting enterprises. Partnerships with departments such as mechanical engineering, electronics, and biomedical engineering emphasize practical applications, distinguishing this content from purely theoretical science outreach.
On-site science classrooms	JFL science workshop	Organized by industry related to leased assets or by department, employees and their children are invited to join the workshop outreach team. Internal technical experts review and guide the content. Regular themes are developed, experimental equipment is provided, and "young scientists" prepare and deliver lessons explaining the science behind leased assets. This serves as a highlight for employee-family interaction and corporate culture building, creating more interactive science lessons.
	Science classrooms for primary and secondary schools	In cooperation with university volunteer teaching teams and platforms like "Teach For China," the Company provides simplified science experiment kits and attracts university students from science outreach clubs to join the team as volunteers or instructors. Future plans include collaborating with rural primary and secondary schools around Nanjing to deliver the "first lesson of the new school year."
	Science camp	In cooperation with universities in Nanjing, the Company selects university students and rural primary and secondary school students to jointly participate in campus and corporate visits. Activities include competitions such as "making a water rocket" and "finding a suitable leased asset on campus."



04 | Volunteer teams

The Company continues building its “Sunflower” volunteer brand, refreshing its activity framework and expanding partnerships to attract young people to its volunteer initiatives. Additionally, volunteer efforts are thriving internally, with “non-governmental” teams and individual volunteers emerging spontaneously, collectively creating a culture of benevolence.

Case study

“Star Guardian Plan”: Bringing light to a lonely planet

— A chronicle of the Information Technology Department’s “Star” volunteer team caring for children with autism

The Information Technology Department spontaneously formed an 18-member “Star” volunteer team and launched the “Star Guardian Plan.” For two consecutive years, the team, in partnership with the Qixia District Disabled Persons’ Federation and the Primary School Affiliated to Nanjing University of Posts and Telecommunications, has organized activities to support children with autism. The team carefully planned the activities and convey warmth and care through practical actions.

· Protecting childhood:

Selecting educational toys and therapeutic picture books to enrich the children’s inner world;

· Building connections:

Spending time with the children with autism and guiding them to open up through fun hands-on activities and participate in social interaction;

· Long-term support:

Creating dynamic support records and regularly following up to track progress.

· From one-time activities to ongoing support, these IT professionals use their dedication to help these unique children thrive.



Case study

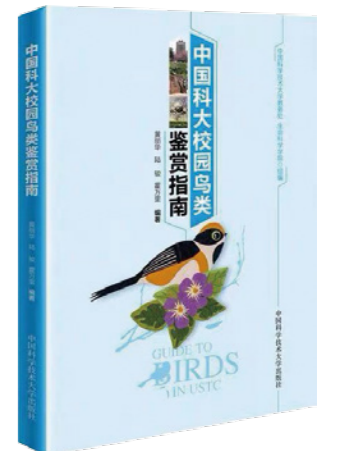


An ecologist in the field, guardian of nature’s harmony — Lu Jun

Lu Jun serves as a key staff member at JFL, yet he is also an ecological research volunteer who combines scientific rigor with a deep appreciation for humanity. His work has taken him across mountains and rivers, from water quality testing on the Yangtze River to bird and biodiversity surveys in the Yangtze River Delta, and further afield to bird surveys in Inner Mongolia, Tibet, and Yunnan. Every step of the way, he has been tracking the pulse of the natural world.

As a birdwatching enthusiast, he does more than capture the beauty of wildlife through his lens—he also turns his research data into a force for public education. His efforts earned him the “Ecological Civilization Contribution Award” at the Lishui Bird Competition.

He co-authored A Field Guide to Birds on the Campus of the University of Science and Technology of China, building a bird identification system that reaches from the campus to the Dabie Mountains using tens of thousands of field-work images. In doing so, he brings specialized knowledge a wider audience. He is a frequent visitor to primary and secondary schools, where he brings research stories to life in the classroom. Through engaging lessons, he inspires young people to love nature and protect the environment, putting into practice the vision of harmonious coexistence between humanity and the natural world.



4

Standardized procurement and collaborative development

The Company’s suppliers mainly fall into three categories: materials, services, and engineering, with a clear distribution across product categories. Thanks to the high degree of marketization and ample supply in these niche segments, the Company has strong flexibility in selecting suppliers and negotiating terms. At present, the supply chain ecosystem is highly resilient, with no major single-source dependency risk, ensuring continuous and stable operations.

Governance framework for procurement management

Hierarchy

Management

Organization / Responsibilities

Procurement Management Committee

- Implementing higher-level procurement policy requirements; reviewing and approving the Company’s procurement management rules.
- Coordinating procurement management work; reviewing and approving implementation plans and award results for major procurement projects.

Oversight layer

Discipline Inspection and Supervision / Audit Supervision Departments

- Conducting supervision before, during and after procurement activities, and carrying out supervision, inspections and disciplinary accountability in line with their responsibilities.

Execution layer

Procurement Management Office

- Managing, inspecting, guiding and evaluating procurement activities across departments. Preparing procurement implementation plans; advancing standardization of procurement documents and demand specifications; and organizing procurement training.

