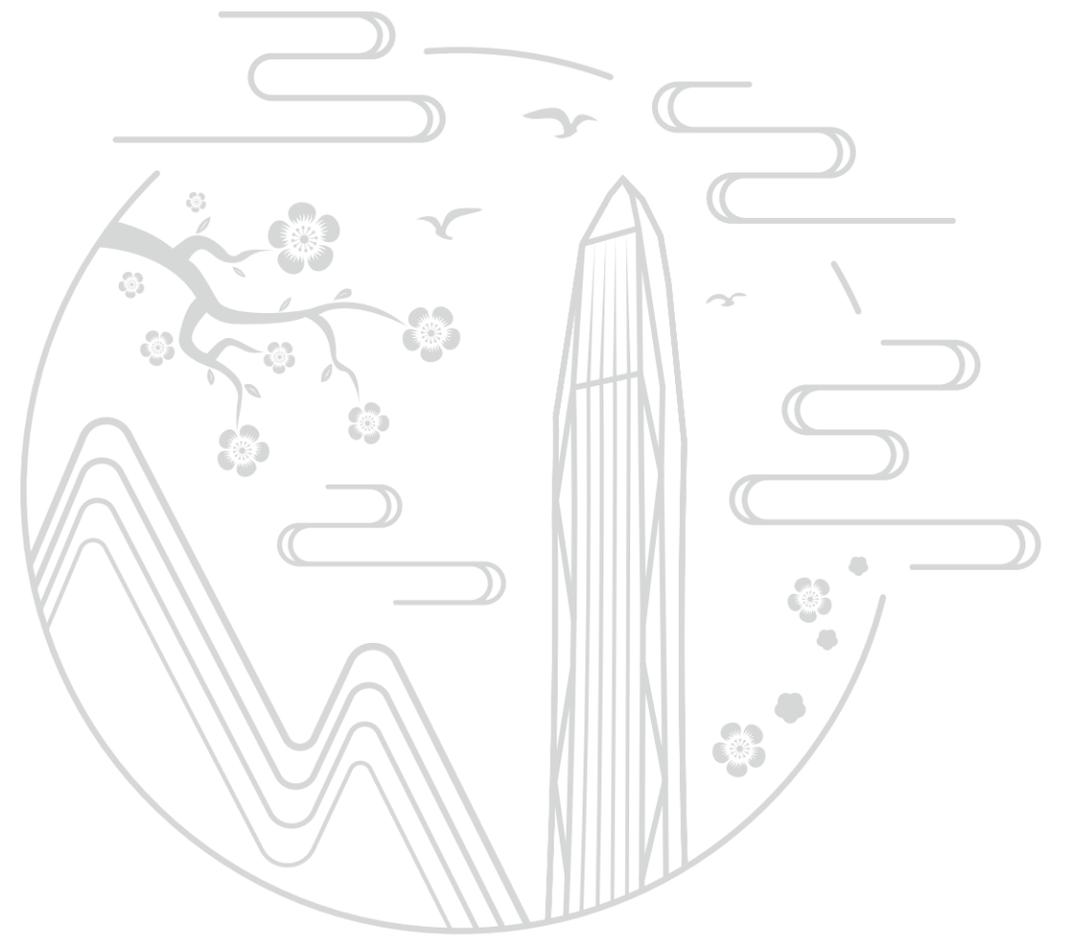


To Be an Active Global Influencer

Ping An 2019 Sustainability Report





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01

Openings

- 1.1 Executive Dialogue
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- 1.3 Corporate Profile
- 1.4 Awards and Recognitions
- 1.5 Our Impacts

Openings

Executive Dialogue

"How did Ping An respond in the wake of China making more efforts to better serve the real economy with financial market in 2019?"



As an integrated financial conglomerate with strong sense of mission, Ping An took initiative to respond to the development strategies of the government and actively supported government initiatives such as the Belt and Road Initiative, the Guangdong-Hong Kong-Macao Greater Bay Area, and inclusive finance. We have provided risks protection for over one thousand major projects of the Belt and Road Initiative and the Greater Bay Area development, served over three million small and micro enterprises with integrated financial services such as insurance, loans and financing, and provided over RMB1 trillion in insurance coverage and financing services for farmers and rural enterprises. By leveraging our expertise in comprehensive financial services, we have facilitated the financing of RMB756 billion of insurance funds to support major infrastructure projects, playing an active role in promoting industrial upgrading and optimizing the allocation of state-owned assets.

On the other hand, Ping An leveraged its cutting-edge technology to expand the coverage of its financial services, used its professional asset allocation capabilities to help clients manage and grow the value of their assets and boost consumer confidence, and provided diversified and client-oriented financial services and products to drive up consumer demand and consumption. These positive trends in the consumer market triggered positive impacts on industrial side and enterprise side, providing a continuous boost for greater dynamic and efficiency in the real economy.

XIE Yonglin, President and Co-CEO of Ping An Insurance (Group) Company of China, Ltd.

"What's the value of technology for the development of Ping An, and how to understand 'Tech for Social Good'?"

Benefitting from AI, blockchain and other core technologies, Ping An has made active contribution to the country and fully supported the development of financial ecosystem, healthcare ecosystem, smart city ecosystem and others in cementing its foundation. Ping An is committed to leveraging technology to develop inclusive finance and its loan balance reached nearly RMB900 billion. Through online consultation and intelligent management solutions, Ping An's medical technology has benefitted over 300 million patients and assisted 14,000 community-level medical institutions and 300,000 doctors. With a coverage of 125 cities, Ping An Smart City has provided intelligent and convenient services for over 50 million people across the country with more efficient municipal services. While enjoying the higher efficiency and capacity enabled by technologies, we also pay close attention to the governance of information security, privacy protection, AI ethics, etc. We have integrated the ethical and legal requirements into the product life cycle and continued to improve the relevant policy system, all in an effort to ensure the "human-oriented" and "tech for social good" technological development.



TAN Sin Yin, Co-CEO of Ping An Insurance (Group) Company of China, Ltd.

"Against the backdrop of 'exerting insurance's nature in risk management', what's the sustainable insurance strategy of Ping An?"



Closely following the national strategies and adhering to the principle of "exerting insurance's nature in risk management", Ping An has made more efforts to develop and provide social security products, inclusive financial products and environmental products under the theme of sustainable development, and offered a series of security insurance for the construction of the Belt and Road Initiative and the Greater Bay Area. Besides, we have also vigorously explored the potential of AI and developed a number of intelligent services for various products to provide comprehensive and fast service for customers. In achieving a stable growth of our insurance performance in general, we are also committed to providing risk protection for social equity and sustainable development.

LU Min, Chief Insurance Business Officer of Ping An Insurance (Group) Company of China, Ltd.

"How could Ping An ensure its co-development with employees during the fast growth?"



Talents are critical for realizing the strategic goals and promoting the long-term fast business development. We attach great importance to talent attraction. Based on years of experience accumulation, our talent selection criteria and system are constantly evolving. Furthermore, we focus more on cultivating and motivating employees, identifying talents and meeting development needs with technological means. In 2014, we started offering mobile learning and online learning to all employees. And in 2019, we developed a customized career development and education system. Meanwhile, we have implemented the core employees stock ownership scheme since 2015 and launched the employee long-term service scheme in 2018. We constantly share the Company's development achievements with our employees to boost our long-term co-development.

CAI Fangfang, Vice President and Chief Human Resources Officer of Ping An Insurance (Group) Company of China, Ltd.

"In 2019, Ping An became the first asset owner signing UNPRI in China. What does it mean to Ping An's investment strategies?"

Upholding the responsible investment and promoting its development in China are incumbent on Ping An as an asset owner of insurance funds. The signing of UNPRI demonstrates our commitment to the responsible investment in our insurance, investment and banking businesses. In 2020, we will expand the application of ESG investment across the Group, upgrade the existing responsible investment system and build up the professional capabilities for relevant investment teams. On one hand, Ping An aims at becoming a leading responsible investor in China and exploring the global responsible investment market; on the other hand, Ping An hopes to apply responsible investment approaches to improve its risk management and achieve a stable investment model in the long-run.



CHAN Tak Yin, Chief Investment Officer of Ping An Insurance (Group) Company of China, Ltd.

"How does Ping An see the role of ESG in promoting the comprehensive value of Ping An in the capital market and in paying returns to investors?"



Committed to our responsibility to investors, Ping An has been improving the ESG performance of the Group to promote its comprehensive value in the capital market. In 2019, Ping An made remarkable progress in authoritative ESG Ratings and MSCI upgraded our rating as well. Ping An became the first insurance company from mainland China to be selected in the 2019 Dow Jones Sustainability Emerging Markets Index, and also the only financial company selected in the index. We believe that, supported by the excellent ESG management and practice, Ping An will achieve better risk management and seize the opportunities to boost the steady development and demonstrate its capacity of creating long-term value for investors.

SHENG Ruisheng, Secretary of the Board and Brand Director of Ping An Insurance (Group) Company of China, Ltd.

Feature: Fighting the New Coronavirus Pneumonia Epidemic

The 2019 novel coronavirus (COVID-19) outbreak pulled at the heartstrings of every person in early 2020. Immediately after the outbreak, all business lines of Ping An paid close attention to the development and trend, mobilized resources, and took action in areas including charitable donations, insurance protection, fast-track claims, medical services, and financial services to help people fight against the epidemic. As of February 17, 2020, Ping An's donation for fighting the epidemic had mounted to RMB61.5 million, and had provided masks, protective suits, protective goggles and other supplies for free for residents and frontline medical personnel across China. Ping An also provided free insurance for eight million disease control and medical staff members and 15,000 volunteers, and launched a volunteering initiative collectively with China Volunteer Service Federation and China Association for Science and Technology, offering smart health services including online consultation, online medical image reading, and dynamic epidemic monitoring.

As of February 17, 2020,

Ping An's donation for fighting the epidemic had mounted to

RMB**61.5** million

Total online training
36 sessions

Total pageviews
110 million times



Corporate Profile

Ping An Insurance (Group) Company of China, Ltd. ("Ping An", "the Group", "the Company" or "we") was established in Shenzhen Shekou in 1988. The Group was the first insurance company adopting a shareholding structure in China. It has developed into one of the three major financial groups in China. The Group's shares are listed on the Stock Exchange of Hong Kong (stock code: 2318) and the Shanghai Stock Exchange (stock code: 601318).

Ping An endeavors to become a world-leading technology-powered personal financial services group upholding the belief of "technology-powered financial services for a better life" and riding on development models of enhancing "finance + technology" and exploring "finance + ecosystem". Focusing on "pan financial assets" and "pan healthcare", the Group applies innovative technologies to five ecosystems, namely financial services, healthcare, auto services, real estate services, and smart city services. The Group aims to provide customers with excellent experience of "expertise makes life simple", achieve sustainable profit growth and secure long-term stable returns for shareholders.

Ping An is one of China's personal financial service groups with the most comprehensive range of financial licenses, the widest business scope and the most compact shareholding structure. The subsidiaries of Ping An include Ping An Life, Ping An Property & Casualty, Ping An Annuity, Ping An Health, Ping An Bank, Ping An Trust, Ping An Securities, Ping An Fund and so on. Covering the entire financial services spectrum, Ping An has become one of the few financial groups in China that can provide customers with a full range of financial products and services, including insurance, banking, and investment. In addition, Ping An has also actively explored fintech business via subsidiaries including Lufax, Ping An Good Doctor, OneConnect, Ping An Haofang, and E-wallet, and has seen significant growth in terms of size and user base.

Ping An has nearly 1.5438 million employees and life insurance sales agents. As of December 31, 2019, the Group had about RMB8.22 trillion in total assets and RMB673.161 billion in equity attributable to shareholders of the parent company.

As of December 31, 2019,

Total assets
RMB**8.22** trillion

Operating profit
RMB**147.722** billion

Equity attributable to shareholders of the parent company
RMB**673.161** billion

Dividend per share
RMB**2.05**

Awards and Recognitions

Corporate Strength

Fortune	29th on the Fortune Global 500 list and 4th among global financial institutions
Fortune (Chinese version)	4th on the Fortune China 500 list and 1st among Chinese insurers and among Chinese mixed ownership enterprises
Forbes	7th on the Forbes Global 2000 list and 1st among global multi-business insurers and among Chinese insurers

Corporate Governance

The Hong Kong Institute of Directors	"Outstanding Director" Group Award "Outstanding Director" Individual Award-Ma Mingzhe
Sina Finance	Best Corporate Governance (G) ESG Award

ESG Ratings

The Dow Jones Sustainability Indexes (DJSI)	Included in the DJSI Emerging Market Index, the first insurer in mainland China
CDP	B-level, ranking 3rd among all Chinese companies and 1st among Chinese financial companies
MSCI ESG Rating	BBB
Hang Seng China Index ESG Index	Included in the Hang Seng China Index ESG Index and the second largest constituent stock of the index
Hang Seng Corporate Sustainability Index Series	Rated as the Hang Seng Sustainability Index A+ and was selected into the "Hang Seng A-Share Sustainable Enterprise Index" (only 15 stocks were selected)

Corporate Social Responsibility

Greenway Group	Most Socially Responsible Award for Hong Kong Listed Companies in Greater China 2019
International Financial News	Annual Poverty Alleviation Enterprise Award
Southern Weekly	Annual Responsibility and Contribution Award
Sina Finance	Annual Sustainability Award, Responsible Investment Best Insurance Company Award

Brand

Millward Brown & WPP	40th on the list of BrandZ Top 100 Most Valuable Global Brands, 1st among global insurance brands for the fourth consecutive year, and 3rd among global financial brands
Brand Finance	7th on the list of BrandZ Top 100 Most Valuable Chinese Brands, 1st among Chinese insurers and 2nd among Chinese financial institutions
	14th on the list of the World's 500 Most Valuable Insurance Brands 2019, 3rd among global financial institutions and 1st among global insurers.

Others

TAN Sin Yin received the 2019 Chinese Government Friendship Award, and was invited to attend the Meeting with Premier and the Reception in Celebration of the 70th Anniversary of the Founding of the People's Republic of China. Until now, the awardees of the "Friendship Award" in the financial sector of China all come from Ping An.

Dr. Xiao Jing, Ping An Chief Scientist, was granted the "Wu Wenjun AI Science & Technology Award", which is regarded as "China's Top Intelligence Technology Award", representing the highest honor in the field of artificial intelligence.

Our Impacts

Our Roles	Our Key Performance
A Listed Company with Integrity and Transparency	<p>Operating profit: RMB147.722 billion</p> <p>Number of retail customers: 200.48 million Number of online customers: 515.5 million</p> <p>Anti-corruption events: 2,046 events, 3.57 million person-times, 100% coverage of all employees</p> <p>Coverage rate of employee training on information security : 100%</p> <p>Number of suppliers participated in ESG-themed training: 100</p> <p>Group NPS: 43%</p>
A Caring Corporate Citizen	<p>Carbon emission intensity: 2.12 tCO₂e/person</p> <p>Carbon emissions reduction potential: 64,497 tCO₂e</p> <p>Total poverty alleviation fund granted to "Village Officer": RMB15.745 billion</p> <p>Total number of village and township clinics upgraded: 949 / Total number of village doctors trained: 11,175</p> <p>Total number of village primary schools upgraded: 1,054 / Total number of village teachers trained: 11,826</p> <p>Amount of philanthropy investments: RMB500 million</p> <p>Number of volunteers from employees and agents of Ping An: 478.9 thousand</p> <p>Total volunteer hours from Ping An employees and agents: 571 thousand hours</p>

A Trustworthy Insurance Company	<p>Number of sustainable insurance products/services: 1,053</p> <p>Sustainable insurance insured amount: RMB121 trillion</p> <p>Sustainable insurance valid coverage: 785 million person-times</p> <p>Number of valid policies: 134 million</p>
A Responsible Investor	<p>Green investment: RMB51,245 million</p> <p>Social and inclusive investment: RMB903,204 million</p> <p>Balance of green credit loans: RMB24.273 billion</p> <p>Balance of social and inclusive loans: RMB898.921 billion</p>
An Attractive Employer	<p>Total number of employees: 376.9 thousand</p> <p>Total number of agents: 1,166.9 thousand</p> <p>Annual amount of employee remuneration: RMB59.144 billion</p> <p>Total training expenses: RMB1.096 billion</p> <p>Annual amount of enterprise annuity: RMB 755 million, covering 57.27% of total employees</p> <p>Employee long-term service scheme coverage: 31,026 employees, 8.34% of total employees</p> <p>Average per-capita hours of face-to-face trainings and online trainings: 11.94 hours</p> <p>Overall employee satisfaction score of the Group: 4.33 *Total score of employee satisfaction: 5</p>