Dimension	Main actions and outcomes
Establishment of a supplier access system	<ul style="list-style-type: none"> · A “List of Qualified Suppliers” by category is established. Suppliers are, in principle, sourced through an open process, and the Company emphasizes making full use of the e-procurement platform to share resources. · The access stage requires market research and analysis, as well as screening criteria and comprehensive capability assessment standards. · The procurement demand department is responsible for reviewing supplier qualifications for specific projects, and ensures that “suppliers lacking the required administrative permits and qualifications do not pass the qualification review.”
Tracking and supervision during performance	<ul style="list-style-type: none"> · The procurement demand department should manage suppliers during contract execution, tracking supplier contract performance to ensure that contract goals are met. · If faults, incidents, or suspected violations—whether legal, regulatory, or contractual—arise during procurement, the rules allow the Company to “suspend award eligibility” while an investigation is carried out. Once the investigation concludes, the suspension is either lifted or finalized based on the findings. This provides temporary control over process risks.
Review and tiered management	<ul style="list-style-type: none"> · The procurement demand department should evaluate supplier performance and completes a Supplier Performance Score Sheet. · Supplier grades are graded A/B/C/D based on the comprehensive evaluation score, which serves as an important reference for future procurement decisions.

ESG management of suppliers: In 2025, the Company revised the Procurement Management Measures. For procurement categories that have a significant impact on social responsibility or the ecological environment, a letter of commitment to fulfilling social responsibility and practicing ESG principles is now required as part of the supplier access materials. When defining procurement requirements, the Company requires suppliers to actively respond to ESG principles and implement requirements on labor standards, environmental protection, occupational health and safety, and business ethics, thereby strengthening ESG risk management across the supply chain.

Incorruptibility procurement management: Relevant incorruptibility clauses are clearly set out in tender documents or supplier contracts, and both suppliers and procurement personnel are required to strictly comply with them. The Company has established supervision and management departments to oversee and inspect procurement activities, promptly correct violations, and refer staff suspected of illegal or disciplinary conduct to the discipline inspection and supervision department for handling.

Equal treatment of small and medium-sized enterprises: The Company strictly manages supplier payment terms, fulfills payment obligations in accordance with the law, and protects the lawful rights and interests of SME suppliers. As of 2025, the balance of accounts payable, including bills payable, did not reach RMB 30 billion or 50% of total assets, and there were no overdue payments to suppliers.

Special topic

JFL's corporate culture: Three core values and six mindsets

- ◆ **Three core values**

Simplicity Efficiency Positivity

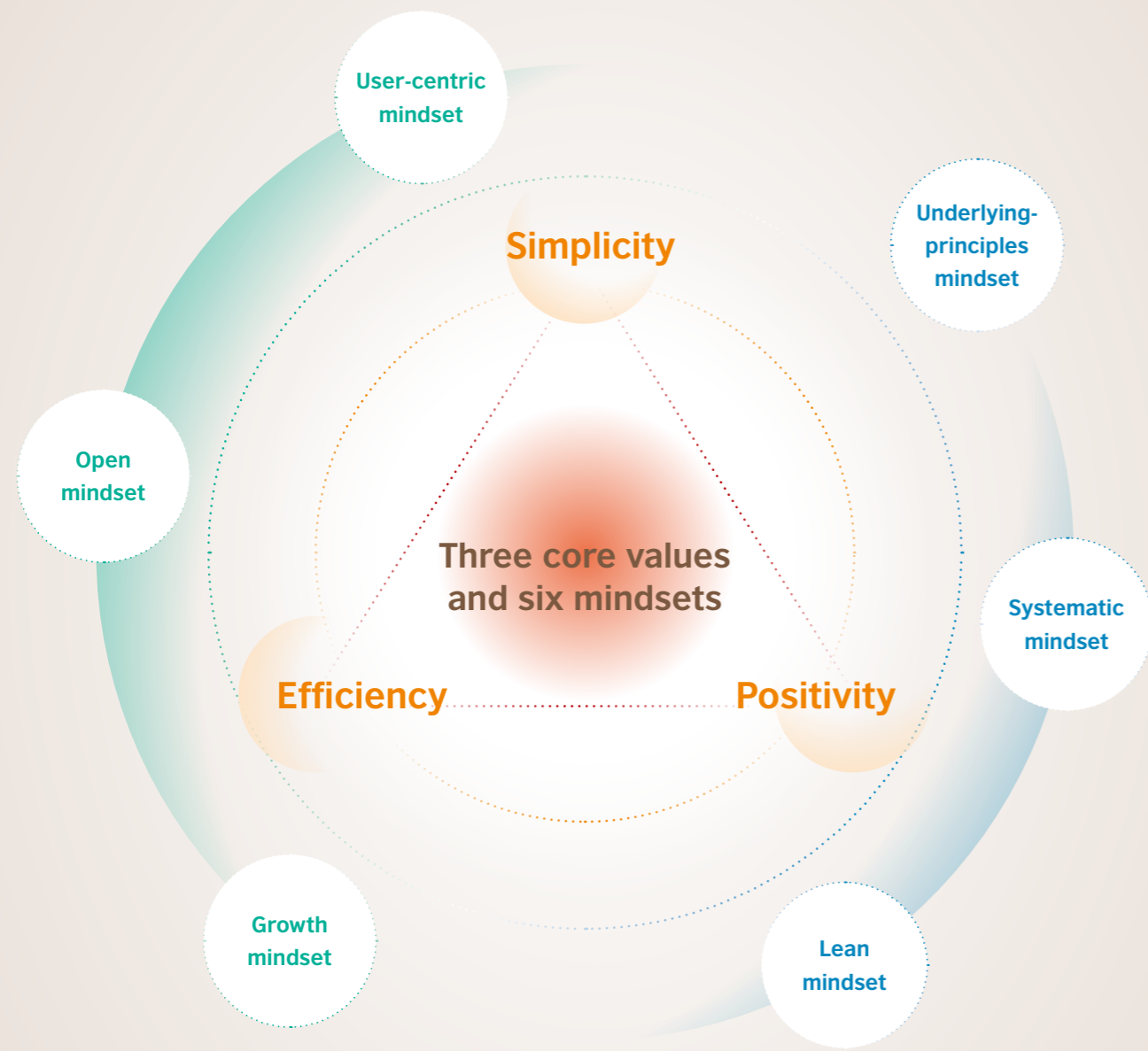
- ◆ **Six mindsets**

Tech-forward culture: User-centric mindset Open mindset Growth mindset

Engineer culture: Underlying-principles mindset Systematic mindset Lean mindset



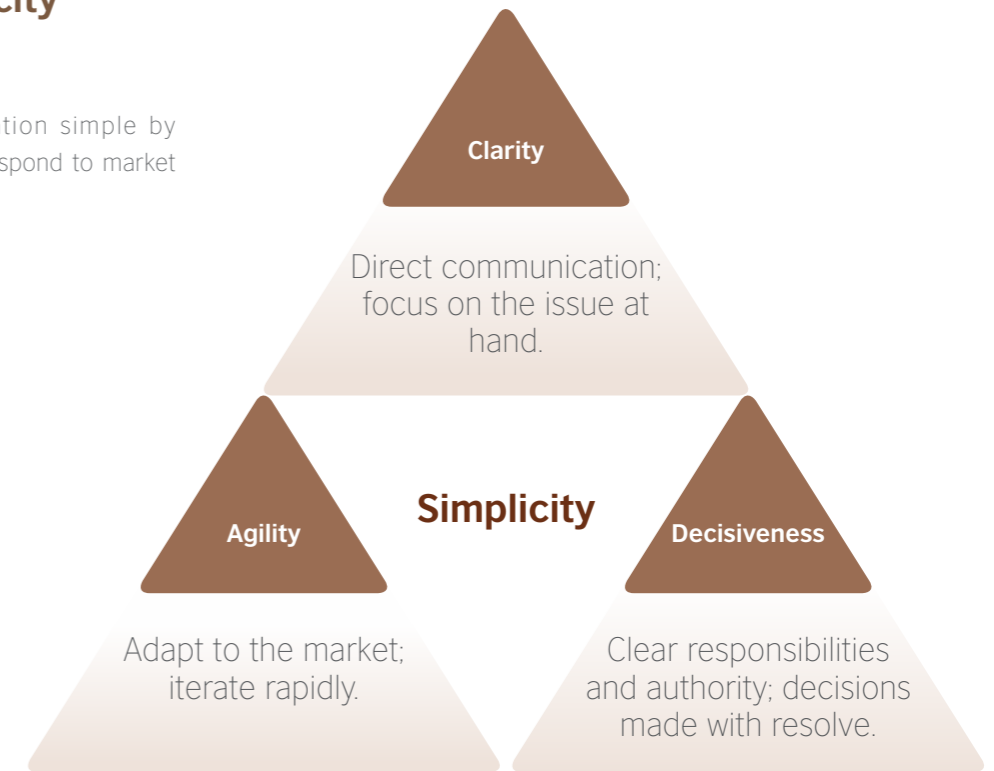
JFL's corporate culture: Three core values and six mindsets



1 Three core values

01 | Simplicity

JFL keep our organization simple by design, enabling us to respond to market changes with agility.