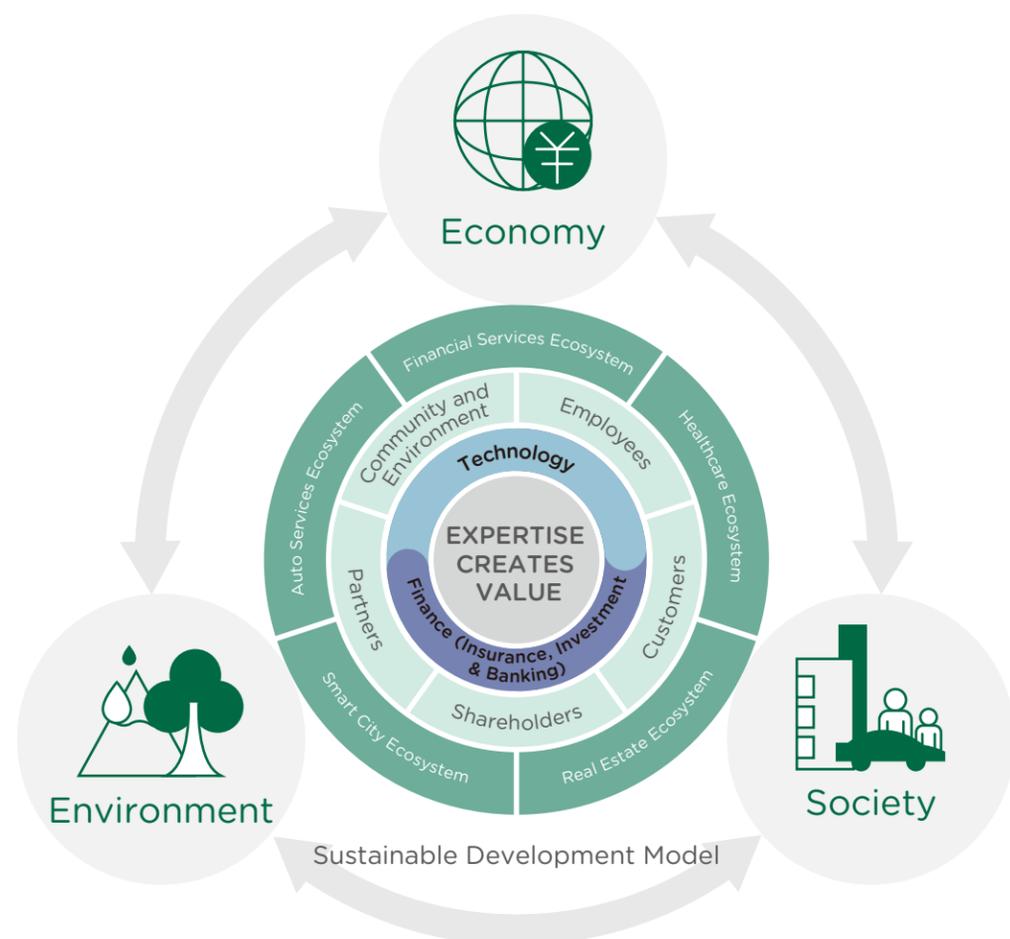
02

Sustainable Development Strategy

- 2.1 ESG Strategy, Management and Model
- 2.2 ESG Risk Management
- 2.3 The SDGs Map of Ping An
- 2.4 Stakeholder Engagement

Strategy

ESG Strategy, Management and Model



© Sustainable development concepts and management

Adhering to “expertise creates value”, backed by the “finance + technology” and based on the five ecosystems, Ping An helps to realize the goals of green environment, harmonious society and sustainable economic development, to create value for shareholders, customers, employees, community and the environment, and partners.

To drive the resource-friendly and society-friendly development of the industry and society with professional financial products and services could better empower society. That’s the fundamental mission of Ping An to fulfill its ESG responsibilities.

Economic responsibility

Ping An supports the company development and drives economic development by financial means. We adhere to the principles of responsible investment to achieve the long-term, benign and sustainable development of the Company and the social economy.

Social responsibility

Based on the building of five ecosystems, we are fulfilling our social responsibilities in healthcare, education, smart city and poverty alleviation to help people pursue a better life.

Environmental responsibility

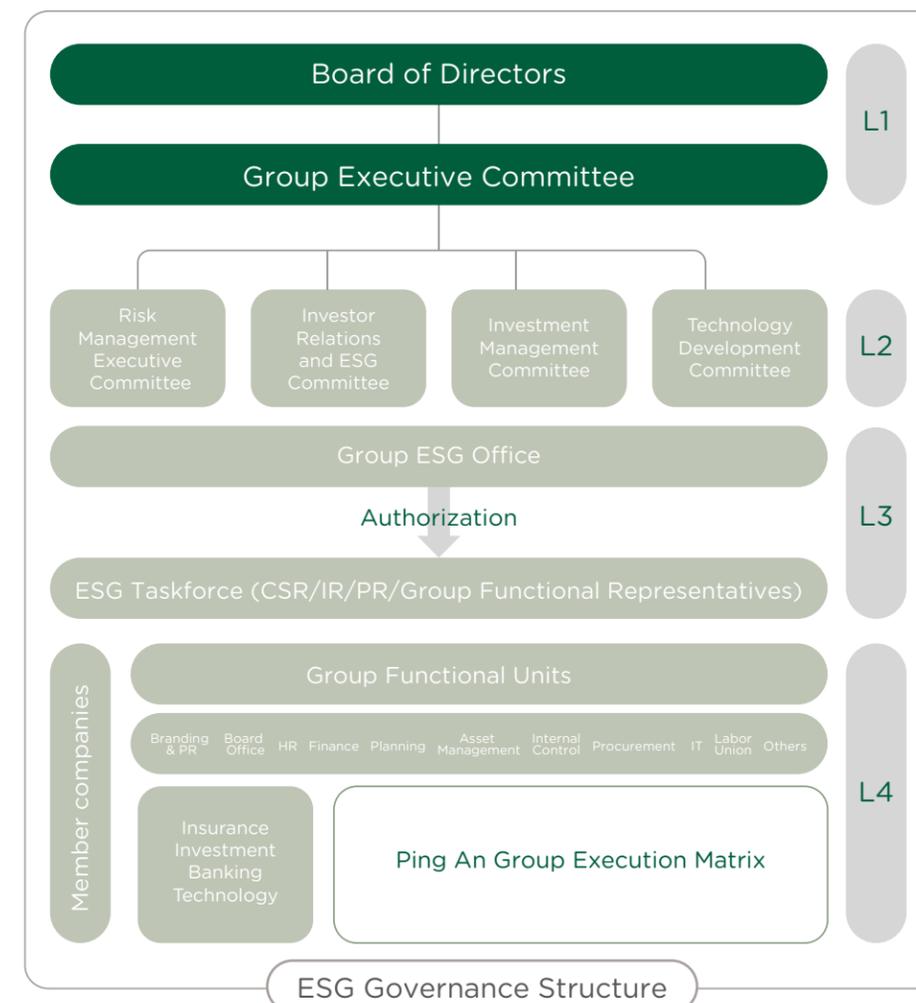
Ping An gives full play to the guiding role of finance, and empowers environmental protection and governance with cutting-edge technology, promoting the formation of an environmental-friendly business ecosystem.

© Organizational and governance management

Incorporating environmental, social and governance (ESG) as a part of our strategy, we continuously instruct all functional departments and members of the Group to enhance corporate governance based on business practices in a more methodical, professional, and systematic manner.

The Board of Directors (L1) has oversight of all ESG issues. The IR (Investor Relations) and ESG Committee (L2), along with other committees, are responsible for identifying ESG risks, formulating plans and policies, setting objectives, and appraising performance. The Group ESG Office and other functional departments of the Group (L3) act as the taskforce responsible for coordination of ESG issues in and outside the Group. The matrix consisting of the Group’s functional units and members (L4) is responsible for ESG execution. Our overall work plan is governed by clear management objectives, clear responsibilities and a clear appraisal mechanism, and continuous improvements in the management of ESG issues and risks. Regular reporting to directors and senior executives on ESG risk management, objectives, plans, implementation and progress ensures effective ESG management.

In 2019, Ping An officially established its ESG policy system that covers the focuses of the capital market, such as business code of conducts, corporate governance, responsible investment, sustainable insurance, information security, AI governance, sustainable supply chain, and the Sustainable Development Goals, and so on. Meanwhile, Ping An leveraged its technology expertise and developed the Ping An AI-ESG platform, which can be used both for ESG performance management and investment applications.



Analysis of core topics

The analysis of key issues is an important task for Ping An to analyze and prioritize key sustainable development issues based on the Company's development strategy and stakeholder demands. To achieve its sustainable development strategy, Ping An has comprehensively integrated ESG core concepts and standards into its business operations, grouping key sustainable development topics into three segments, governance, integration of sustainable business, and community and environment. The Company has identified nine core sustainable development topics of priority and disclosed them in its 2019 Interim Report, including business code of conducts, responsible investment, sustainable insurance, information security and AI governance, responsible products, sustainable supply chain, employee rights and benefits, sustainable ecology, and green business and operations.



ESG Risk Management

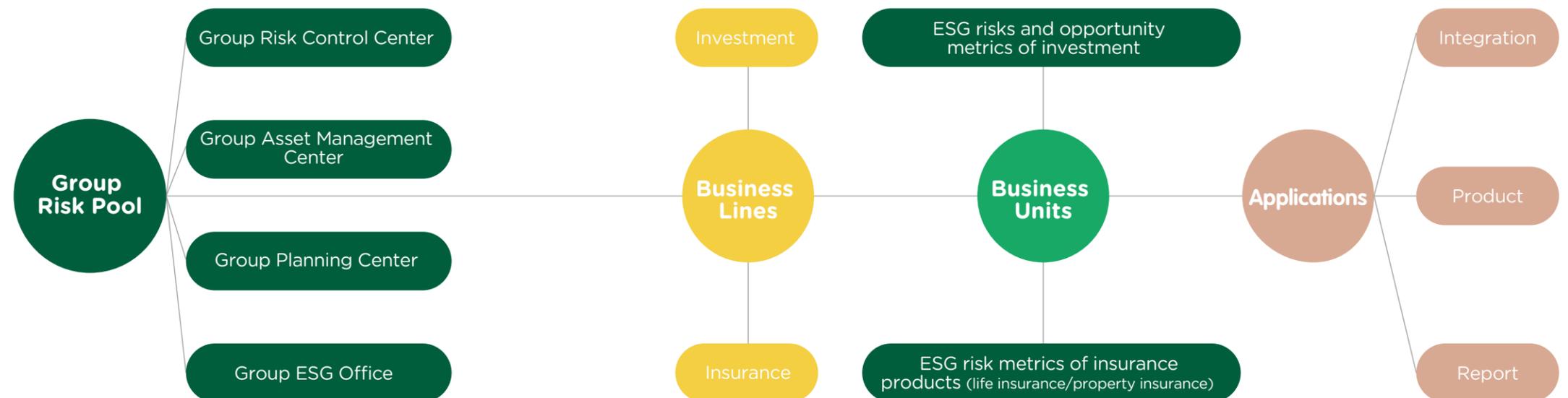
Risk management framework

The Board of Directors is the highest decision-making authority for the Company's risk management and takes responsibility for the effectiveness of enterprise risk management. The Audit and Risk Management Committee under the Board of Directors has a thorough understanding of major risks and the Company's management of these risks, monitors the effectiveness of the risk management framework and reviews matters with material risks to provide comments and recommendations to the Board of Directors.

Ping An has built an enterprise risk management framework aligned with the Group's strategies and the nature of our business. By continuously upgrading our risk management framework, standardizing our risk management procedures, adopting both qualitative and quantitative risk management methodologies to identify, evaluate and mitigate risks, we facilitate the sustainable and healthy business growth of the Company.

Ping An has built a unified collaborative risk management

and control platform, where its subsidiaries have set up comprehensive risk management monitoring indicators according to the Group's comprehensive risk management requirements. All major subsidiaries have completed the building of risk management indicators and started quarterly risk monitoring and tracking.



Improvement of business risk management

In terms of investment risk management, the Group ESG Office and the Group Asset Management Center, as supervised and instructed by the Group Investor Relations & ESG Management Committee, join hands with the major business investment teams to set up the Panel of Experts on Responsible Investments, to support and guide the decision making and investment application for different investment business.

We have integrated ESG risk management into the Group's investment risk management system. We categorize ESG risks into two secondary aspects, namely climate change and social risk, and set criteria for risk assessment based on the Group's asset portfolios. In addition, the Group ESG Office holds seminars regularly with subsidiaries to assist them in understanding the basic elements of ESG, share the best practices with them and effectively guide the ESG strategy implementation and project planning.

In terms of the insurance risk management, the Group ESG Office coordinates efforts across Group Planning Center, risk management departments, market research departments, actuarial departments, reinsurance departments and other relevant departments of the subsidiaries. Together they identify and evaluate climate change topics, formulate risk management measures and performance assessment methods, and develop management and control measures for the whole cycle from design to underwriting based on the actual conditions of subsidiaries.

© Active response to demographic transition and health trends

The 19th CPC National Congress report mentioned that we are in the dilemma of unbalanced and inadequate development and the people's ever-growing needs for a better life. For the health insurance segment, in the wake of personal health expenditure growth, an aging population, the acceleration of urbanization process, the expansion of middle-income group and the growing number of people suffering from chronic diseases, the gap is increasingly prominent between the fast-growing health insurance needs of people and the social insurance supply capacity. However, factors such as healthcare environment, personal health expenditure, population size and stage of social development in China result in the inadequacy of the public medical insurance for the needs of all orders of society. In such condition, it is very important for commercial insurance companies to participate in the building of social insurance system to meet people's growing, diverse and multi-layer health insurance needs.

Backed by the financial business, Ping An has launched the comprehensive insurance for the elderly, critical illness insurance, obesity insurance, special insurance for diseases occurring frequently, etc., and continues to explore pension investment plans. Besides, Ping An Good Doctor, Health Konnect, Ping An Smart City and other subsidiaries make use of cutting-edge technologies to support the development of the national elderly care, and medical and health services, offering people with more diverse and convenient services and better access to quality services and resources.

Case Study

Ping An Annuity 2035 officially issued

3Y Ping An Annuity Target-date 2035 Mixed FOF, the first pension target fund, was officially issued on May 20, 2019. Among similar products issued, Ping An Annuity 2035 is the only pension target-date fund with the pension target index as the performance benchmark. The product is a combination of the actuarial results based on the big data of Chinese population, practical experience of insurance fund management, and the overseas mature pension allocation experiences. Such fund is designed for investors at the age of 39-49 likely to retire around 2035, aiming at providing a one-stop pension investment solution and long-term stable investment return to the group to retire around the target year.

© Fully adapting to climate change

Climate change and extreme weather pose severe challenges for agricultural production, water resources, ecological environment, energy, major projects, social and economic development and many other fields. As pointed out in the *Global Risks Report* of the World Economic Forum, global risks are increasingly dominated by climate change. The Report also rated climate change as one of the highest risks for enterprises for three years in a row. Climate change poses unprecedented new challenges to corporate strategy, finance, operations, human resources, legal compliance and sales.

Our insurance business, banking and investment subsidiaries are fully carrying out the sustainable insurance strategies and responsible investment strategy. Taking climate change and environmental performance as one of the core considerations for investment decision making, we are prudent in investing the high-pollution and high-energy consumption industries. We promise that we won't provide loans, insurance guarantee or other services for high-pollution and high-energy consumption industries and those damaging the environment. We are active in supporting the new-energy, and green and environmental industries, to drive the development of clean and green industries. In 2019, Ping An was active in responding to the initiative of the G20 FSB, and completed an overall assessment of climate change risks under the framework of the Task Force on Climate-related Financial Disclosure ("TCFD").



Scan the QR code to read the *2018 Climate Change Report of Ping An*

In the field of sustainable insurance

We integrate environmental, social and governance issues related to insurance business into the insurance product decision, to build a sustainable insurance product system including climate insurance.

In the field of responsible investment

We have formulated the *Responsible Investment Policies of Ping An Group*, under which we apply different investment policies and incorporate the ESG and climate change risks into investment analysis, to interpret into seven types of responsible investment strategies applicable to different kinds of asset investment. In the meantime, an initial "green credit regime" management system and business development mechanism have been established to strictly control business related to the "industries with high pollution, high energy consumption and excessive production capacity", support emerging industries and optimize resources allocation.

The SDGs Map of Ping An

In 2015, the 193 member states of the United Nations passed the United Nations Sustainable Development Goals (SDGs), providing guidance to global businesses, organizations and governments to work together to solve social, economic and environmental development challenges and promote the sustainable development globally. Ping An benchmarks and integrates SDG goals with key areas of its business operations and development, actively contributing to the realization of the global sustainable development goals, in the pursuit of a win-win for both business and social value.



Stakeholder Engagement

The expectations and demands of stakeholders serve as an important guidance and reference for Ping An to promote its sustainable development practices. The Company maintains regular engagement with stakeholders via various channels and models.