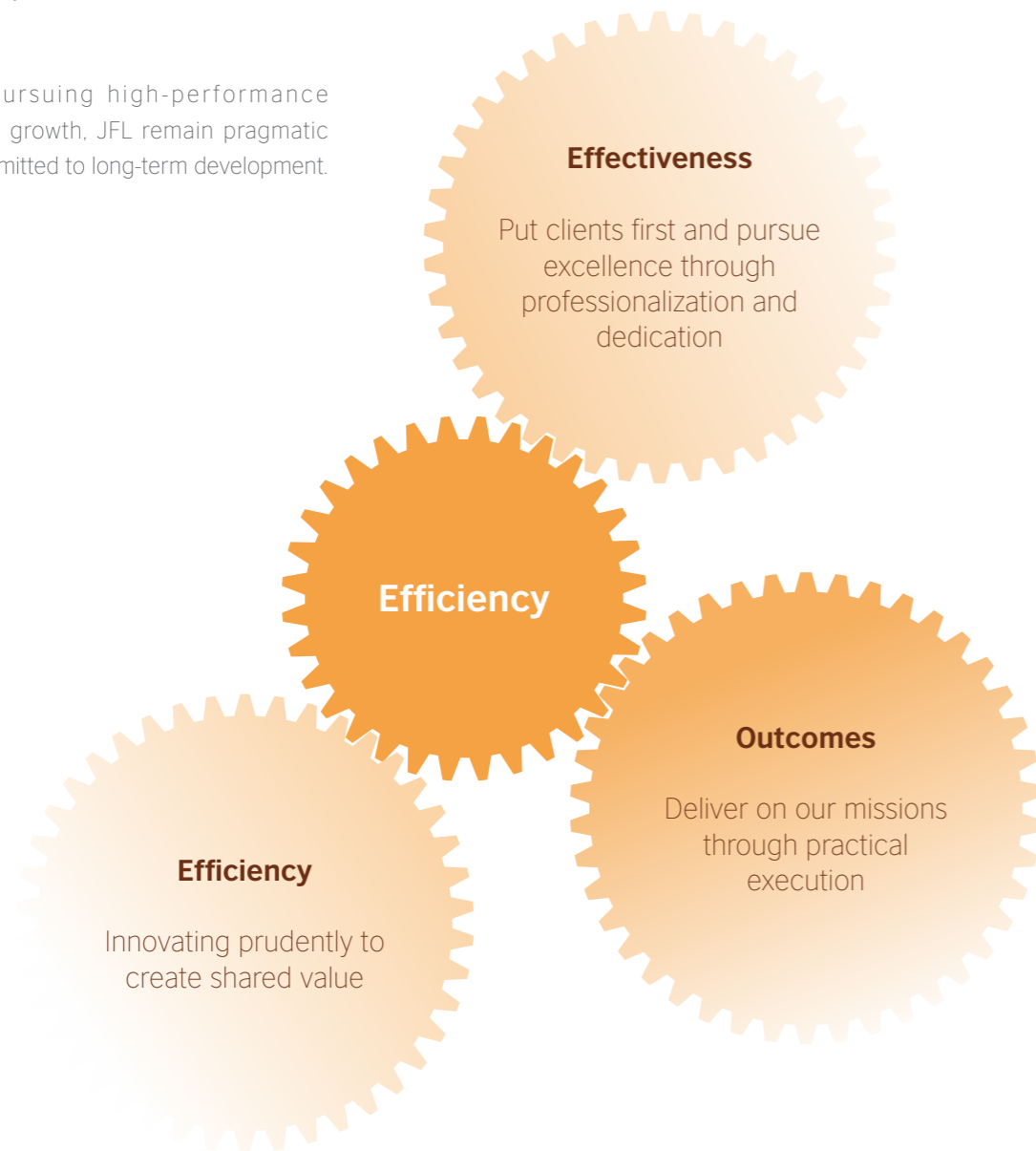


"Simplicity" is the foundation of sustainable development. It minimizes internal management costs and builds an agile, market-driven organization. Deeply embedded in our culture, it means:

structurally	flat hierarchies and short decision chains for fast market response;
culturally	straightforward relationships and no internal friction—employees can focus entirely on serving clients without distraction.

02 | Efficiency

While pursuing high-performance business growth, JFL remain pragmatic and committed to long-term development.



"Efficiency" reflects our core competitiveness. Guided by strategic goals, we seek optimal results with minimal input, balancing short-term performance with long-term healthy development. We integrate resources, drive pragmatic implementation, create value for clients, and maximize company returns—demanding both efficient processes and high-quality outcomes.

03 | Positivity

Through striving and growth, JFL demonstrate responsibility; through mutual success, we build a thriving ecosystem.



"Positivity" is the core philosophy that drives the collective growth of the Company, and it defines the environment and atmosphere that every employee at JFL should help cultivate. Grounded in optimism and a drive to excel, and measured by our ability to create value, we are committed to continuous growth that fuels the progress of both individuals and the organization.

For employees individually

this means practicing self-discipline, upholding strong ethical standards, and maintaining the intrinsic motivation and drive to pursue continuous development and progress.

For the Company

it means sharing both the tangible and intangible rewards of corporate growth with our employees, while also creating value for the broader social ecosystem.



Six mindsets

Looking ahead and guided by our integrated strategy, JFL will learn from tech-forward and engineer cultures. We will put into practice our six mindsets to build an integrated “technology + industry + finance” culture.

User-centric mindset:

Not just meeting client needs, but uncovering them and creating new value.

Open mindset:

Not just protecting our own turf, but staying flexible and embracing trial and error.

Growth mindset:

Not just iterating dynamically, but stepping out of our comfort zones to take on challenges.

Tech-forward culture

SIX Mindsets

Engineer culture

Underlying-principles mindset:

Not just fixing problems, but understanding the underlying principles and root causes.

Systematic mindset:

Not just deepening our professional expertise, but seeing the big picture and ensuring end-to-end accountability.

Lean mindset:

Not just executing tasks, but bringing craftsmanship to our work and striving for excellence.

ESG data sheets and notes

Economic performance data sheet

Item	Unit	2023	2024	2025
Total tax payment	RMB 100 million	10.52	12.00	12.45
Total assets	RMB 100 million	1,199.20	1,372.55	1,608.94
Revenue from main business	RMB 100 million	75.61	81.85	89.99
Net profit attributable to listed company shareholders	RMB 100 million	26.60	29.43	32.41
Social contribution value per share ¹	RMB	1.59	1.40	1.31

^{Note 1} Social contribution value per share = basic earnings per share + (taxes paid to the state during the year by the Company + remunerations paid to employees + interest paid to banks and other creditors + charitable donations - other social costs caused by environmental pollution and other factors) / total number of shares issued by the Company

Environmental management data sheet¹

Item	Unit	2023	2024	2025
Number of administrative penalties imposed by departments such as the ecological and environmental authorities due to environmental incidents during the reporting period	/	0	0	0
Amount of administrative penalties imposed by departments such as the ecological and environmental authorities due to environmental incidents during the reporting period	RMB 10,000	0	0	0
Comprehensive energy consumption ²	tce	454.04	503.3	513.64
Total energy consumption per capita	tce/person	0.86	0.88	0.78
Direct energy consumption	tce	44.70	45.93	41.51

Item	Unit	2023	2024	2025
Gasoline consumption for service vehicles	Liter	22,611.63	22,787.92	18,438.09
Natural gas consumption	cubic meters	6,656.65	7,437.67	7,677.69
Self-generated renewable energy consumption	MWh	91.25	91.25	91.25
Indirect energy consumption	tce	409.34	457.37	472.13
Purchased electricity consumption	MWh	3,328.33	3,718.83	3,838.85
Clean energy consumption ³	tce	20.08	21.11	21.43
Proportion of clean energy consumption	%	4.42	4.20	4.17
Proportion of natural gas consumption	%	44.10	46.85	47.64
Proportion of self-generated renewable energy consumption	%	55.90	53.15	52.36
Water consumption	Ton	22,932	24,738	23,440
Water consumption per capita	t/person	43.43	43.40	35.57
Waste generation ⁴	Ton	19.05	19.95	15.52
Waste generation per capita	t/person	0.04	0.04	0.02
Hazardous waste generation	Ton	0.16	0.15	0.12
Non-hazardous waste generation	Ton	18.89	19.80	15.40

^{Note 1} In 2025, based on the principle of reporting accuracy, the Company adjusted its statistical caliber and calculation methodologies. Consequently, certain environmental data for 2024 and 2023 have been restated retrospectively.

^{Note 2} The Company discloses its total energy consumption in tonnes of standard coal equivalent (tce). The unit conversion factors are referenced to the China Energy Statistical Yearbook and GB/T 2589-2020 General Rules for Calculation of the Comprehensive Energy Consumption. The Company's comprehensive energy consumption includes direct energy consumption such as gasoline for service vehicles, natural gas, and self-generated photovoltaic power, as well as indirect energy consumption such as purchased electricity. Self-generated renewable energy consumption refers to the power generated by the Company's photovoltaic facilities.

^{Note 3} The Company's clean energy mainly comprises natural gas and self-generated photovoltaic power.

^{Note 4} The Company's hazardous waste mainly comprises discarded electronic products, while non-hazardous waste mainly comprises office waste, food waste, and construction waste. In 2023 and 2024, due to renovation work on the Company's office building, a relatively large amount of waste such as construction waste was generated. In 2025, waste generation declined compared with the previous two years.

Greenhouse gas emissions data sheet

Item	Unit	2023	2024	2025
Scope 1 greenhouse gas emissions ¹	tCO ₂ e	64.57	66.66	57.55
Scope 2 greenhouse gas emissions ²	tCO ₂ e	1,766.01	1,973.21	2,036.89
Scope 3 greenhouse gas emissions ³	tCO ₂ e	—	820.50	899.18
Total greenhouse gas emissions (Scope 1 + Scope 2)	tCO ₂ e	1,830.58	2,039.87	2,094.44
Greenhouse gas emissions per capita (Scope 1 + Scope 2)	tCO ₂ e/person	3.47	3.58	3.18

^{Note 1} Scope 1 greenhouse gas emissions include direct greenhouse gas emissions arising from natural gas, gasoline for service vehicles, and diesel consumption. For 2025, the emission factors for gasoline and diesel used by service vehicles are referenced to the Guidelines for Compiling Provincial Greenhouse Gas Inventories (For Trial Implementation) (2011), GB 17930-2016 Gasoline for Motor Vehicles, the Guidelines for Accounting and Reporting Greenhouse Gas Emissions of Land Transportation Enterprises (For Trial Implementation), and the China Energy Statistical Yearbook (2023). The emission factor for natural gas is referenced to the Ministry of Ecology and Environment's Guidelines for Accounting and Reporting Greenhouse Gas Emissions of Enterprises—Power Generation Facilities (2022) and the China Energy Statistical Yearbook (2023). The emission factor for stationary-source diesel is referenced to the Guidelines for Compiling Provincial Greenhouse Gas Inventories (For Trial Implementation) (2011) and the China Energy Statistical Yearbook (2023).

^{Note 2} Scope 2 greenhouse gas emissions mainly are indirect greenhouse gas emissions from purchased electricity. For 2025, the carbon emission factor for purchased electricity is referenced to the national average power carbon dioxide emission factor of 0.5306 tCO₂/MWh published in the Announcement on the Release of 2023 Power Carbon Dioxide Emission Factors by the Ministry of Ecology and Environment and the National Bureau of Statistics.

^{Note 3} Scope 3 greenhouse gas emissions mainly are greenhouse gas emissions generated by employee business travel. The emission factors are based on the direct emission factor data in the Chinese Environmentally Extended Input-Output (CEEIO) database (2020), and adjusted according to China's 2024 PPI.

Data sheet of employee employment and employees' rights and interests

Item	Unit	2023	2024	2025
Total number of employees	Person	528	570	659
By gender	Male	337	375	450
	Female	191	195	209
By age group	>50	12	12	12
	30-50	320	371	436
	<30	196	187	211

Item	Unit	2023	2024	2025	
By educational background	Doctoral degree	Person	3	3	3
	Master's degree	Person	323	363	405
	Bachelor's degree	Person	197	203	248
	Junior college degree or below	Person	5	1	3
By employee category	General employees	Person	492	520	609
	Total number of managerial employees	Person	36	50	50
Number of male managerial employees	Person	25	36	36	
Number of female managerial employees	Person	11	14	14	
Employee turnover rate ¹	%	5	7	3	
By gender	Male	%	6	6	3
	Female	%	4	9	3
Number of new hires	Person	110	84	113	
Social insurance coverage rate	%	100	100	100	
Labor contract signing rate	%	100	100	100	
Coverage rate of employee health checkup	%	100	100	100	
Coverage rate of occupational injury insurance	%	100	100	100	
Amount invested in employee occupational injury insurance	RMB 10,000	39.97	49.67	60.62	
Coverage rate of employee occupational injury insurance	%	100	100	100	
Number of workplace injury incidents	/	2	0	0	
Number of workdays lost due to workplace injuries	Day	27	0	0	
Number of employee deaths due to work-related causes	Person	0	0	0	

^{Note} The statistics for employee turnover rate do not include employees who have reached statutory retirement age. Employee turnover rate = Number of employees leaving / Total number of employees × 100%.