Stakeholders	Engagement Channels	Interested Issues
Shareholders	<ul style="list-style-type: none"> <input type="checkbox"/> Corporate notices <input type="checkbox"/> Interim and annual reports <input type="checkbox"/> General Meeting of Shareholders <input type="checkbox"/> Investors' forum & roadshows <input type="checkbox"/> Regular visits and communications <input type="checkbox"/> Media outlet required by regulatory bodies 	<ul style="list-style-type: none"> <input type="checkbox"/> Prudent business performance <input type="checkbox"/> Corporate governance <input type="checkbox"/> Risk and compliance management <input type="checkbox"/> Climate change risks <input type="checkbox"/> Health and demographic risk <input type="checkbox"/> Products and service innovation
Customers	<ul style="list-style-type: none"> <input type="checkbox"/> Customer services (phone, online and face-to-face channels) <input type="checkbox"/> Customer visits <input type="checkbox"/> Interaction on WeChat and Weibo platform <input type="checkbox"/> NPS Survey <input type="checkbox"/> Customer service information platform such as the <i>Customer Service News</i> 	<ul style="list-style-type: none"> <input type="checkbox"/> Quality customer services <input type="checkbox"/> Data security and privacy protection <input type="checkbox"/> Customer complaint management <input type="checkbox"/> Product innovation <input type="checkbox"/> Financial education <input type="checkbox"/> Education on investment safety <input type="checkbox"/> Technological change
Employees	<ul style="list-style-type: none"> <input type="checkbox"/> Meetings with employee representatives <input type="checkbox"/> Complaint channels for employees <input type="checkbox"/> Employee hotlines <input type="checkbox"/> Internal office management system <input type="checkbox"/> Information platform such as internal publications, TV, and the internet. 	<ul style="list-style-type: none"> <input type="checkbox"/> Employee career development <input type="checkbox"/> Work-life balance <input type="checkbox"/> Occupational health and safety <input type="checkbox"/> Employees' health and safety
Business Partners	<ul style="list-style-type: none"> <input type="checkbox"/> Agent training <input type="checkbox"/> Agent conferences <input type="checkbox"/> Procurement activities <input type="checkbox"/> Supply chain management system <input type="checkbox"/> Suppliers' meetings 	<ul style="list-style-type: none"> <input type="checkbox"/> Agent growth and retention <input type="checkbox"/> Industry cooperation and development <input type="checkbox"/> Supply chain management
Community and the Environment	<ul style="list-style-type: none"> <input type="checkbox"/> Community and charitable events <input type="checkbox"/> Volunteer activities <input type="checkbox"/> Interactions on social media 	<ul style="list-style-type: none"> <input type="checkbox"/> Targeted poverty alleviation <input type="checkbox"/> Inclusive finance <input type="checkbox"/> Green operations <input type="checkbox"/> Public welfare <input type="checkbox"/> Healthcare

Case Study

Innovate to Promote ESG Theme Communication

In 2019, the Company integrated ESG into its stakeholder engagement activities to grow together with them in more areas. To promote the continuous improvement and optimization of its value chain, Ping An organized an ESG-themed training for its suppliers to help them understand Ping An's requirements for suppliers with regards to ESG. Meanwhile, Ping An strengthened ESG-themed communication with investors and conducted exchanges and discussions on Ping An's ESG management approach and practice through various channels such as investor forums and road shows.



In addition, the Company actively responded to the Climate Action 100+ initiative and conducted shareholder dialogues with investees on ESG-related issues such as carbon emissions to promote the low-carbon transformation of investees.



Case Study

ESG awareness raising among employees

We launched the "Group ESG Awareness Week" in December 2019, and organized ESG awareness morning briefings to employees across the Group. Besides, we also launched the Group ESG series programs around ESG philosophy, company ESG management, integration of ESG and business, environmental responsibilities, ESG business rules, diversity and inclusiveness during the Ping An TV morning briefings. By doing this, we helped our employees enhance their understanding and awareness of ESG to create a joint effort to implement our sustainable development strategies. Besides, ESG series programs are offered and periodically updated on the "Zhi Niao" mobile app to make it easier for follow-up learning by employees.



03

Participating in National Social Development in an In-depth Way

- 3.1 "Ping An Rural Communities Support" Initiative, a Smart Model for Poverty Alleviation
- 3.2 Financial Undertakings Contributing to Social and Economic Development
- 3.3 Technology Empowering Social Capacity to Improve People's Livelihood

With three decades' growth, our development is closely related to the nation's future and social development. Our growth has benefited from the national strength and social prosperity, and comes from the yearning and pursuit of the public for a better life. At the starting point of a new three-decade journey, we are going to return the support people give us with our unremitting efforts, and develop in line with the general blueprint of the nation.

In 2019, we continued to advance the "Ping An Rural Communities Support" initiative to contribute to the realization of a better life and building of beautiful countryside in the new era in China. Around the supply-side structural reform, we worked actively in supporting the national major strategies with our comprehensive financial strength to promote the real economic transformation and the industrial structure adjustment. In the market experiencing accelerating technological changes, we have invested more in technology and strengthened the integration of "finance + technology" and "finance + ecosystem" to drive high-quality social development.

National Social Development



“Ping An Rural Communities Support” Initiative, a Smart Model for Poverty Alleviation

Poverty is a challenge that all countries need to solve as they develop economically and socially. Since the 18th CPC National Congress, on the basis of comprehensively constructing a moderately prosperous society, the Chinese government has been actively bolstering poverty alleviation. 2019 is a crucial year to win the battle against poverty. President Xi Jinping issued multiple important instructions during the year, pointing out that “the basic requirements and key indicators for poverty alleviation are that underprivileged people in rural area are free from worries over food and clothing, and have access to compulsory education, basic medical services and safe housing by 2020.”

In recent years, Ping An has been proactively supporting the poverty alleviation efforts in China. With a targeted approach, Ping An launched the Ping An Rural Communities Support comprising the Village Officer Program, Village Doctor Program and Village Teacher Program to achieve poverty alleviation through industry promotion, healthcare and education support. With close attention to the livelihood and needs of communities, Ping An actively leverages its expertise and resources to support social development. In 2019, Ping An furthered the Ping An Rural Communities Support and adopted multi-dimensional and multi-layered methods to achieve poverty alleviation through industry promotion, healthcare and education support, aiming at not only poverty alleviation, but also the sustainable development of the rural population. 2019 is a critical year in securing a decisive victory in achieving the first centenary goal of building a moderately prosperous society in all aspects. As of December 31, 2019, Ping An had implemented the Ping An Rural Communities Support in 21 provinces or autonomous regions across China, and worked out an innovative poverty alleviation model of “education supporting training, industry-oriented self-sustaining capacity building, One Village and One Product, and production and sales empowering”. It also developed successful Ping An Rural Communities Support showcase programs such as the “Tongchuan Model”, creating profound development in the fields of industry promotion, healthcare and education support and shaping a new smart model of poverty alleviation.

Results of Ping An Rural Communities Support (As of December 31, 2019)



Village Officer

Total poverty alleviation fund granted
RMB **15.745** billion



Village Doctor

Village and township clinics upgraded
949

Mobile health checks in countryside
554

Village doctors trained
11,175



Village Teacher

Village teachers trained
11,826

Village primary schools upgraded
1,054

© Village Officer Program, empowering rural industry development

“Village Officer Program” helps unlock the potential of rural industry and has successfully developed schemes such as the Poverty Alleviation Insurance scheme, Hydropower Support scheme, Core Agricultural Enterprise Loan scheme, and Poverty Alleviation Loan scheme. In 2019, we integrated the core capacities in risk protection, financing, technology, capital raising and talents, to further improve the industry-oriented poverty alleviation closed-loop, and solve problems in the poverty-stricken areas in the way of industrial development adapting to local characteristics. While increasing production and efficiency, and assisting local people in getting rid of poverty and increasing income, we also supported the construction of local modernized agricultural industrial system and helped rural areas realize industrial prosperity.

As of December 31, 2019,

The Village Officer Program distributed
RMB **15.745** billion

Low-income households supported
53,813

People benefitted over
500,000

Promoting industry-oriented poverty alleviation and building self-sustaining capacity

01

Cultivating entrepreneurs in agri-business

We select and cultivate entrepreneurs in agri-business with local governments. We mainly provide applied technology training class for them and supported with finance, e-commerce, modern agricultural management and other relevant classes, highlighting the education and ambition cultivation.

The programs provided targeted support for first-line poverty alleviation workers, including village officers, poverty alleviation volunteers, rural cooperative managers, rural business middlemen, successful farming or animal husbandry operators, agri-business managers, college students from rural areas, and returned village residents with entrepreneurship experience, etc. Post training entrepreneurship support was also provided and the outcome of the training was closely tracked.

As of the end of 2019, we had invested a total of over RMB4 million to provide 12 agri-business entrepreneurship training sessions, benefiting 586 trainees from 35 counties in 15 provinces.

02

Building industry self-sustaining capacity

Ping An leverages its expertise in finance and insurance and has developed the "6 in 1" poverty alleviation model of "government + bank + insurance + business + cooperative + low-income household", providing support such as bank credit line for poverty alleviation, rural insurance coverage, and smart disaster management, etc.

In addition, the Company has also innovated a number of unique industrial models for poverty alleviation, such as the Ping An Poverty Alleviation Insurance, Hydropower Support, Core Agricultural Enterprise Loan, and Poverty Alleviation Loan. With the comprehensive use of various financial instruments such as loans, equity investment and bond investment, Ping An provides comprehensive service and support to promote the development of local industries and transform the poverty alleviation model from direct aid to self-sustaining capacity.

- Core Agricultural Enterprise Loan scheme: Ping An provides low-interest or interest-free loans for core agricultural enterprises to improve villagers' income and stimulate the development of modern agriculture in poverty-stricken areas. To date, a total of RMB5,069 million has been given out in poverty alleviation loans.
- Hydropower support scheme: We innovate the "poverty alleviation loans + development financing" model to benefit enterprises, governments and low-income households; To date, Ping An has distributed RMB2,829 million for industry-oriented poverty alleviation, benefiting more than 100,000 low-income households.
- The "Poverty alleviation insurance + traceability insurance + poverty-returning insurance" closed-loop exists in all links of pre-, interim- and post-production of the poverty-alleviating industries. To date, the total loans issued have reached RMB490 million, benefiting 46,000 low-income households.
- Investing in local governments' poverty alleviation bonds, applying funds to reallocation, and road and bridge construction in different areas, and providing enterprises with one-stop bond services from registration to issuance. To date, a total of RMB7,485 million of poverty alleviation bonds have been issued.

03

One Village, One Product

We join hands with local governments, cooperatives and low-income households and build the "finance + technology + production and sales" cooperation model to create the brand-based industrial chains for locally unique products or industries with great market potential and high value-added, increasing income for village collectives and low-income households.

As of the end of 2019, over one hundred agricultural products for poverty alleviation had been launched, covering 28 poverty-stricken counties in 17 provinces.

04

Production and sales closed-loop

Ping An has established an e-commerce platform to assist industry-oriented poverty alleviation to move towards poverty alleviation through consumption. Together with local governments, corporates, village cooperatives and farmers, Ping An has built the "finance + technology + production and sales" cooperation model. It leverages the advantages of internal and external O2O e-commerce platforms and sets up an exclusive section for targeted poverty alleviation, which connect agricultural products in poverty-stricken areas with Ping An's massive sales channels and forms the production and sales closed-loop, helping local enterprises to increase revenue, lifting local farmers out of poverty and achieve prosperity, and providing urban consumers with healthy and affordable green agriculture products. As of the end of 2019, the total internal sales of Ping An reached over RMB150 million.

Case Study

Integrated smart industry-oriented poverty alleviation solution

We have set up the smart agricultural ecological project team, applied technologies like the blockchain, satellite remote sensing, intelligent identification and Internet of Things to create a smart agricultural traceability platform. In the meantime, we have utilized the "blockchain + IoT + e-commerce platform" model to provide integrated production, supply and marketing solutions, helping local featured agriculture to improve in quality, innovate on branding, lower the costs, and increase the revenue, gradually forming a long-lasting backbone industry. In July 2019, this platform won the "Best Application Award" in the China Blockchain Development Contest held by MIIT as the only blockchain application project designed to assist in the national centralized poverty alleviation strategy.

Zhongning Wolfberry Industry Poverty Alleviation Project



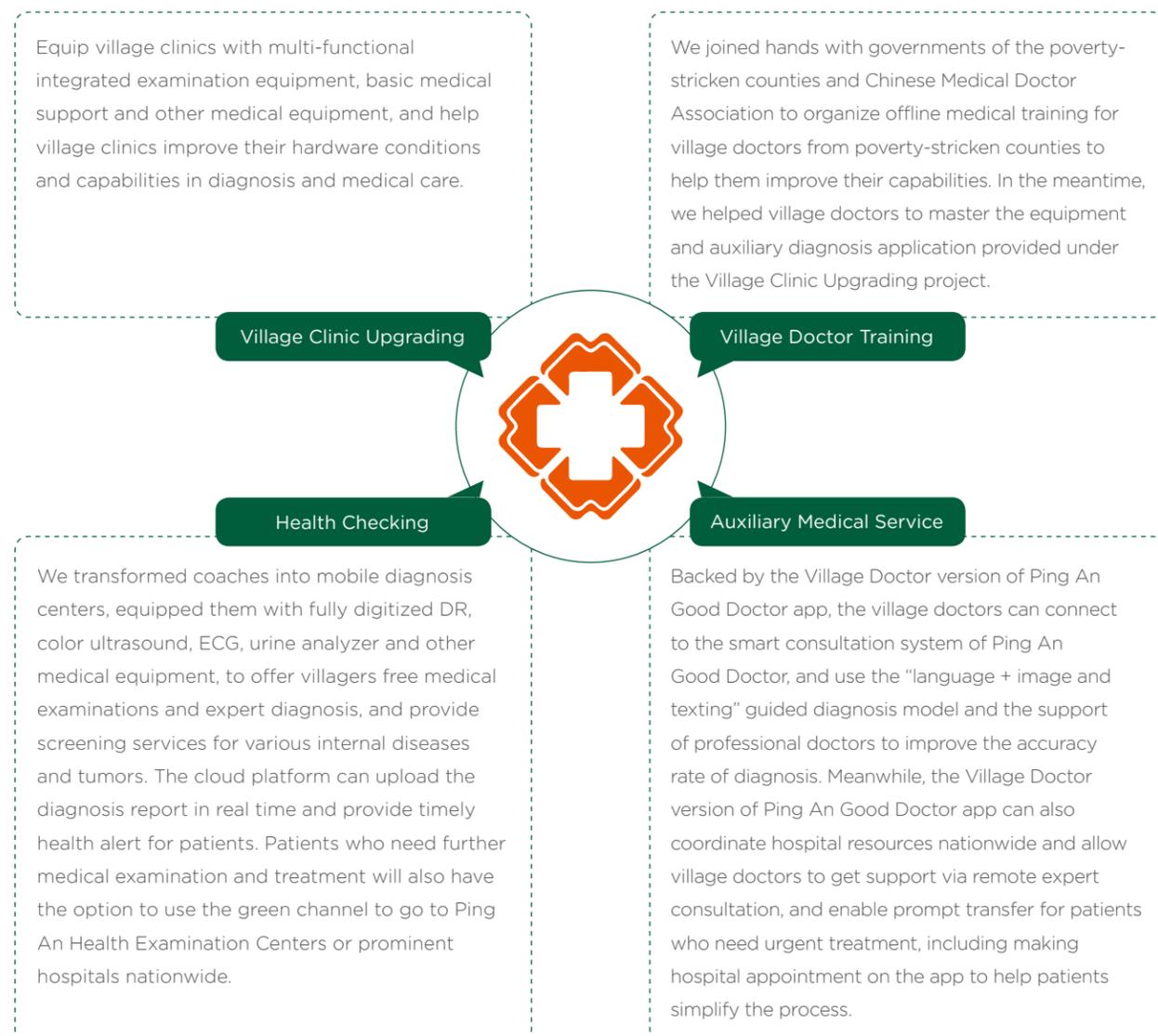
Scan the QR code to get a taste of the "Smart tracing" of Zhongning wolfberries

Location	Pre- production	During production	After production
Zhongning County, Ningxia Autonomous Region	Through credit guarantee insurance and interest discount, we provided RMB15 million funds and RMB330,000 worth of Internet of Things equipment for poverty alleviation, benefiting 7,250 people from local low-income households.	Data on growing environment and production process of wolfberries were recorded and analyzed via the platform, and used to help prevent and control natural and human risks and optimize production standards.	We provided certification and traceability insurance for wolfberries registered at the platform, to ensure product quality, help the product get access to and build up brand on the end market.

© Village Doctor Program, enabling healthy countryside

Under strong support of medical and technological resources of Ping An, in the Village Doctor Program, we carried out the Village Clinic Upgrading, Village Doctor Training, Auxiliary Medical Service, and Health Checking activities in a thorough way, and provided free health checking, committed to delivering urban medical services to villagers. Our goal is to serve the village clinics, village doctors and villagers with healthy poverty alleviation services, and make all-round contribution to the construction of healthy countryside.

As of the end of December 2019,



Case Study

Voluntary medical examinations on the prairie

In July 2019, supported by governments of Inner Mongolia Autonomous Region and Ulanqab, we teamed up with Red Cross Society of China Inner Mongolia Branch to launch the "Belt and Road: Bright Way" activity, assuming the surgery expenses for 1,000 local people who suffered from cataract but could not afford the surgery. We implemented this program in 11 counties for over a year, providing 636 free medical examinations and 665 cataract surgeries, to help the patients see again while relieving them of the financial burdens.



Scan the QR code to learn more about the *Ping An Mobile Diagnosis Centers*

© Village Teacher Program, innovative smart education in the countryside

Since we participated in the Hope Project 26 years ago in 1994, we have continued to invest in public education. We have had a total of 114 Ping An Hope Schools across the country. Since the “Ping An Rural Communities Support” initiative was launched in 2018, the “Village Teacher Program”, with education-oriented poverty alleviation as the core, has taken the comprehensive construction action on the theme of Ping An Smart Primary School across the country. That’s a major transformation of public education cause of Ping An. From the school construction assistance to the current “integration of software and hardware”, we are empowering village education in an all-round way. By combining our rich experiences in online public education with innovative technologies like internet and AI, we started from serving village primary schools, village teachers and village children to extend the education assistance model, and strive to turn the Village Teacher Program into a communication platform for rural and urban education resources, to help village children improve knowledge and comprehensive quality, especially science and technology literacy.