Employee training data sheet

Item	Unit	2023	2024	2025
Employee training expenditure ¹	RMB 10,000	99.91	103.57	81.56
Number of training sessions	/	365	387	457
Number of employees trained	Person	528	570	659
Employee training coverage rate	%	100	100	100

^{Note} In 2025, the Company carried out work to improve training quality and efficiency. By optimizing training frequency, deepening training content, and increasing online training formats, it continued to improve training effectiveness; therefore, employee training expenditure decreased compared with 2024.

Charity and public welfare data sheet

Item	Unit	2023	2024	2025
Charitable donation	RMB 10,000	99.03	100.79	84.15
Amount of voluntary blood donation	CC	28350	29550	30050

Data sheet of Product and Service Safety & Quality

Item	Unit	2023	2024	2025
Total number of complaints received regarding products and services ¹	Cases	26	70	158
Complaint handling rate for products and services	%	100	100	100
Monetary value of damages involving major liability incidents related to product and service safety and quality	RMB	0	0	0

^{Note} Starting from 2024, the number of micro and small business clients served by the Company has increased significantly. Consequently, the volume of business-related inquiries and complaints has risen compared to 2023.

Data sheet of data security and customer privacy protection

Item	Unit	2023	2024	2025
Number of data security incidents	/	0	0	0
Number of customer privacy leaks	/	0	0	0

Innovation-driven data sheet

Item	Unit	2023	2024	2025
Technological investment amount ¹	RMB 10,000	5,242.51	6,194.27	7,841.35
Technological investment as a proportion of main business revenue	%	0.69	0.76	0.87
Number of technological personnel	Person	32	37	42
Proportion of technological personnel	%	6.06	6.49	6.37
Number of invention patent applications during the reporting period	/	15	6	11
Number of invention patents granted during the reporting period	/	1	7	3
Number of valid invention patents by the end of the reporting period	/	3	10	13
Number of invention patents applied in the main business	/	3	10	13

^{Note} In 2025, the Company accelerated its digital transformation and continued strengthening R&D in information technology to support business innovation and operational efficiency improvement; accordingly, the company's information technology investment increased.

Corporate governance data sheet

Item	Unit	2023	2024	2025
Number of members of the Board of Directors	Person	11	11	12
Including: foreign directors	Person	1	1	1
Number of independent directors	Person	4	4	4
Number of employee directors	Person	0	0	1
Number of held shareholders' meetings	/	3	3	3
Number of meetings held by the Board of Directors	/	7	8	5
Number of meetings held by specialized committees of the Board of Directors	/	16	15	14

Business ethics data sheet

Item	Unit	2023	2024	2025
Number of anti-corruption training sessions conducted	/	105	125	134
Number of employees trained in anti-commercial bribery and anti-corruption	Person	528	570	659
Coverage rate of employees trained in anti-commercial bribery and anti-corruption	%	100	100	100
Number of managerial employees trained in anti-commercial bribery and anti-corruption	Person	36	50	50
Coverage rate of managerial employees trained in anti-commercial bribery and anti-corruption	%	100	100	100
Number of directors trained in anti-commercial bribery and anti-corruption	Person	11	11	12
Coverage rate of directors trained in anti-commercial bribery and anti-corruption	%	100	100	100



Content index

No. 14 Guidelines for Self-regulation and Governance of Listed Companies on the Shanghai Stock Exchange - Sustainable Development Report (For Trial Implementation)

Topic of SSE	Corresponding topic of the Company	Report section
Climate change response	Climate change response	Environment: Climate change response
	Conduct green finance business	ESG data tables and notes
Pollutant emissions	/	As a financial institution, neither the Company nor its significant holding subsidiaries are listed among enterprises legally required to disclose environmental information. Nevertheless, the Company voluntarily implements pollution reduction measures. For details, see “Green Operations” and “ESG Data Tables and Notes.”
Waste treatment	Green operation	Environment: Green operations for energy conservation
		ESG data sheets and notes
Ecosystem and biodiversity protection	/	The Company’s operations are located in urban areas and have a limited direct impact on ecosystems or biodiversity. However, its green leasing initiatives—such as supporting forest protection through helicopter direct leasing and investing in photovoltaic sand control projects—demonstrate its sustained attention to this topic.
Environmental compliance management	Green operation	Environment: Green operations for energy conservation
Energy utilization	Green operation	Environment: Green operations for energy conservation
		ESG data sheets and notes
Water resource utilization	Green operation	Environment: Green operations for energy conservation
		ESG data sheets and notes
Circular economy	Green operation	Environment: Green operations for energy conservation
Rural revitalization	Inclusive finance	Development: Inclusive finance for benefiting small and micro enterprises
	Social contribution	Society: Boundless love and warmth for the society
Social contribution	Social contribution	Society: Boundless love and warmth for the society
Innovation-driven development	Digital finance	Development: Digital finance and technology enablement