Innovative smart rural education

Youth Science and Technology Literacy Promotion Program

As the key project and core drive of the Village Teacher Program, this program is active in responding to the *13th Five-Year Plan on Scientific and Technological Innovation*. It supported the technology literacy text book development, scientific experiment package designing, science laboratory construction assisting, and teacher training to 1,000 primary schools in poverty-stricken areas, to build the “National Science and Technology Literacy School and Ping An Smart Primary School”, so as to build the creation and innovation capacity of village children and lift the science and technology literacy in the end.

Village Primary School Upgrade

We built the remote education platform and improved the hardware for village primary schools. We donated the course recording and playing equipment to the village primary schools. With the help of “San Cui Hui” smart online teaching platform, we made the quality urban education resources available in rural places to solve the rural and urban education inequality problem. In the meantime, we enhanced the textbooks to be donated, supporting experiment package and labs assisted via the science and technology literacy program, and supplement the teaching resources for the science and technology literacy education at village primary schools. As of the end of 2019, we had supported 1,054 smart primary schools.

Principal Training

We provided both online and offline trainings to principals of village primary schools, including offline training on the basics of and experience of developed areas in science and technology literacy education, and online training on course design concepts and approaches, as well as online experience sharing among different local programs.

Village Teacher Training

With the youth science and technology literacy promotion program, Ping An invited professors from Chinese Academy of Social Sciences, Tsinghua University, Tongji University and other top universities and outstanding teachers from middle schools and primary schools for training principals and teachers offline in various provinces and cities. Following the national training plan, we strive to lift the science and technology literacy of teachers. On the San Cui Hui platform, we provide online trainings to teachers and principals in rural areas to help them improve teaching skills in science and technology literacy. As of the end of 2019, we had provided online and offline trainings to 11,826 educators.



Volunteer Teaching programs

For short-term education support, Ping An has been cooperating with China Youth Development Foundation since 2007. With the Volunteer Teaching program, volunteers are recruited from the public to support education for one month at Ping An Smart Primary School. For long-term education support, we mainly recruit retired middle and primary school teachers, students of normal universities, and volunteers from the public to provide education support in villages, normally for a whole semester.

Smart platform for public welfare

Enjoying advantages of AI and big data, and based on our co-channel interactive live streaming equipment, the San Cui Hui app smart online teaching platform developed by Ping An integrates quality teacher resources, shares classes of well-known teachers across the country, offers online teacher training and remote education support services, creates “Double-Teacher Class” and “Quality Class at 3:30”, empowers education with technology, and makes quality education resources available to all. All those efforts have managed to improve the education quality in remote areas in an all-round way.

Besides, San Cui Hui is also a public welfare platform, which helps connect Ping An volunteers and the public with opportunities to participate in the San Cui charitable causes with additional channels.

As of the end of 2019,

Recorded classes of Village Teacher Training on the San Cui Hui platform had been watched for **1.765 million person-times**

Accessible to **300,000** students

Case Study

The “Future Countryside” Blueprint

On November 6, 2019, the UNLEASH, an organization focuses on the research of sustainable solutions, launched a training camp program in Shenzhen. The six primary school students from Longhua Ping An Smart Primary School in Huizhou, after learning the Sustainable Development Goals and science and technology literacy promotion program of the United Nations, designed the “Future Countryside” blueprint. Focusing on quality education, good health and well-being, affordable and clean energy, and other Sustainable Development Goals, the children imagined a future, which was highly recognized by the UNLEASH Chairman and the officials of the United Nations.

“When I grow up, I want to build a very big hospital. It will look like a park, where patients can ride on ambulance and go to anywhere in a minute, hospitalized patients can live in medical stations in the air, and little children are not afraid of taking medicine, because it tastes like yummy snacks.”



Creating “Ping An Rural Communities Support” initiative example of poverty alleviation—“Tongchuan Model”

Ping An pays attention to developing local people’s willpower and supporting education while helping them increase income, nurturing seed players for long-term rural development; providing financial support through industrial poverty alleviation loans, poverty alleviation corporate bonds, etc.; in addition, integrating the unique local resources, building agricultural product brands, boosting sales, and helping poverty-stricken households increase their income steadily. Thus, Ping An has worked out a poverty alleviation closed-loop of “education supporting training, industry-oriented self-sustaining capacity building, One Village and One Product, and production and sales empowering”. That’s the “Tongchuan Model”, a self-sustaining way of poverty alleviation.



Cultivating entrepreneurs in agri-business

We join hands with entrepreneurs in agri-business training base of the State Council Poverty Alleviation Office to launch the entrepreneurs in agri-business training class, with 123 such entrepreneurs in agri-business attended the class from the low-income villages of this city. At the same time, Ping An facilitated these entrepreneurs to practice what they’ve learnt in the training to work via “1-month centralized training + 11-month follow-up”.



Industrial capacity building

Ping An Bank issued preferential industrial poverty alleviation loans to Shaanxi Financial Asset Management Company Limited, and supported the development of standardized pig farming program for poverty alleviation in Tongchuan with end-to-end support including training, technical support and purchase commitment, exempting the low-income farming households from market risks. In addition, Ping An Bank worked together with village cooperatives in accordance with local policies to allocate a certain proportion of the revenue from the pig farming operations to the low-income households, which resulted 152 people of 58 low-income households in Shanjiuhe Village grow their income. Ping An Property & Casualty supported a leading rabbit farming enterprise, Tongchuan Hongwei Industrial Company Limited, with insurance support to obtain a RMB10 million loan from the bank. In total, the project helped 218 low-income households increase their annual income by over RMB5,000 with the individual production model of “enterprise + large and specialized family businesses + low-income households”, supported 318 low-income households to increase their annual income by over RMB2,000 with the centralized production model of “enterprise + production base + low-income households”, and enabled 34 villages to have dividend income over RMB50,000 with the shareholder model.



One Village and One Product

Ping An focuses on the apple industry in Tongchuan, and builds a “finance + technology + production and sales” collaboration model with local governments, cooperatives and low-income households. The “Ping An Apple” brand has been created for apples from Yaozhou, Yijun and Yintai, which will give the products a stronger brand in the market and industry chain, creating greater income for the village cooperatives and workers. In the meantime, Ping An cooperated with major e-commerce platforms to inspect, select and purchase apples locally to facilitate the sales of the products.



Production and sales platform

We combine the internal and external e-commerce platforms, give play to the advantages of the internal and external O2O internet e-commerce platform advantages, and assist the cooperating enterprise in entering the E-procurement and the Good Doctor Health Mall. We create the “targeted poverty alleviation zone” to support the poverty-alleviation enterprises to sell products and form the production-sales closed-loop. We join hands with the agricultural wholesale markets of Tongchuan and set up counters for millet, walnuts and other agricultural products of Tongchuan. Those counters serve as the production and sales service platform to sell the agricultural products to the whole country.

Financial Undertakings Contributing to Social and Economic Development

Finance is an important foundation for the economic and social development. Finance should assume its original responsibility to serve the economic and social development. In 2019, China emphasized that the financial market should better serve the real economy. We should give full play to the resource allocation of the market to serve the quality development of social and economic development.

As an integrated financial conglomerate with strong sense of mission, Ping An took initiative to respond to the national strategies and devote itself to key national strategies such as the Belt and Road Initiative, the construction of the Guangdong-Hong Kong-Macao Greater Bay Area and inclusive finance. We have provided risks protection for major construction projects, optimized financial resources for critical industries to be developed by the country, increased development motivation for private enterprises, state-owned enterprises and medium, small and micro enterprises, and provided financial support for all groups and the under-developed regions. We have taken multi-pronged approaches to ensure the steady development of real economy.

◎ Responding to the Belt and Road Initiative

As one of the leading enterprises in China, Ping An is active in responding to the Belt and Road Initiative. We ensure the smooth implementation of Belt and Road Initiative with our own financial advantages and professional and comprehensive financial services. We protect the security of the Belt and Road Initiative: as of the end of 2019, Ping An Property & Casualty provided the insurance package for overseas works and enterprises going global. We underwrote more than 1,000 engineering insurance projects in over 100 countries and regions in the world. We provide fund support for the Belt and Road Initiative: Ping An Life has invested accumulatively RMB5 billion to support the ports and other major infrastructure work construction along the Belt and Road. Ping An Annuity raised the fund of nearly RMB6 billion for the construction projects for the Belt and Road. Ping An Trust participated in the construction of China-Nepal Friendship Industrial Park. It is estimated to invest USD1 billion for the project. Ping An Asset Management succeeded in issuing the first equity investment plan in the insurance asset management industry - Ping An-Beijing-Shanghai Express Railway Equity Investment Plan, having raised funds of RMB16 billion. Ping An Securities issued corporate bonds, supply chain ABS, convertible bonds and many other financial products for enterprises in regions along the Belt and Road. As of the end of 2019, it had owned total assets of RMB7.62 billion.

Investment in real economy
RMB**4.9** trillion

Total investment and funds raised for the Belt and Road Initiative
over RMB**340** billion

Sum insured of major construction projects in the Greater Bay Area
over RMB**500** billion

Number of small and micro enterprises served
over **3** million

Funds raised for small and micro enterprises
over RMB**1.5** trillion

Insurance coverage and financing services for farmers and rural enterprises
over RMB**1** trillion

◎ Contributing to the construction of Guangdong-Hong Kong-Macao Greater Bay Area

The *Outline Development Plan of the Guangdong-Hong Kong-Macao Greater Bay Area* specifies the “international technological innovation center” and the “international financial hub” internationalization goals for the Area. By giving full play to its comprehensive financial and technological advantages, Ping An joins in the construction of the Area, making its own contribution to building the international first-class bay area and world-class city group. First, the professional services. Ping An Real Estate, with its “finance + real estate” professional capacities, integrates and introduces the financial, technological, industrial, medical, health, cultural and other quality resources to work for the development and upgrade of regional economy and society. Ping An Property & Casualty provides comprehensive insurance for the development of the advanced equipment manufacturing and new material industries with its first-set equipment insurance risk compensation mechanism, to protect the major construction projects in the Greater Bay Area, with a sum insured of RMB**500** billion. Then, facilitating the capital market of the Greater Bay Area. The “Trade Connection”, the first blockchain trade platform dominated by the regulator around the world set up by Ping An in Hong Kong acts as the “air corridor” for the financial trade in the Greater Bay Area. The Ping An CSI Guangdong-Hong Kong-Macao Greater Bay Area Development Theme ETF issued by Ping An Fund is to help investors better understand the latest development events and seize the investment opportunities in the Area. Ping An Bank launches the cross-border e-finance to support the regional financial services, transaction big data exchange, industrial transformation and upgrading, technological innovation and international cooperation.

◎ Supporting the supply-side structural reform

Increasing motivation for private enterprise development

Ping An Bank is active in supporting the supply-side structural reform and the development of the real economy. As of the end of 2019, total facility amount on and off the balance sheet recorded RMB**3.35** trillion, with RMB**2.3** trillion loans for entities granted, up RMB194.6 billion from the end of the previous year. To be specific, loans balance to private enterprises reached RMB388.3 billion, accounting for 57.71% in the total loan balance to private and state-owned enterprises.

Ping An Life and Ping An Property & Casualty give full play to their insurance asset advantages, and have injected over RMB**756** billion insurance funds to support the operation and development of quality enterprises with local government bonds, non-financial enterprise bonds, and infrastructure project bonds. Ping An Trust focuses on the projects for people’s livelihood, health, environmental protection, advanced manufacturing and other critical industries in western China, having invested over RMB**317.2** billion in the real economy. Ping An Securities has contributed RMB**353.83** billion to support the high-quality development of private enterprises through the equity and bond investments, assets management plans, and special support programs.

Addressing operation problems faced by small- and micro-sized enterprises

Ping An Property & Casualty introduced the “Le Qi e Sheng”, “Shop Insurance” and other products to protect the properties, personnel and the third party liability insurance for small- and micro-sized enterprises, covering the most of the common risks faced by these enterprises. As of the end of 2019, Ping An Property & Casualty had accumulatively provided high-cost-effective risk insurance to over **2** million small- and micro-sized enterprises.

Ping An Bank has been seeing continuous growth of its small and micro-sized business since the launch of its digital finance business for small enterprises. As of the end of 2019, loans to small- and micro-sized enterprises with individual loan size below RMB10 million (inclusive) increased by RMB43.8 billion from the beginning of the year. The interest rate for small- and micro-sized enterprise financing continued to go down by 2 percentage points in 2019 from 2018. Loan balance of small- and micro-sized enterprise loans reached RMB**377.8** billion, and new personal consumption loans, the “New Generation Loan” reached RMB**112.033** billion.

Ping An Leasing has been serving over 20,000 small- and micro-sized enterprises with over RMB**24** billion invested to help medium- and small-sized enterprises with their financial lease needs. Puhui Financial has provided inclusive loan products to **12** million customers, and its small- and micro-sized enterprise business accounts for over 50% of its business. Its converging lending and loan service platform is included in the *China Inclusive Finance Innovation Report 2019*.

◎ Vigorously developing inclusive finance

Ping An practices the inclusive finance development philosophies in an in-depth way, and is committed to making the financial services more accessible to broader social groups via technological means and product and service innovation.

Using technology to expand the coverage of financial services

Ping An Bank accelerates the development of AI Bank. Over 80% of the human voice customer service has been replaced by Interactive Voice Response, and nearly 90% of credit card applications are approved by AI. The first front-, middle- and back-office integrated bank financing and asset management system developed in house has been put into use, with more intelligent service functions included. Backed by big data, Ping An Bank has processed over 4.65 million credit card applications with the “one-button processing” procedure. The “SAFE” intelligent anti-fraud system has prevented loss of over RMB810 million for customers. As of the end of 2019, assets valuing RMB**1,982.7** billion of AUM under management increased by 40% on a year on year basis. The number of customers grew by 144% from three years before.

Puhui Financial rolled out the first AI credit approving robot in the world. With full service capability of a human credit approving staff, the robot can communicate with customers intelligently with great efficiency. Ping An Securities launched the “Scientific Investment Consultation” service. Within a year of its launch, it had served over 60,000 signed customers with RMB**30** billion of assets under management, ranking No.1 in the industry in customer numbers with nearly 17 million consultation customers in total.

Promoting the development of financial services in rural areas

In 2016 Ping An established the Rural Financial Services Development Committee, which is committed to promoting the development of insurance, banking, and internet financial services in rural areas. We have provided over RMB1 trillion in insurance coverage and financing services for rural areas.

Insurance in rural areas

Ping An Property & Casualty made major efforts to develop the agricultural insurance business. It offers agriculture insurance products covering more than 100 products of the agriculture, forestry, animal husbandry, and fishery industries, with business covering 13 provinces, autonomous regions and municipalities. As of the end of 2019, its agriculture insurance covered **89** million rural households, with 42,000 insurance policies providing a total of RMB**585.3** billion of insurance coverage.

Medical insurance in rural areas

Ping An Life provides accidental injury insurance, serious illness insurance, group life insurance, etc., for the low-income households in Inner Mongolia, Xinjiang, Chongqing, Ningxia, Yunnan, Anhui and other provinces. With over RMB2.09 million of insurance premium received, it has provided insurance coverage to over **52,000** customers and with total coverage exceeding RMB**2** billion.

Banking service in rural areas

Ping An Bank has opened branches in provinces inhabited by ethnic minorities, such as Liaoning, Yunnan, Guangxi and Inner Mongolia, and has continued to extend loans to ethnic minority areas. It focuses on supporting local industries such as agriculture, tourism services and hydropower. It has signed strategic cooperation agreements with 17 provincial rural credit cooperatives and provided services via its **1,327** affiliated rural commercial banks and rural credit cooperatives. As of the end of 2019, Ping An Bank had cooperated with 511 banking institutions across the country, and the third-party deposit business had covered 21 provinces, municipalities and autonomous regions.

Internet financial service in rural areas

Since 2016, Puhui Financial has been working closely with China Women’s Development Foundation and Shanghai Soong Ching Ling Foundation to provide interest-free loans and capacity building supports to rural entrepreneurs in Henan, Ningxia, Inner Mongolia, Heilongjiang, Chongqing and other provinces, granting RMB**10.4** million loans in total to 750 households. At the same time, Puhui Financial collaborated with professional institutes to extend its converging service model to serve agriculture, the countryside and farmers. It launched an innovative agriculture loan product in Chongqing and Zunyi of Guizhou in late 2019, granting more than RMB31.45 million loans in total.

Number of patent applications
21,383

Number of PCT and overseas patent applications
4,845

Number of science and technology staff
101,000

Number of research and development staff
32,000

Number of scientists
2,200

Technology Empowering Social Capacity to Improve People's Livelihood

With the development of AI, cloud computing, blockchain and 5G technologies, we are entering an ecological era of smart services. Ping An has set up eight research institutes and nearly 50 labs, and invests 1% of its revenue in technology research and development, creating innovative smart solutions to better serve the country, society, its customers and business partners.

We attach importance to core technology research and independent intellectual property management and have achieved a number of major technological innovations in different fields, many of which have won authoritative technological awards. In 2019, Ping An Group obtained the qualification to create the national new-generation AI open platform for inclusive finance from the Ministry of Science and Technology, the only one in the financial industry. Besides, we were the candidate of the "strategic cooperative partner" for the 2019 WAIC. The intelligent cognitive technology team was elected as the deputy leader of the national standards working group on face recognition technology, and participated in the revision of the national biometrics technology standards.