Topic of SSE	Corresponding topic of the Company	Report section
Technology ethics	/	As a company in the financial industry, the Company is not involved in scientific research, technology development, or other activities in ethically sensitive fields such as life sciences or artificial intelligence. Therefore, this topic is not applicable.
Supply chain security	Procurement management	Society: Standardized procurement and collaborative development
Equal treatment of small and medium-sized enterprises	Procurement management	Society: Standardized procurement and collaborative development
Safety and quality of products and services	Consumer rights & interests protection	Development: Consumer protection and service optimization
Data security and client privacy protection	Data security and client privacy protection	Development: Information security and privacy protection
Employees	Employee training and development	Society: Joint progress and care for employees
	Employee recruitment and rights & interests	Society: Talent cultivation and joint growth
Due diligence	/	Due diligence and communication with stakeholders are important steps in the Company's materiality assessment and are not assessed as standalone topics. For details, see "ESG governance and strategy: Materiality analysis."
Communication with stakeholders	/	
Anti-commercial bribery and anti-corruption	Business ethics	Governance: Ethical conduct for stable and sustainable development ESG data sheets and notes
Anti-unfair competition	Business ethics	Governance: Ethical conduct for stable and sustainable development
/	Services for real economy	Development: Core business focus for serving the real economy
/	Corporate governance	Governance: Governance as the foundation for steady and long-term development ESG data sheets and notes
/	Compliance management	Governance: Compliance as the cornerstone and strict adherence to standards
/	Comprehensive risk management	Governance: Strengthened risk control for stable operations

GRI content index

Instructions for use	Jiangsu Financial Leasing Co., Ltd. has prepared this report in reference to the GRI Standards for the period from January 1, 2025 to December 31, 2025.
GRI 1 used	GRI 1: Foundation 2021

GRI standard	Disclosure	Report section	
GRI 2: General Disclosures 2021	2-1	Organizational details	About JFL
			About this report
	2-2	Entities included in the organization's sustainability reporting	About this report
	2-3	Reporting period, reporting frequency and contact person	About this report
	2-6	Activities, value chain and other business relationships	About JFL
			About this report
	2-7	Employees	ESG data sheets and notes
	2-9	Governance structure and composition	About JFL
			ESG governance and strategy
	2-12	Role of the highest governance body in oversight	ESG governance and strategy
	2-13	Delegation of responsibility for managing impacts	ESG governance and strategy
	2-14	Role of the highest governance body in sustainability reporting	ESG governance and strategy
	2-26	Mechanisms for seeking advice and raising concerns	Governance: Governance as a priority for a solid foundation
			Governance: Ethical conduct for stable and sustainable development

GRI standard		Disclosure	Report section
	2-27	Compliance with laws and regulations	Governance: Governance as a priority for a solid foundation
			Governance: Service excellence and consumer protection
			Development: Information security and privacy protection
			Society: Joint progress and care for employees
			Society: Boundless love and warmth for the society
2-29	Approach to stakeholder engagement	ESG governance and strategy: Materiality analysis	
GRI 3: Material topics 2021	3-1	Process for determining material topics	ESG governance and strategy: Materiality analysis
	3-2	List of material topics	ESG governance and strategy: Materiality analysis
	3-3	Management of material topics	ESG governance and strategy: Materiality analysis
GRI 203: Indirect economic impacts 2016	203-1	Infrastructure investments and supporting services	Development: Inclusive finance for benefiting small and micro enterprises
			Society: Boundless love and warmth for the society
	203-2	Significant indirect economic impacts	Society: Boundless love and warmth for the society
GRI 205: Anti-corruption 2016	205-2	Communication and training on anti-corruption policies and procedures	Governance: Ethical conduct for stable and sustainable development
	205-3	Confirmed incidents of corruption and actions taken	ESG data sheets and notes
GRI 206: Anti-competitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Governance: Ethical conduct for stable and sustainable development
GRI 302: Energy 2016	302-1	Energy consumption within the organization	ESG data sheets and notes
	302-2	Energy consumption outside the organization	ESG data sheets and notes

GRI standard		Disclosure	Report section
	302-3	Energy intensity	ESG data sheets and notes
	302-4	Reduction of energy consumption	Environment: Green operations for energy conservation
	303-3	Water withdrawal	Environment: Green operations for energy conservation
	303-5	Water consumption	ESG data sheets and notes
GRI 305: Emissions 2016	305-1	Direct (Scope 1) greenhouse gas emissions	ESG data sheets and notes
	305-2	Energy indirect (Scope 2) greenhouse gas emissions	ESG data sheets and notes
	305-3	Other indirect (Scope 3) greenhouse gas emissions	ESG data sheets and notes
	305-4	Greenhouse gas emissions intensity	ESG data sheets and notes
	306-3	Waste generated	Green operations for energy saving and consumption reduction
	308-2	Negative environmental impacts in the supply chain and actions taken	Standardized procurement and collaborative development
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	Society: Joint progress and care for employees
	403-6	Promotion of worker health	Society: Joint progress and care for employees
GRI 404: Training and Education 2016	404-1	Average hours of training per employee per year	ESG data sheets and notes
	404-2	Employee skills development programs and transition assistance programs	Society: Talent cultivation and joint growth
	405-2	Ratios of basic salary and remuneration of women to men	Society: Joint progress and care for employees ESG data sheets and notes
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Development: Information security and privacy protection