As of December 31, 2019, Ping An has established a first-class team of technology talent, with 101,000 science and technology staff, 32,000 research and development staff, and 2,200 scientists. The Company filed 21,383 patent applications, increased by 9,112 from the beginning of the year and more than most international financial institutions. Among them, there were 4,845 applications filed under the Patent Cooperation Treaty (PCT) and overseas.

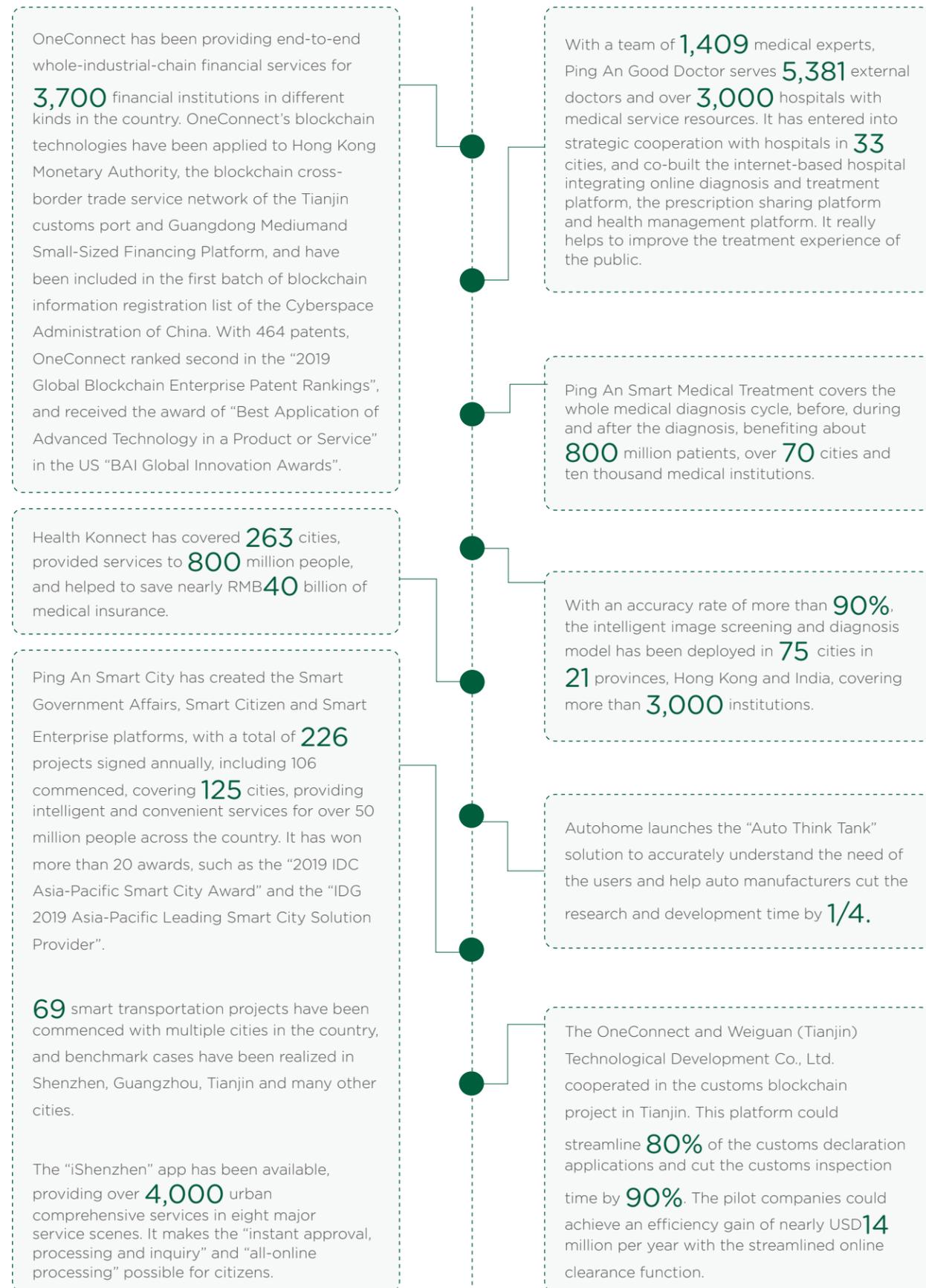
Technological research and development is a mean instead of purpose. Our vision is to empower business and create social value with technology, and it has been driving our efforts in technology development in more than ten years. In the next decade, we will invest up to RMB100 billion in technological research and development to create more achievements to benefit the people and drive industrial upgrades.

The technology strategy of Ping An follows the trilogy of "Empowering financial services with technologies, empowering ecosystems with technologies, and empowering financial services with ecosystems" to help realize the vision of "Technology makes life better". Focusing on scenarios of "medical care, food, housing, traveling", Ping An is building five ecosystems, namely financial services, healthcare, auto services, real estate services, and smart city, exploring ways to use technology to serve social needs.

Meanwhile, as Ping An keeps advancing in artificial intelligence and big data application, enhancing the review and governance on AI helps us mitigate unequal treatment and ethical risks, ensuring that the AI applications provided to users meet ethical requirements.



In the future, the establishment of a mature diverse ecosystem will reward finance, thus forming a complete business loop and creating greater value for the whole society.



© AI governance and technology ethics

The AI application scenarios of Ping An include finance, medical treatment, government affairs, transportation, law and so on. For all AI applications, Ping An adheres to the five ethical principles: "people-oriented, human autonomy, security and control, fairness and justice, openness and transparency", and is committed to providing AI applications that meet the ethics requirements.

We have set clear ethical requirements covering data, algorithm and application, and established an AI governance framework. Internally, Ping An is building a complete management system and formulating ethical evaluation standards. Externally, we actively participate in AI governance globally with international exchanges, and closely follow the formulation and release of industrial standards.



Scan the QR code to read the *AI Ethical Governance Statement and Policies of Ping An Group*

04

Our Roles and Influences

- 4.1 A Listed Company with Integrity and Transparency
- 4.2 A Caring Corporate Citizen
- 4.3 A Trustworthy Insurance Company
- 4.4 A Responsible Investor
- 4.5 An Attractive Employer

During the more than thirty years of development, Ping An always bears in mind its original vision, including the care and responsibility for people and their families, and the guarantee and commitment to the future. It is our profound belief that to become a time-honored enterprise, we must assume more roles in society and exert a wider range of positive influences to become an active global influencer with practices that reflect the unique Chinese characteristics in the following ways:

-  **A Listed Company with Integrity and Transparency** that strives to achieve long-term sound operation with excellent corporate governance.
-  **A Caring Corporate Citizen** that fully manages the environmental impact and contributes to the harmonious development of the community.
-  **A Trustworthy Insurance Company** that explores the sustainable insurance business while protecting the clients' interests and rights and improving the clients' experience.
-  **A Responsible Investor** who enables every investment decision to create positive economic, environmental and social value.
-  **An Attractive Employer** that takes employees as the most important driving force for business development.

Influencer

Total assets
RMB **8.22** trillion

Operating profit
RMB **147.722** billion

Operating profit attributable to shareholders of the parent company
RMB **149.407** billion

Cash dividends per share distributed to shareholders annually
RMB **2.05**

Anti-corruption events
2,046 events,
3.5674 million person-times,
covering 100% of employees

Coverage rate of anti-money laundering training
100%

Coverage rate of employee training on information security
100%

Number of suppliers participated in ESG-themed training
100

A Listed Company with Integrity and Transparency

While Ping An seeks for continuous improvement in business performance, we keep enhancing our bottom line of responsibility. We proactively conduct risk mitigation and management in areas of corporate governance, business ethics, product management, information security management, and supplier responsibility, laying a solid foundation for the company's long-term healthy development.

◎ Ensuring sound operation

In 2019, our total assets were about RMB8.22 trillion, up 15.1% from the end of 2018. Our operating profits recorded RMB147.722 billion, 17.4% higher than the end of 2018. Net profits attributable to the parent company got RMB149.407 billion, up by 39.1% from the end of 2018. The basic EPS was RMB8.41, and the annual per-share dividend was RMB2.05, up by 19.2% year-on-year, reflecting our strong solvency and cash flow generation capacity.

In 2019, we were ranked the 7th on the Forbes Global 2000 list, higher than the 10th in 2018, and the 1st among global multi-business insurers.

◎ Improving corporate governance

Optimizing governance continuously

We strictly follow the applicable laws and regulations such as the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*, and carrying out corporate governance based on our actual situation. After 30 years of practice, Ping An has formed a clear board positioning, a professional board composition, a standardized operating process, and a board culture focused on value creation, ensuring the company's long-term, stable and rapid development and has become the role model in corporate governance for the financial sector in China and around the world.

Through continuous exploration and practice, Ping An has established and improved the corporate governance mechanism with the Board of Directors at the core, ensuring that the "Five Committees", namely the company's shareholders' meetings, Party Committee, Board of Supervisors, Board of Directors and Executive Committee, perform their respective roles with no gap, overstepping or interference.

As an A+H listed company, Ping An has a relatively scattered shareholding structure. There is no controlling shareholder, nor de facto controller. There is mutual restraint and balance within the major shareholders, as well as between the major shareholders and management. From the perspective of maximizing the value of the Company, the shareholders' meetings focus on formulating the Company's

operating policies and making major decisions, including but not limited to profit distribution, major investment and financing, election of directors and non-employee supervisors. The rights of each shareholder have been fully respected during the development of the Company, ensuring that all shareholders can fairly exercise their functions and powers.

Ping An Group has standardized its board operations and management of the directors' work by drawing on the board management experience of local and international companies to deliver a higher level of transparency and credibility. The Board of Directors Nomination Committee formulated the *Working Rules of the Board of Directors Nomination Committee* to ensure a balanced mix of skills and experience and diversified perspectives at the board level that would enable more effective board operations and improved corporate governance. The independent non-executive directors' qualifications of Ping An are strictly stipulated and who are elected and replaced at shareholders' meetings.

As of December 31, 2019, the Company's Board of Directors has 13 directors, including four executive directors, four non-executive directors, and five independent directors. Among them, one is a female director. Directors with overseas work experience account for nearly 40% of the total number of directors. 11, 3, 1, 1, and 1 directors possess a high level of professionalism in the field of finance, accounting, actuarial science, law, and artificial intelligence respectively. The directors have rich hands-on experience from working both home and abroad, and enjoy high reputation in the industry, providing an important basis for the scientific decision-making of the board of directors of the Company. Through a series of mechanisms and methods, we ensure that directors are aware of the Company's operation and management status and can fully obtain the information necessary for decision-making. We continuously enhance the transparency of our operation and management and form an effective communication mechanism between the board and management, which is helpful to the board's scientific and efficient decision-making.

The Company's Board of Directors and relevant bodies strictly perform the information disclosure duties required for listed companies in accordance with regulations. Our information disclosure fully complies with the standards

of authenticity, accuracy, completeness, timeliness and fairness, and has been well received by the market and investors. In addition, by establishing an efficient investor relationship management mechanism, we protect the interests of shareholders, formulate a reasonable dividend policy, and take into account the interests of independent minority shareholders. Meanwhile, we also use multi-channel communication methods and platforms to maintain good communication with investors and shareholders.

Our corporate governance has been widely recognized by rating agencies and media home and abroad. We have received honors such as "Best Board of Directors" and "Best Corporate Governance Awards" from the Hong Kong Institute of Directors and the Chamber of Hong Kong Listed Companies, among others.

Ping An has established a comprehensive salary and performance evaluation system for senior management, and formulated a clear three-year rotation plan and annual responsibility goals for senior management in line with business development plans. Each year, Ping An conducts two evaluations on the performance goals of senior management. The comprehensive evaluation results are closely related to their appointment and dismissal, as well as long-term and short-term rewards, and serve as an important reference for their career development.

In addition to economic indicators, Ping An has also included internal control effectiveness indicators as an important part of the salary and performance evaluation system for senior management in line with the *Guidelines for Remuneration Management Rules of Insurance Companies (Trial)* issued by the China Banking and Insurance Regulatory Commission. This is to ensure that every serving executive assumes the responsibility for compliance and sustainability at Ping An. Third-party consultancies are invited on a regular basis to examine the company's compensation for senior executives based on the market benchmark and business performance. Compliant with regulatory requirements, the performance-related pay at Ping An is issued as deferred compensation. The percentage of directors, senior executives, and key-position holders receiving deferred compensation is no less than the required proportion. Besides, major risk events would result in adjustments to the deferred bonus.

Improving risk management

The Group Executive Committee (the management) affiliates the Risk Management Executive Committee that is responsible for setting the general risk management goals, basic policies and work systems, monitoring the risk exposure and funds available of the Company, and supervising the performance of risk management framework of each of the subsidiaries and business lines.



Case Study

Ping An iRisk, controlling technology risks

Ping An is one of the first financial institutions applying technologies to risk control and management. In 2019, we made vigorous efforts to develop the iRisk to empower the risk control and management with technologies. As an integrated, smart and scenario-based AI risk management platform, iRisk has seven functions that ensure smart risk control and lean management.

iRisk Functions



Strengthening compliance and internal control

Ping An is committed to building an internal control system that complies with international standards and regulatory requirements, continuously optimizing the internal control operation mechanism according to the changes in risk status and control environment, and practicing corporate governance under the international standards. Adhering to the "law +1" compliance philosophy, we will continue to improve our ability to resist risks and ensure that the operation and management of the Group and its subsidiaries are compliant with laws, administrative regulations and regulatory requirements.

We have established an internal control system with sound organizational structure, clear responsibility and accountability, clear division of labor, and well-equipped personnel, and effective internal control and management policies and system. We specified the goals, responsibilities and operation mechanism for internal control. Those mechanism and system act as guidance of internal control for operation management and business. At the same time, professional audit institutions are hired to audit the effectiveness of the relevant control practices of the financial reports. The *Internal Control Audit Report* is prepared.

Advancing Party building work

Upholding the "Ensuring Development with Party Building" philosophy, we continue to innovate on Party building practices, embedding Party building work into our corporate strategy, daily business and corporate culture, and providing strong organizational guarantee for fast and healthy development for the Company. As of the end of 2019, we had 28,544 employees being members of the Party.

As of the end of 2019, we had **28,544** employees being members of the Party

Incorporating Party building work into corporate governance	We have set up the corporate governance structure where the Party Committee, the General Meeting of Shareholders, the Board of Directors and the executive committee operates according to rules and counterbalance with each other. We continue to create good performance in such structure.
Incorporating Party building work into operations	The Party's advanced thinking and specific requirements are integrated into the Company's daily operation, which requires the leaders of Party organizations at all levels to earnestly fulfill the responsibilities of the first responsible person for Party building, and fulfill the "one post and two responsibilities". Our focus is on enterprise development and Party building at the same time. The Party building contents are manifested in the corporate performance assessment, and the assessment results could directly determine the compensation and award.
Strengthening the building of the primary party organizations	We communicate the Party building goals and implementation plans via e-mails and system conferences. We support the primary Party organizations' development from perspectives of standards setting and basic guarantee.
Deepening learning and education of Party building	From September to November 2019, we organized the "Stay True to the Mission" theme education across the Group. Through activities like self-learning, training in rotation by the Party branch secretary, centralized learning and discussion and theme Party day, our Party member employees are guided and urged to learn the core principles of the Party building.

◎ Business ethics and anti-corruption

Business code of conduct

We strictly abide by our business code of conduct and have developed the relevant policies according to laws and regulations, industrial standards, the actual conditions of the Company and the sustainable development requirements. The sound business code of conduct and disclosure system always remind the Company and employees to protect the customers' interests and rights, encourage shareholder engagement and support employee development. We strive to ensure that the mutual benefits and profits with the partners are the basic starting point of the corporate governance to exert positive influence on the environment, community and business.

In 2019, we prepared the *Ping An Group Business Code of Conduct*, and made our commitment to tax policy, anti-monopoly and fair dealing, anti-money laundering, anti-terrorist financing and sanctions compliance, equality and rights, petition management, etc., to continuously advance the management in a standardized way. For details of the *Ping An Group Business Code of Conduct*, see the "Sustainable development - Internal Governance" of the official website of the Group.

Emphasizing on anti-corruption

Ping An continuously improves the corruption prevention and control system to effectively improve the speed of response to cases and high-risk events, and fully integrated resources from all channels to keep promoting the prevention, control and investigation for financial cases and improve case prevention and control efficiency. For key areas and significant risks, Ping An has strengthened self-inspection and actively prevented from significant systematic financial risks; effectively identified and detected risks and improved the capability of defensive management and supervision with big data analysis and modeling tools.

Meanwhile, Ping An considered anti-corruption awareness raising and education as basic anti-corruption work and required all of its subsidiaries to implement anti-corruption work plans and complete relevant tracking and reporting. Ping An has been exploring new approaches to raise the awareness of this issue with measures, such as case study, short video, and "Zhi Niao" live broadcast and other "Internet +" learning tools, to improve the coverage and acceptance level of anti-corruption education.

As of the end of 2019, Ping An had organized

Anti-corruption events group-wide

2,046 events

Total attendance of employees

3.5674 million person-times

Coverage of the events

100%

Total employee training hours on anti-corruption reached

728.2 thousand hours

Anti-money laundering (AML)

Ping An upholds the philosophy of "being risk-based and technology-powered, with legal person being responsible". Keeping abreast of domestic and global AML developments, Ping An thoroughly identified and rectified weak links in line with policies, regulations and the Fourth Round Mutual Evaluation Report (MER) of the Financial Action Task Force (FATF). The AML management has covered all businesses and operations of the Company. Meanwhile, Ping An proactively carried out internal training and external exchanges on best practices with peers on AML, vigorously built up the AML expert team, and continuously improved money laundering risk prevention and management. In 2019, the coverage rate of AML training reached 100%.



Review of and upgrade for the AML management system

The Company has constantly improved AML internal controls, strengthened AML data governance and integration as well as AML management of overseas businesses, and included money laundering risk management in the Company's enterprise risk management system.



Further empowerment of AML management by technology

The Company has promoted the application of AI tools such as smart Know-Your-Customer (KYC), smart modeling, smart reporting, smart alerts, money laundering risk assessment and smart dashboards.

Anti-discrimination

Ping An embeds diversity and anti-discrimination throughout its business operations. The Company complies with requirements in the eight core sections under the International Labor Conventions and the relevant agreements approved by countries where the business is located. It has released anti-discrimination rules to eliminate unfair treatment and ensure that the employees are not discriminated based on factors like gender, location, or age.

Whistle-blowing mechanism

Ping An formulated the *Ping An Whistle-blowing Management Procedure* and set up an integrity whistleblowing email and hotline to offer employees formal channels to voice their concerns. The Company also optimized regulations such as the *Ping An Detailed Regulations on Whistle-blowing Investigation and Guidance (2019 Version)* and the *Whistle-blowing Reward Management Method*, whereby the Company's Whistle-blowing Work Department handles whistleblowing in a lawful, objective, just, and timely manner and safeguards the whistleblowers' rights to fairness and justness.

© Responsible products

As an integrated financial service group, Ping An offers a wide range of products and services covering insurance, banking, investment and technology services. In the full process from product planning, design to operation, we adhere to fully-defined policies and the regulatory red lines to ensure that products assume their original financial responsibility and do not have negative impacts on environment and society.

Ping An undertakes that all its products and services are in compliance with applicable laws and regulations. We will not provide products and services involving individual right violations, freedom of speech violations, and political repression, nor involving high emissions, high pollution, ecological destruction, and animal right violations. We will not participate in monopoly, unfair competition, pyramid sales, or terrorism, and we strive to avoid any violation of laws, regulations and business ethics.

Ping An manages all products and services throughout their entire life cycles, from product design, product development to sales and after-sales. The Company has established a policy regime governing all products and services, including the *Product Development and Design Standards*, the *Product Sales Management Measures*, and the *Red, Yellow, and Blue Card Punishment Procedure*.

© Sustainable supply chain

As of the end of 2019,

Ping An had a total of
3,038
cooperative suppliers

Ping An has diverse cooperation with its partners. As of the end of 2019, Ping An had a total of 3,038 cooperative suppliers, including 49 overseas suppliers. Ping An is committed to establishing win-win and long-term mutually beneficial cooperation relationships with its suppliers. Ping An has continuously optimized procurement services, timely fulfilled payment agreements, and meanwhile actively promoted higher sustainable development level of its suppliers.

The Company has formulated the *Ping An Sustainable Supply Chain Policy* and integrated ESG requirements into the closed-loop supply chain management from supplier selection, cooperation approval, process management, throughout to tracking and feedback. Ping An focuses on suppliers' ESG performance on environmental protection and employee rights and includes ESG requirements into existing supplier contracts, including contract articles on anti-bribery, information security and privacy protection, labor rights protection, low-carbon and green technology transformation and development, and employee development, etc.



Scan the QR code and check the *Ping An Sustainable Supply Chain Policy*

In 2019, the Group held the first supplier conference on the theme of "Smart Procurement, and Win-win Ecology", and conducted in-depth discussions on how to further promote intelligent procurement management, improve procurement efficiency and risk control, and achieve the integration of information flow, capital flow and logistics with suppliers. The event also had an ESG training session to encourage suppliers to improve their comprehensive performance in terms of employee rights and other environmental and social conducts. In 2019, representatives from a total of 100 suppliers participated in ESG-themed training.

Information security management

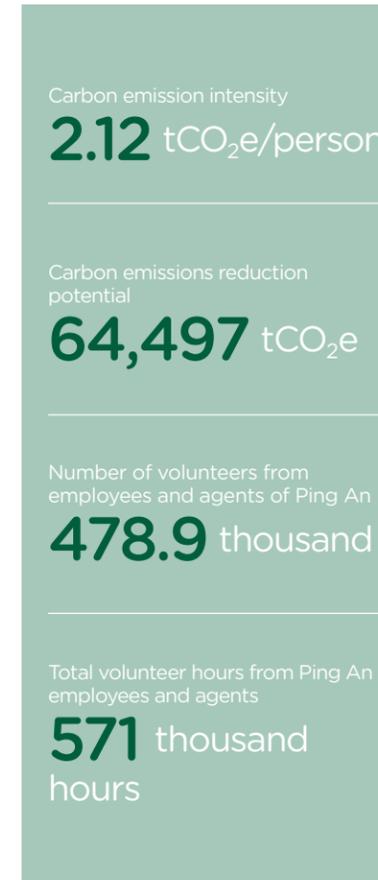
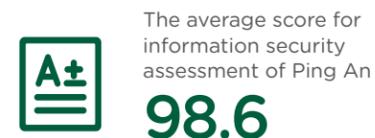
For a large “finance + technology” enterprise, the information of millions of customers is processed within its system every day. Information security is of top priority for Ping An. Ping An strictly abides by the information security requirements pursuant to state laws, regulations, and industry norms and codes. So far, we have established a mature and complete information security management and guarantee system and developed and implemented the unified and high-standard information security policies in the Group and its subsidiaries. Ping An also actively participates in network security level protection evaluation and regularly reviews the construction and implementation of its information security system. We have passed the ISO27001 information security management system certification for consecutive years, ensuring effective and stable operation of our information security system.

For potential information security risk, Ping An established an information security management system with threat alert before, security response during and secure processing after any risk event, and built up an emergency response communication channel for its subsidiaries to respond to and deal with the reported and identified potential information security risks within 7 × 24 hours.

Ping An undertakes to effectively protect customer information and privacy rights of customers in the business activities. To this end, Ping An has taken a series of privacy protection measures, such as the masking of sensitive customer information, and usage of virtual number in customer service and investigation. In 2019, Ping An and its subsidiaries launched the “Tai Shan Project” to better protect customer information, carrying out a number of inspections and relevant improvement regarding risks in customer and user authorization management, customer information collection of apps, and data security to ensure the compliance and security of information in the full process of “collection, storage, management and use”.

Ping An has constantly improved its employees’ information security protection awareness and implementation capability through sending information security emails to all employees, carrying out information security publicity theme activities, etc. In 2019, information security trainings covered all employees, with the average training time of around 3.5 hours per employee. The average score for information security assessment of Ping An was 98.6. There was no major information security accident in 2019.

In 2019,



A Caring Corporate Citizen

Ping An has been actively fulfilling the responsibility as a corporate citizen, continuously lowering the environmental impacts in our operations by setting environmental protection targets, advocating paperless operation and constructing green buildings. At the same time, we carry out public welfare projects and volunteer services to participate deeply in the development of harmonious communities.

Green operations

Environmental pollution and climate change have increased negative impacts on the earth. As an important player in the real economy, the Company assumes its bounden duty to protect the environment. As a non-productive enterprise, Ping An consumes paper, water, electricity, natural gas and others in its daily operations. We strictly follow related national laws and regulations like the *Environmental Protection Law of the People's Republic of China* and consistently integrate environmental protection into our corporate development plans, to minimize the impacts of our operations on the environment.

Environmental protection targets

Ping An strives to realize low-carbon development with measures such as adopting electronic business processes, conducting energy conservation transformation, promoting eco-friendly habits, and building smart offices. In 2019, Ping An has made progresses towards achieving its environmental protection targets in the fields of carbon emission intensity, paper use intensity, carbon emission reduction potential, and green building:



Carbon emission intensity:

Taking 2018 as the base year, we will reduce carbon emission intensity by 5%, 10% and 20% by 2020, 2025 and 2030 respectively.



Paper use intensity:

Taking 2016 as the base year, we will reduce paper use intensity by 50%, 60% and 80% over the next three, five and ten years respectively.



Carbon emissions reduction potential:

Taking 2016 as the base year, we will increase carbon emissions reduction by 60% and 80% over the next three and five years respectively, and ultimately routinize electronic operations.



Green building:

Ping An pledges that all new buildings of Ping An Group will reach China's Green Building Label (2-star) or equivalent LEED certification. Ping An will complete the green building transformation of its headquarters and obtain green building certification by 2020.

Throughout 2019, we indirectly reduced **64,497** tons of carbon emissions

Environmental protection action and carbon emission reduction

Relying on innovative technologies, we have continuously provided simpler and more convenient services for customers, largely reducing the quantity of paper use in our operations. Meanwhile, we've been advocating a paperless office and providing remote office conditions, reducing consumption of resources in our operations. We also developed a carbon emission reduction potential index to track the carbon emission reduced indirectly by scientific and technological means. Throughout 2019, we indirectly reduced 64,497.2 tons of carbon emissions, a year-on-year increase of 4.78%, achieving the five-year plan ending in 2021.

Carbon Emission Reductions Due to Technological Means (tCO₂e)

Total indirect reduction of carbon emissions	2019	2018
Ping An Property & Casualty	28,857.0	33,319.1
Ping An Life	15,483.7	12,338.3
Ping An Bank	12,222.7	10,165.7
Ping An Health	1,265.2	676.4
Ping An Annuity	4,760.7	3,491.6
Puhui Financial	564.4	547.4
Lufax	1,343.5	1,013.8
Total reduction of carbon emissions	64,497.2	61,552.3

Green building

Green building provides us with a healthy, appropriate and efficient space by saving energy, land, water, materials, etc. It is an important part of the construction of a low-carbon city. Keeping green building construction as one of its major environmental protection goals, Ping An has been actively engaged in foreign and domestic authoritative green building certification. In 2019, Jinan Ping An Financial Center passed China's Green Building Label (3-star) certification, while its tower office part passed the LEED gold-level pre-certification. Tianjin Ping An Teda Financial Center passed China's Green Building Label (2-star) certification.

Energy Saving Rate and Water Saving Rate of Some Green Buildings of Ping An

Green building name	Energy saving rate	Water saving rate
North Tower of Shenzhen Ping An Financial Center (LEED gold-level certification, China's Green Building Label (3-star) certification, and Shenzhen Green Building gold-level certification)	51.60%	10.31%
South Tower of Shenzhen Ping An Financial Center (LEED gold-level certification, China's Green Building Label (1-star) certification, and Shenzhen Green Building silver-level certification)	50.03%	7.22%
Tower A & Tower B of Hangzhou Ping An Financial Center (LEED gold-level certification)	80%	40%
Chengdu Ping An Financial Center (LEED gold-level certification)	24%-50%	40%

As of the end of 2019, Ping An owns 12 green buildings with a total area of **1,766** thousand square meters

Positive community impact

According to the philosophy of "creating value and giving back to the society", Ping An has actively participated in social and public welfare undertakings and constantly conducted and deepened public welfare projects and innovative public benefit models, having positive impacts on the harmonious development of community, since its establishment.

Education support

Motivation Program: The Motivation Program is a long-term public welfare program targeting university students Ping An launched in August 2003. In the past 16 years, the program has granted RMB18.35 million scholarships to 5,495 students. In 2019, Ping An and the Institute of Global Development, Tsinghua University established an Academic Committee and a Committee of Experts on Thesis Scholarship to provide comprehensive, strategic and forward-looking authoritative guidance for the Motivation Program. At the meantime, the program was made available for overseas university students for the first time, and has attracted students from top universities in the world, such as Harvard University, Stanford University and Princeton University. In addition, the program plans to call on the thesis scholarship recipients as ambitious youth to register as volunteers at the San Cun Hui smart education platform and participate in rural education assistance, remote online course development and other public welfare activities to contribute to the education and poverty alleviation of China.

Ping An Smart Primary Schools: Please refer to the introduction of "Village Teacher Program" on page 34.

Total teaching volunteers

8,000

Volunteer services over

330,000 hours

Volunteer services

The Ping An Volunteers Association, established in 2018, has 24 regional branches nationwide, and covers over 20 subsidiaries of the Group. For volunteer service platform, in 2019, the San Cun Hui app was officially upgraded to "San Cun Hui Time Bank", an open intelligent platform for

public welfare and mutual assistance for all people. At the platform, the volunteers can receive and complete public-welfare tasks and thus obtain corresponding public-welfare "time coin", and if necessary in future, exchange with such "time coin" for voluntary services from others. This platform upgrading was designated to build an Internet-based intelligent platform for public welfare and mutual assistance for the purpose of "all for one, one for all", encourage our internal employees and customers and the public to participate in more public benefit activities and contribute to public welfare in the society.

In 2019, on the San Cun Hui app

Registered users
1.957 million

Number of volunteers from employees and agents of Ping An
478.9 thousand

Public welfare initiatives launched
114,596

Total participants
9.269 million

Volunteer services by Ping An employees and agents
571 thousand hours

In 2019, our volunteer services were further upgraded. Ping An, Shenzhen Urban Public Safety and Technology Institute and Shenzhen Public Safety Volunteers' Association jointly initiated "Ping An Guardian Action", with a view to further improve safety and rescue knowledge of the public, strengthen public safety education, and organize a team of "Ping An Guardians" with professional safety and rescue related skills by means of "Seed Program". The "Ping An Guardian Action" was launched in October, 2019. By the end of December, the initiative has carried out 100 events in total, including 47 community events, 29 company events, 13 events on construction sites and 11 campus events. Total trainees have reached 1,565 people, with a total participation of 37,870 people, covering 19 cities and provinces such as Shenzhen, Beijing, Heilongjiang, etc. Ping An Property & Casualty also promotes emergency rescue courses nationwide and develop more Ping An volunteers into emergency rescuers to assist in emergency rescue, restoration, rebuilding and other relevant work in case of a disaster and jointly keep the city safe.

Number of sustainable insurance products/services

1,053

2019 sustainable insurance insured amount

RMB **121.21** trillion

2019 sustainable insurance valid coverage

785 million person-times

2019 number of valid policies

134 million

A Trustworthy Insurance Company

Ping An is committed to integrating the ESG concepts into the insurance business and continued to improve and revise the *Sustainable Insurance Policy*, so as to guide the design of Ping An's insurance products in a sustainable approach. Meanwhile, through the application of cutting-edge technology, Ping An keeps upgrading service quality and efficiency, and brings more reliable and convenient service to customers.

◎ Insurance product risk management

The insurance subsidiaries of Ping An have established their respective scientific and complete product management organizational structure fit for corporate development and developed strict new product development processes. With their respective professional talent team, the insurance subsidiaries develop products in accordance with the philosophy of serving the society and the principle of "expertise and value", with a focus on development of multi-purpose insurance products and special attention to the introduction of ESG-related concepts.

For product development, underwriting, claim settlement, product management, assessment of reserves, reinsurance management and other links, Ping An has developed insurance risk management systems and processes and implemented specific ESG risk management measures (as detailed below).

Property insurance

1. Product development

Driven by a sense of social responsibility, Ping An takes the initiative to "insurance + risk" management service mode in several fields and contribute to the management of insurance in the society, in accordance with development concepts for the new era. In terms of production safety, Ping An Property & Casualty has provided work safety liability insurance for more than 80,000 enterprises with an insured amount over RMB600 billion. In terms of people's livelihood, Ping An Property & Casualty actively cooperates with local civil administration, emergency and disaster relief departments to provide natural disaster relief, poverty alleviation and other insurance product solutions, and assists the government in addressing livelihood problems for social vulnerable groups. In terms of healthcare, Ping An Property & Casualty established Healthcare Undertaking Department to assist the government in comprehensively implementing vaccine protectiveness and compensation policies. In terms of environmental pollution control and improvement, Ping An Property & Casualty has introduced ecological damage and gradual pollution liability insurance for an accumulatively insured amount of RMB6.1 billion, based on the first environmental liability insurance developed by it in China. Every year, it provides environmental pollution liability insurance for nearly 5,000 enterprises.

For new insurance product, Ping An Property & Casualty assesses ESG risks and offers a reasonable price to control insurance risk. For some new products with new and particularly significant insurance risks that existing products are not exposed to, it seeks risk assessment opinions from relevant departments and puts forward sound risk control measures.

2. Risk prevention, underwriting and claim settlement

Ping An Property & Casualty also establishes effective risk prevention and underwriting and claim settlement

systems to help the insured to know and reasonably control their own risks. Ping An Property & Casualty builds a work safety risk control cloud platform embedded with professional risk control model to provide risk management information input assessment, policy service, analytic statistics and other intelligent platform-based application services for governments, companies and third-party organizations. Under the cooperation with Tsinghua University, Soochow University and other institutions, Ping An Property & Casualty developed a risk control service cloud platform for environmental liability insurance to provide full-process risk management services for customers, strengthen risk monitoring and early warning management and improve environmental risk governance level through functions such as environmental pollution sensitivity map, professional information, risk management toolkits, and risk assessment models for 18 industries. In addition, Ping An Property & Casualty has the first risk control service system with ISO: 9001 certification in the world and the largest risk control team in Asia. It also organized "Emergency Rescue Team of Ping An Property & Casualty Insurance Company Of China, Ltd." including 277 emergency rescuers who have relevant national vocational qualification certificates and are ready for national emergency rescue tasks at any time. Furthermore, Ping An Property & Casualty makes technological innovation in emergency rescue services, continuously improving efficiency and effectiveness. Based on its self-developed Digital Risk System (DRS), it built an intelligent risk management system, achieving rapid screening and accurate early warning for the insured customers, providing accurate disaster prevention, reduction and relief services, and reducing the losses resulting from climatic disaster and other ESG environmental and climatic risks.