United Nations Sustainable Development Goals (SDGs) content index

Sustainable development goal	Description	Response to SDGs	Corresponding sections
 1 NO POVERTY	End poverty in all its forms everywhere.	<ul style="list-style-type: none"> · Providing various types of support and assistance · Rural revitalization support 	<ul style="list-style-type: none"> · Society: Boundless love and warmth for the society
 3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promoting well-being for all at all ages.	<ul style="list-style-type: none"> · Providing supplementary medical insurance for employees · Caring for employees' mental health and offering psychological counseling lectures 	<ul style="list-style-type: none"> · Society: Joint progress and care for employees
 4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	<ul style="list-style-type: none"> · Implementing talent development programs to support employee growth and development 	<ul style="list-style-type: none"> · Society: Talent cultivation and joint growth
 5 GENDER EQUALITY	Achieve gender equality and empowering all women and girls.	<ul style="list-style-type: none"> · Providing equal employment and development opportunities for female employees · Protecting the rights and interests of female employees · Caring for the physical and mental health of female employees 	<ul style="list-style-type: none"> · Society: Joint progress and care for employees
 6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all.	<ul style="list-style-type: none"> · Strengthening water resource management and promoting water conservation 	<ul style="list-style-type: none"> · Environment: Green operations for energy conservation
 7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all.	<ul style="list-style-type: none"> · Supporting the green transition of the energy mix by providing leasing services for wind and solar power equipment 	<ul style="list-style-type: none"> · Environment: Green operations for energy conservation
 8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	<ul style="list-style-type: none"> · Upholding lawful employment practices and protecting employee rights and interests · Actively implementing various employee care initiatives and providing multi-dimensional benefits 	<ul style="list-style-type: none"> · Society: Joint progress and care for employees
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	<ul style="list-style-type: none"> · Responding to technology finance and digital finance 	<ul style="list-style-type: none"> · Development: Core business focus for serving the real economy

Sustainable development goal	Description	Response to SDGs	Corresponding sections
 10 REDUCED INEQUALITIES	Reduce inequality within and among countries.	<ul style="list-style-type: none"> · Prohibiting all forms of employee discrimination · Listening to and responding to employee opinions and concerns 	<ul style="list-style-type: none"> · Society: Joint progress and care for employees
 11 SUSTAINABLE CITIES AND COMMUNITIES	Make cities and human settlements inclusive, safe, resilient and sustainable.	<ul style="list-style-type: none"> · Supporting real economy development and ensure that elderly-care finance and inclusive finance are effectively implemented 	<ul style="list-style-type: none"> · Development: Core business focus for serving the real economy
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns.	<ul style="list-style-type: none"> · Improving energy efficiency and resource-use efficiency · Practicing green office operations and promoting paperless workflows · Building 	<ul style="list-style-type: none"> · Environment: Green operations for energy conservation · Society: Standardized procurement and collaborative development
 13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts.	<ul style="list-style-type: none"> · Active response to climate change · Supporting the construction of new energy projects such as wind and solar power 	<ul style="list-style-type: none"> · Environment: Climate change response · Environment: Green finance for low-carbon transition
 14 LIFE BELOW WATER	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	<ul style="list-style-type: none"> · Supporting the delivery of green vessels and protecting the marine ecosystem · Cooperating in advancing blue syndicated loan projects 	<ul style="list-style-type: none"> · Environment: Green finance for low-carbon transition
 15 LIFE ON LAND	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and prevent biodiversity loss.	<ul style="list-style-type: none"> · Implementing photovoltaic sand-control projects and supporting forest protection through helicopter direct leasing, among other measures · Achieving green financing through the issuance of green bonds and cooperation on green syndicated loan projects 	<ul style="list-style-type: none"> · Environment: Green finance for low-carbon transition
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	<ul style="list-style-type: none"> · Improving corporate governance, strengthening internal control, enhancing risk management capabilities, and advancing integrity-building 	<ul style="list-style-type: none"> · Governance: Governance as a priority for a solid foundation · Governance: Strengthened risk control for stable operations · Governance: Compliance as the cornerstone and strict adherence to standards · Governance: Ethical conduct for stable and sustainable development
 17 PARTNERSHIPS FOR THE GOALS	Strengthen the means of implementation and revitalize the global partnership for sustainable development.	<ul style="list-style-type: none"> · Strengthening investor relations management and protecting investors' rights and interests · Establishing communication channels with all stakeholders 	<ul style="list-style-type: none"> · Governance: Governance as a priority for a solid foundation

Reader Feedback Form

Thank you for reading this report. To continuously enhance our ESG performance, strengthen our sustainable development management capabilities, and further improve the quality of our sustainability reports, we sincerely welcome your feedback and comments on this report. We would greatly appreciate it if you could take a few moments from your busy schedule to share your valuable opinions and suggestions.

You may submit your feedback to us through the following channels:

Mailing address: Building 1, Financial City, No. 99 Jialingjiang East Street, Jianye District, Nanjing, Jiangsu

Tel.: 025-86816908

Email: info@jsleasing.cn

Please respond to the following questions:

1. Which stakeholder group do you belong to?

- Shareholders and investors Clients Employees
 Government and regulatory authorities Suppliers and business partners
 Community General public and media Other

2. How would you rate this report overall?

- Excellent Good Fair

3. Does this report provide the information you need?

- Yes Partially No

4. Do you think this report adequately reflects the Company's performance in environmental, social and governance (ESG) aspects?

- Yes Fair No

5. Do you think the information, data, and indicators disclosed in this report are clear, accurate, and complete?

- Yes Fair No

6. Do you think the structure and layout of this report are clear, easy to understand, and reader-friendly?

- Yes Fair No

7. Other comments and suggestions:

We sincerely thank you for your support and valuable input to Jiangsu Financial Leasing Co., Ltd.



📍 地址 江苏省南京市建邺区嘉陵江东街99号
金融城1号楼

☎ 电话 025-8681 6908

🌐 网址 www.jsleasing.cn

✉ 邮箱 info@jsleasing.cn



江苏金融租赁发布



青春苏租