3. Product management

For relevant insurance products with directly or indirectly identified ESG risks, Ping An Property & Casualty strengthens product management, conducts monitoring and analysis and regular experiential inspection, and timely reflect current insurance risk profile. For innovative products without empirical data, it actively follows experience and trend, prevents from too large risk exposures, and communicates with its peer, particularly in regard to reinsurance, to obtain more analytical data. In September 2019, the Ministry of Emergency Management of the PRC held a conference for issuing *Specifications for Accidents Prevention Technical Service on Work Safety Liability Insurance*. As one of the drafters of the document, Ping An Property & Casualty develops industrial specifications in accordance with its own experience in undertaking work safety liability insurance, with a view to facilitate more valid and compliant accidents prevention services among insurers.

4. Reinsurance

Reinsurance is an important means for risk control of the Company, a significant part of the business strategy of the Company, and an irreplaceable role in such aspects as risk transfer, steady operation, technology improvement and underwriting capacity expansion. It facilitates steady operation and sustainability of the Company. Ping An Property & Casualty developed a reinsurance management system and reasonable arrangements for catastrophe reinsurance, ensuring smooth performance of reinsurance function. It transfers and controls ESG risks by means of reinsurance contract.

Life insurance

1. Product development

The subsidiaries established effective product development management systems to assess climatic risks for and reasonably price new insurance products. They analyze possible insurance risks and develop risk control measures. For new and significant insurance risks, they seek risk assessment opinions from relevant departments.

2. Underwriting and claim settlement

For life insurance, effective risk prevention and underwriting and claim settlement systems were built to help the insured to know and reasonably control their own risks. Based on conventional reliance on actual healthy and financial condition information from the applicant, face recognition, disease atlas and decision tree, online hospital, mathematical model and other technologies are applied to online interaction between underwriter and customer, rapid online data acquisition allows for more accurate risk identification, and risk feedbacks are used for empirical analysis and product development.

3. Product management

The subsidiaries standardize product management processes, strengthen the management of insurance products directly and indirectly related to ESG risks (including monitoring, analysis, regular empirical analysis and inspection), timely report insurance risk profiles, pays attention to the law of empirical development changing over time, introduces the trend factor to deal with any deviation risk resulting ESG risks and trends, and regularly reflect the changes in any adjustment assumption.

For innovative products without empirical data, they actively follow experience and trend, prevent from too large risk exposures, and communicate with specific reinsurers in the industry, to obtain more analytical data.

4. Solvency management

Effective solvency and asset & liability management systems and processes were developed and real-time monitoring and assessment are carried out for influence of any product on solvency, asset/liability cost and benefit, term structure and cash flow matching of the Company, ensuring adequate solvency of the Company and continuous optimization of asset-liability matching. Meanwhile, reasonable arrangements for reinsurance or temporary insurance through reinsurance contract are made to effectively transfer ESG risks and facilitate steady operation and sustainability of the Company. For new products and liabilities in which it lacks experience, the Company actively seeks for professional support from reinsurer, obtains more foreign empirical data and manages ESG risks.

Case Study

Enhancing ESG risk management of corporate customers

In risk management of corporate customers, Ping An Property & Casualty effectively controls risks and reduces relevant ESG risks by means of underwriting questionnaire, survey, rectification, training, etc. For example, any company applying for environmental liability insurance, work safety liability insurance or any other insurance is required to fill in an underwriting questionnaire so that we know its basic risk information and meanwhile provides risk control service for it, investigates its risks and requires it to take timely corrective measures to reduce risks; and after underwriting, we carry out safety responsibility publicity and training activities to improve the safety awareness of the company and its employees. For employer's liability insurance, it's agreed in the relevant insurance policy that workers in high-risk industries should take relevant safety protection measures. For cyber security and corporate property & casualty insurances, we develop relevant database and security tools for assessment, provide relevant dynamic risk consultation and security evaluation services for customers during period of underwriting, and require customers to take corrective measures immediately after identifying any risk that they have.



Scan the QR code and check *Ping An Group's Sustainable Insurance Policy 2.0*

② Sustainable insurance product system

Ping An actively implements the UNEP FI Principles for Sustainable Insurance through its four insurance subsidiaries and incorporates environmental, social and governance issues related to insurance business into decision-making regarding insurance products, achieving social and economic benefits harmoniously with products that effectively address customer needs and mitigate environmental and social risks at the same time.

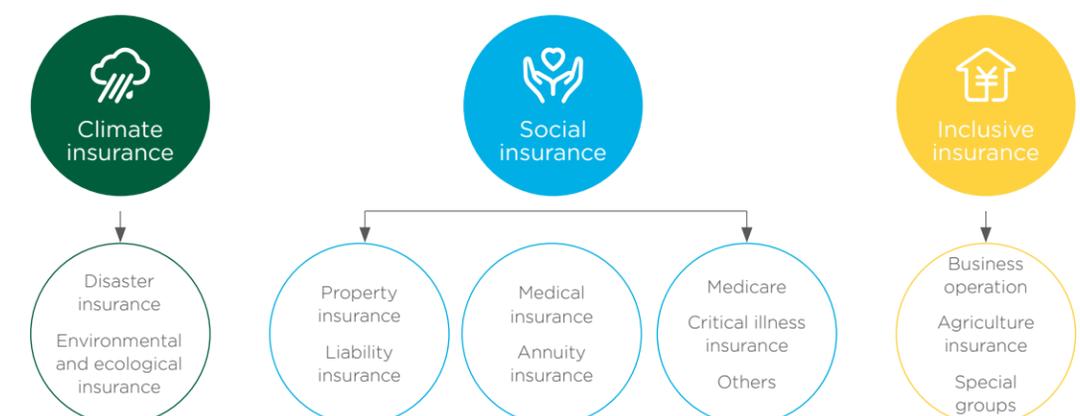
Sustainable insurance product requirements

<p>Environmental requirement</p>	<p>Environmental protection, low carbon and recycling, including but not limited to efficiency improvement, emission reduction, clean and renewable energy, environmental protection, restoration and governance, and circular economy projects; mitigation of climatic disasters and property damages caused by climate changes, etc.</p>
<p>Social requirement</p>	<p>Life and property insurances designed for major diseases and vulnerable groups, for high-frequency diseases and health threats resulting from living environment and lifestyle (such as unhealthy diet, staying up late, and air pollution), and for extreme anti-social and other social instability factors.</p>
<p>Inclusive requirement</p>	<p>Insurances used in supporting development of small and micro enterprises; farming, forestry, animal husbandry, side-line production and fishery insurances, farmer's personal insurance, and other insurances related to poverty alleviation for "agriculture, rural areas and farmers".</p>

Ping An Property & Casualty has launched a total of eight categories of 518 sustainable insurance products. Among them, there are environmental and ecological related products, such as environmental liability insurance, catastrophe insurance, and wildlife protection insurance; social insurance products, such as insurance for large engineering projects and equipment, construction engineering insurance, workplace safety insurance, food safety insurance, data security insurance, and medical accident insurance; and, inclusive insurance products for small- and micro-businesses, farmers and other disadvantaged groups.

Ping An Life, Ping An Health and Ping An Annuity continuously pay attention to Chinese population health trend changes and any insurance market demand change resulting from improved insurance awareness, promote the development of multiple protection products, and offer a total of 535 sustainable insurance products within four major categories — medical insurance, critical illness insurance, annuity insurance and medical care. As of the end of 2019, Ping An Life had had nearly 400 sustainable insurance products, Ping An Annuity had launched 88 sustainable insurance products for daily doctor-seeing, hospitalization, care and other demands of the elderly and for special populations, and Ping An Health had launched 51 sustainable insurance products of six sub-categories under health insurance, namely, supplementary medical insurance, annuity insurance, critical illness insurance, cancer prevention insurance, disease-specific insurance and medical insurance.

Category of sustainable insurance products



Category of sustainable insurance product	Insurance product	Category of product beneficiary	Number of insurance products/services	Typical products/services
Climate insurance	Disaster insurance	Catastrophe	2	Guangdong catastrophe index insurance, and Earthquake catastrophe insurance for urban and rural residents in China
	Environmental and ecological insurance	Environment	3	Environmental pollution liability insurance, Ecological damage insurance, Progressive pollution liability insurance, and Risk control service cloud platform of Environmental pollution liability insurance
		Wildlife conservation	1	Wildlife liability insurance
Social insurance	Property insurance	Major projects, and Power equipment	2	First-set equipment insurance, and Ping An tunnel boring machine property damage insurance
		Data security	2	Ping An data accident loss insurance, and Insurance against loss of financial assets from cyber attacks
	Liability insurance	Workplace safety	2	Workplace safety liability insurance, and Risk control cloud platform of Workplace safety
		Food	1	Food safety liability insurance
		Medical accident liability	1	Physician's liability insurance of Ping An
		Architecture	2	Liability insurance for construction project design, and insurance for potential quality defect of IDI construction project
		Business operation	1	Employer's liability insurance
	Medical insurance	Medical treatment	180	Health insurance involving individual tax preference
	Annuity insurance	Annuity	7	Ping An personal tax-deferred annuity insurance A type, and Ping An cancer prevention guardian medical insurance
	Medicare	Medicare	8	Ping An critical illness insurance for medical insurance accounts in Shanghai
			Critical illness	205
		Cancer prevention	25	i carefree medical insurance
Critical illness insurance	Specific disease	33	Ping An Tangbaobao critical illness insurance, and Ping An "Ai Wu You" additional disease-specific insurance	
Others	Trade	2	Export credit insurance and customhouse bonds insurance	

Category of sustainable insurance product	Insurance product	Category of product beneficiary	Number of insurance products/services	Typical products/services
Inclusive insurance	Business operation	Small and micro enterprises	2	Le Qi e Sheng, and Dianjiabao
	Property insurance	Agriculture	494	Animal husbandry insurance, agriculture insurance, and forestry insurance
	Special group	The elderly, children and the disabled	156	Ping An additional bank account fraud damage insurance for the elderly, Ping An (Shanghai) third-party liability insurance for special vehicle for the disabled, Hongyun talent carefree insurance type, and comprehensive talent insurance

The following shows the Group's sustainable insurance information as of the end of 2019:

	Environmental insurance (1)	Social insurance (2)	Inclusive insurance (3)
Premium income (in RMB million)	181	119,114.34	53,811.31
Insured amount (in RMB million)	13,586	117,117,172.50	4,079,307.73
Valid coverage (person-time)	3,783	736,394,521	48,705,940
Number of valid policies	4,309	87,203,826	46,823,638

(1) Environmental insurance includes environmental liability insurance, climate insurance, catastrophe insurance, and so on.

(2) Social insurance includes liability insurance (eg. workplace safety insurance, food safety insurance, etc.), serious illness insurance, medical insurance, critical illness insurance, and so on.

(3) Inclusive insurance includes agriculture insurance, insurance for rural areas, insurance for farmers, insurance for disability, minor insurance, small and micro-business operation insurance, and so on.

As of the end of 2019, Ping An had achieved around RMB **180** million of premium income and RMB **13.6** billion of insured amount in terms of climatic sustainable insurance products

Eco-environment insurance: providing solid guarantee for green economy

Ecological environment is the home for mankind survival and protecting ecological environment is a common social responsibility for the public. However, in reality, environmental accident caused by poor production and management is not rare, forming a serious threat to people's life and property safety. Environmental pollution liability insurance is an important market tool and its right & interest protection mechanism effectively makes up for deficiency in environmental risk management and performs relevant social responsibility.

Ping An Property & Casualty actively participates in building a risk control service system for environmental pollution liability insurance. Based on the concept of "expertise determines success", it was the first to establish "online + offline" system platforms — a risk control cloud platform for environmental liability insurance and "Corporate Environmental Protection Express" app — in the industry.

The risk control cloud platform for smart environmental protection and environmental liability insurance has the risk assessment models for 18 industries and the information data and environmental pollution sensitivity maps covering industry dynamics, laws and regulations and expert interpretations, and can provide "online + offline" risk control services for businesses. In August 2019, based on the risk control cloud platform for environmental liability insurance, Ping An Property & Casualty developed and launched "Enterprises environmental protection Express" app jointly with Ping An Smart City. In addition to existing functions of the cloud platform, this app introduced online application for environmental liability insurance, online environmental risk self-assessment for corporate customer and other functions, becoming the first to achieve "online risk control and online insurance application" in the environmental protection field in China.

Furthermore, Ping An Property & Casualty has launched different insurance products concerning climate change, to reduce negative impact from customers due to climate change.

Social insurance: Seeking population and health solution

Ping An Life actively promotes the development of protection products. As of the end of 2019, the company's major long-term protection and savings hybrid products accounted for 39.8% of total premium of new personal insurance policies. "Ping An Fu", a major protection product of the company, has involved a total of nearly RMB5.86 billion of claim payment to customers, providing effective insurance protection for the public.

With the development trend of an aging society, annuity insurance becomes a solution to reduce the overall financial risks for the society. Ping An Health continuously explores the market to serve the elderly population. In 2019, it launched the Ping An i Kang Bao medical insurance for the elderly (standard type) to provide comprehensive protection that meets their increasing need for insurance. As of the end of 2019, more than 165,000 customers have bought annuity insurance products from Ping An Health and got the insurance protection from Ping An.

Furthermore, Ping An Life and Ping An Health jointly launched "Ping An RUN Program" to manage health conditions and reduce illness risk for customers so that they could avoid product and health risks. As of the end of 2019, more than six million customers had joined the program and more than 800,000 people reached their annual exercise goals and got both the insurance coverage bonus and better health from the exercise.

Inclusive insurance: alleviating rural poverty with agricultural insurance coverage

"It takes 10 years to strive to become well-to-do, but just a single mishap to lose everything." According to relevant statistics, 42% of the poverty population in China stuck in poverty because of disease, and 10% because of natural disasters. As a fundamental tool of insurance economic compensation, agricultural insurance provides a safety umbrella to protect low-income household and allow them to pursue economic growth without worry.

As of the end of 2019, Ping An had provided more than RMB **5,853** billion of insurance coverage for **89** million rural households in total with a variety of agricultural insurance products

◎ Optimizing customer experience

Ping An leverages its expertise in AI, blockchain and cloud computing technology and launched a number of technological innovations for various application scenarios to improve both the quality and the efficiency of its service.

Insurance services

To solve the chronic challenges in auto insurance claims payment, Ping An Property & Casualty launched the “Smart Rapid Claim Payment” service, using 43 patents of six major AI core technologies. Focusing on auto claims payment scenarios, this service applies image recognition and deep learning technologies and can automatically identify exterior damages for over 60,000 vehicle models and 25 million vehicle parts. Its intelligent identification of damages and parts can automatically calculate losses and local prices, making “damage assessment in seconds” possible. It can also effectively prevent individual or conspired insurance fraud risk with its strong risk control models. With the new service, 98% of auto insurance claims can be processed and paid within the same day, with a 90% accuracy rate of damage assessment.

Ping An Property & Casualty launched the “Ping An Auto Insurance Trust Claim” service based on AI and big data technology. With this service, each car owner is assigned a claim trust limit. Any claim within the limit can be processed in 40 seconds with no human processing needed. The improved smart claim payment services of Ping An Property & Casualty, such as “Ping An Auto Insurance Trust Claim”, “Smart Rapid Claim Payment” and “510 Speedy Assessment”, are well received by customers.

Ping An Life established a “Pan Life Cycle” smart service ecology and took the lead in launching three innovative services, including the “AskBob customer service robot”, “AI video follow-up call” and “online store”. It has provided over 80 million online services to its customers, with 50% are rapid claim payment services and the quickest service time is less than one minute. Ping An Health designed an innovative “Electronic Rapid Claim Payment” system, allowing it to process over 20,000 claims without human service, reducing the average processing time of claim payment from two days to five minutes, with a record time of 34 seconds.

Financial services for SMEs

Focusing on the internal business logics of supply chain and industry chain and based on quantitative information of business operations, Ping An Cloud establishes enterprise profiles and has developed full supply chain financial solutions that cover all aspects of business operations at enterprise, industry, people and incident levels, which can help its enterprise customers improve their cash flow efficiency by 2-3 months, reducing operating cost by 10-20%, and reducing the rate of financing by 3-6%.

Intelligent voice services

Ping An uses AI intelligent customer service + voiceprint and natural language processing technology to provide self-inquiry and intelligent services for customers with multiple businesses, achieving a self-help completion rate of 70%. This technology has covered 78% of total businesses, 1,400+ scenarios, and a total amount of application up to 170 million times by customers. Among them, the “Smart Customer Services” system developed by Ping An Life makes one-stop online transaction of insurance policy possible. As of the end of 2019, the “Smart Customer Services” system has provided over 80 million online services, and 99% of the customer services are handled online. The customer satisfaction rate is 99% and the average service duration has been reduced from three days to ten minutes, with a record time of one minute.

Green investment
RMB **51.245**
billion

Social and inclusive investment
RMB **903.204**
billion

Balance of green credit loans
RMB **24.273**
billion

Balance of social and inclusive loans
RMB **898.921**
billion

A Responsible Investor

Ping An believes that responsible investment extends beyond charitable acts. It also means effectively managing risks for stable and long-term benefits. Ping An promotes positive environmental and social values with every investment decision. To this end, Ping An continuously deepens sustainable development mode and actively promotes the responsible investment system.

◎ Responsible investment system and strategy

In August 2019, Ping An became the first company in China to sign the United Nations Principles for Responsible Investment (UNPRI) as an asset owner. Meanwhile, the Company continued to improve the *Responsible Investment Policy of Ping An Group* to provide a strong policy support to ensure the implementation of the “Principles”. Strictly in accordance with international ESG investment standards and with reference to domestic regulatory guidelines, the Policy covers the four aspects of organizational structure and policies, responsible investment strategies, product applications, and communication and exchange. The core concepts of Policy include the two basic requirements of responsible investment, which are environmental criteria and social inclusion criteria.

Organizational structure and policies

Within the Group, responsible investment management structure is the same as the comprehensive sustainability management structure. The Group Investor Relations & ESG Management Committee is in charge of the overall management of the Group’s sustainable development. The Group ESG Office and the Group Asset Management Center join hands with the major business investment teams to set up the Panel of Experts on Responsible Investment, to guide and support the decision making and investment application for different investment business and include ESG elements in their respective investment and business decisions.

According to the *Responsible Investment Policies of Ping An Group*, the subsidiaries design responsible investment strategies in light of asset classes and investment activities, considering vision and mission, management structure and appraisal method, financial and non-financial goal settings, investment strategy suggestion, reference standards and cases, in order to promote standard implementation of responsible investment.

Responsible investment strategy

Ping An has developed seven major investment strategies under different asset categories, in accordance with the asset classification of the Group and by reference to major international responsible investment strategies.

Asset class	Strategy detail	Equities	Fixed income	Other equity assets
Exclusion	The conditional exclusion of certain industries such as coal & thermal power, tobacco, liquor, etc.	✓	✓	✓
ESG integration	Suitable for all industries, with ESG factors integrated into the investment risk management process	✓	✓	✓
Active ownership	Communicate and guide the investees to regulate its development, initially in financial, energy and infrastructure industries			✓
Norm-based screening	Screening based on international norms against investment in gambling, pornography and conflict areas	✓	✓	✓
Positive screening	Suitable for all industries, with a whitelist built on ESG assessment	✓	✓	✓
Sustainability themed investing	Focusing on industries under two major directions: climate change and demographic change	✓	✓	✓
Impact investing	Focusing on industries related to poverty alleviation, inclusion, environmental protection, etc.			✓

Responsible investment risk integration

The 2017 TCFD Suggestion Report released by FSB specifies that Climate change is accelerating the transformation towards the low-carbon economy and has triggered changes in laws and policies and progresses in science and technology, and this transformation contains both opportunities and risks for long-term investment.

Ping An fully understands the impact of transformation risks on its long-term investment. In 2019, the Company selected Ping An Life Insurance to launch a pilot to conduct an investment-side transformation risk assessment, and would gradually expand the scope of assessment based on the methodology used for the pilot assessment.

In addition, Ping An regularly adjusts its investment screening policies for fossil energy and related industries. In 2019, it officially announced the Statement on Coal-Related Business of Ping An Group, covering measures such as responsible investment and low-carbon investment. The Company is committed to helping realize the goal of limiting the extent of global warming within two degrees by adjusting its investment portfolio to reduce relevant risks.



Scan the QR code to read the Statement on Coal-Related Business of Ping An Group

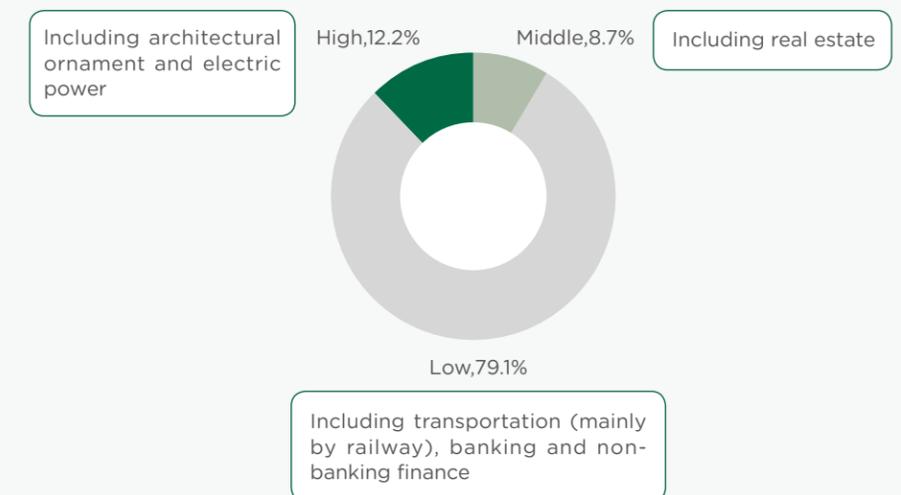
Case Study

Assessment of transformation risk of Ping An Life in investment

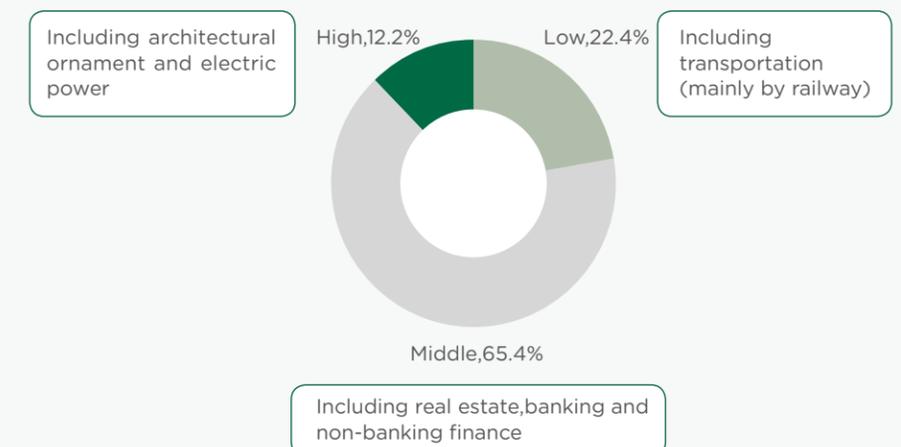
Ping An has divided life insurance investment portfolios into six major investment segments and analyzed important public policies and plans for such investment segments by means of literature review, policy and standard investigation, etc. According to low-carbon transformation scenario data, Ping An has analyzed main transformation risks and opportunities in major investment segments through comparing policy and plan requirements.

According to relevant analysis, the asset classes of Ping An Life may be classified into three levels (i.e. high, middle and low) from perspectives of climate policy risks and opportunities. See TCFD report of Ping An Group for more information.

Classification of risks in six major segments (by investment amount)



Classification of opportunities in six major segments (by investment amount)



Assessment for investment in coal industry

Ping An restricts the underwriting and investment in coal industry. According to exclusive method, Ping An considers not to underwrite the following thermal power and coal projects, and will conduct investment activities in line with standards beyond the following.

Coal-fired thermal power generation	Coal mining
<ul style="list-style-type: none"> Traditional coal-fired thermal power generation projects with capacity below 300MW (excluding small power grid) E.g.: Wet-type cooling unit for thermal power generation project, with coal consumption of more than 300g standard coal per kilowatt-hour E.g.: Air cooling unit for thermal power generation project, with coal consumption of more than 305g standard coal per kilowatt-hour Projects involving any outdated production technology and equipment 	<ul style="list-style-type: none"> Single-well coal mining projects with any capacity below the following: <ul style="list-style-type: none"> Shanxi, Inner Mongolia and Shaanxi provinces: 1.2 million tons/year Chongqing, Sichuan, Guizhou and Yunnan provinces: 150,000 tons/year Fujian, Jiangxi, Hubei, Hunan and Guangdong provinces: 90,000 tons/year Other regions: 300,000 tons/year Usage of non-mechanical mining technology Coal mining projects with more than two newly-developed underground areas for mining Projects involving any outdated production technology and equipment

© Responsible investment products

In the process of investment management, Ping An, always subject to the sustainability principle, forms investment risk appetite from financial, actuarial, risk, income and other perspectives and establish three-dimensional quantitative indexes. According to investment judgments and based on quantitative simulation techniques and investment strategies, Ping An determines strategic asset allocation.

In terms of investment risk management, we have integrated ESG risk management into the Group's investment risk management system. We categorize ESG risks into two secondary aspects, namely, climate change and social risk, and set criteria for risk assessment based on the Group's asset portfolios. In terms of investment products, we have established a primary ESG investment product system based on the ESG investment strategy framework.

ESG Investment of Ping An (As of December 31, 2019, in RMB million)

Indicator	Equities	Bonds	Financial products	Mutual funds	Lease receivables
Green investment	16,843.77	16,583.04	13,293.62	263.14	4,261.00
Social and inclusive investment	16,428.71	359,566.43	381,211.25	623.78	145,374.00

Meanwhile, we continue to support sustainable economic development by means of credit facility. Ping An Bank integrates green credit requirements into its regular businesses. Ping An Bank has formulated green credit policies and updated the policies annually, clearly specified its green credit business priorities such as supporting the technological innovation, technological transformation, technical services and product promotion of green credit industry customers, and strictly implemented a catalogue of industries with excess capacity for tight credit control. Lufax Holding provides professional loan services for small and micro-businesses, sole proprietorships, and self-employed persons to vigorously support poverty alleviation.

Green Credit and Inclusive Credit Statistics (As of December 31, 2019, in RMB million)

Indicator	Category	Total line of credit granted in the year	YTD loan balance	Annual loan amount	Loan contracts signed in the year
Ping An Bank	Green credit	59,056	24,273	5,605	90
	Inclusive credit	N/A	436,678	499,803	893,538
Lufax Holding	Inclusive credit	N/A	462,243	493,723	2,946,744

Evaluation Standard

Environmental Standard	Social and Inclusive Standard
 Environment-friendly, low-carbon, recycling	 Social infrastructure construction  Elderly care and healthcare
 Tackling climate change	 Shanty town renovation  Education and culture
	 Rural revitalization  Helping small and micro-businesses

© Communication and exchange

Ping An regularly conducts communication and exchanges with domestic and overseas institutions, industry initiative organizations and outstanding industry peers in the field of responsible investment and green finance. These include the Ministry of Environmental Protection of China, the China Securities Regulatory Commission, the Insurance Association of China, the Green Finance Committee of China, and the United Nations Principles of Responsible Investment (UNPRI). Meanwhile, Ping An encourages investee companies and insured customers to take measures to manage the impact of climate change on their businesses and strengthen climate-related information disclosure. In 2019, Ping An joined the Climate Action 100+ initiative as the first asset owner in China, and engaged in active communication and dialogue with companies with high carbon emissions.

In August 2019, Ping An officially signed the UNPRI and actively addressed to the risks and opportunities of climate change in the insurance and investment sector. It also responded to the G20 Financial Stability Board (FSB)'s call and joined the Task Force on Climate-related Financial Disclosure (TCFD). The Company has already issued its first TCFD report.

Number of Ping An University high-quality courses

50,000

Total employee training hours

4.5 million hours

Total coverage of face-to-face training

48,400 person-times

Highest monthly activity rate on mobile devices

86%

Total number of employees covered by enterprise annuity scheme

215.8 thousand, accounting for 57.27% of total employees

Total number of employees covered by the employee long-term service scheme

31,026 accounting for 8.34% of total employees

Number of Ping An agents average per-capita training hours of agents: 130 hours

1,166.9 thousand,

Overall employee satisfaction score of the Group

4.33

An Attractive Employer

Ping An regards employees as important assets of the Company, and is committed to providing employees with broad spaces and rich resources for career development, respecting employees' rights and interests, and constantly improving employee compensation and welfare, creating a safe and pleasant working environment. At the same time, Ping An attaches great importance to the growth and development of agents, keeps improving training models and courses, and strives to become our agents' most sincere partner.

Training and development

We continue to improve and deepen our training system and provide rich resources and broad space for employees' career growth. The Company further implements the "finance + technology" and "finance + ecosystem" strategies. In such a context, we actively mobilize all employees to learn intelligent development, and constantly expand course resources, optimize our intelligent course recommendation model and update our learning promotion mechanism to effectively meet the training needs of employees at different levels and positions.

In order to build a system for systematic talent training and comprehensively meet employees' different needs, we develop special training programs on an on-going basis. Ping An University offers more than 700 face-to-face teaching courses with more than 1,000 internal part-time instructors.



Number of regular face-to-face training

1,563



Coverage of face-to-face training

48,400 person-times

Certain special training programs of Ping An University in 2019

Special training camp for senior management

For our senior management, Ping An University organizes a special case training camp themed with "Comprehensive Data-Intensive Management Transformation of Leadership". This camp provides "online + offline" professional case-based teaching and discussion services based on four key modules (i.e. "Reshaping Business with Data", "Optimizing Value Chain with Data", "Contacting Customer with Data" and "Restructuring Organization with Data") to enable the participating trainees to form more forward-looking insights and improve their abilities to understand and apply comprehensive data-intensive management transformation.

New Manager Pilot Program

In order to help new middle-level managers get adapted to their new roles, Ping An University has tailored an online ability improvement project—"New Manager Pilot Program"—for new middle-level managers of our headquarters. This project provides internal and external high-quality courses at three stages of "Sailing", "Acceleration" and "Continuity" and in five modules of role change, goal setting, team leadership, high performance and enhanced development, to fully meet the managers' learning needs in their key growth period. In 2020, this program will be extended to middle-level managers in all-level bodies and different learning plans will be developed for different business lines.

Manager Training Plan T

Ping An University carries out manager training and empowerment projects for managers under HR training lines of the subsidiaries. In 2019, four training themes were determined, including strategic thinking based on value chain, targeted learning project design, insights into nature of cultural integration, and self-development of managers; and relevant arrangements were made with diversified learning methods such as thematic workshop, business communication, practical workshop and benchmarking visit. The subsidiaries have trained core cadres and expanded their business knowledge, working ideas and management abilities by means of interdisciplinary and systematic learning and exchange activities, laying a good foundation for promoting complete talent training system and increasing employee career development trainings.

Case Study

A Talent Development Management Committee established by Ping An Smart City

In May 2019, Ping An Smart City established a Talent Development Management Committee to develop engineer culture and foster a positive, open, sharing, initiative and innovative atmosphere. This committee has 11 branches based on technology, expertise, business and management sequences, such as AI Branch, Cloud and Big Data Branch and Consultation and Solution Branch. As of the end of 2019, the committee completed the capability models for 53 posts, carried out professional skill improvement trainings for professionals for more than 9,000 person-times, and established "Orange Coffee Community", an internal sharing and exchange platform that allows employees to post messages and ask experts questions and effectively promotes professional exchange.

Case Study

“Eagle Plan” special training camp of Ping An Health

Ping An Health established a diversified and multi-layered talent training system for “Eagle” series. This system is widely recognized by our employees and its training effect NPS reaches 9.1.

- “Eaglets”: Carrying out closed training and “symposium with masters” for fresh graduates, and establish a training and exchange platform for adaption and retention of social newcomers.
- “Morning eagles”: Focusing on training for new employees, develop and integrate online and offline learning resources into the master exchange mechanism, to improve employee’s understanding of corporate strategies and daily operations.
- “Flying eagles and excellent eagles”: Organizing the fully closed and centralized face-to-face trainings concerning corporate strategies, management methodology, team expansion, group discussion and other links for potential cadres to improve their trans-department communication, collaboration and management skills.
- “Powerful eagles”: Providing senior executives with high-end learning resources from institutions such as Harvard Business School, Peking University and Tsinghua University, and develop the course *Innovative Thinking of Product Manager* for all departmental head cadres to promote agile transformation and business innovation of the company.

◎ Respecting and protecting employee’s rights and interests

As of the end of 2019, the employee long-term service scheme of Ping An Group covered **31,026** people, accounting for 8.34% of total employees

In order to take responsibility for employees and perform the employee management mission of “career planning for living and working in peace and contentment”, we formulated the *Policy for Employee’s Rights and Interests and Welfare* and respect and promise to safeguard employees’ legitimate rights and interests. We strictly comply with the *Labor Law of the People’s Republic of China*, the *Labor Contract Law of the People’s Republic of China* and other relevant laws and regulations and insist on equal pay for equal work. For recruitment, on-boarding, training, promotion and reward, we prohibit any form of discrimination based on sex, appearance, age, marriage, fertility and other factors, and boycott child labor and forced labor.

We organize and conduct annual market compensation survey and continuously examine the competitiveness of employee compensation to ensure reasonable and steady improvement of employee income. According to the fair and just principle of “distribution according to performance” and the result of employee performance appraisal, we manage employee compensation scientifically and stimulate employees to keep improving personal ability and grow together with the Company. We pay social insurance premiums and

As of the end of 2019, the number of employees under enterprise annuity schemes reached 215.8 thousand people, accounting for 57.27% of total employees. Accumulatively, enterprise annuity reached **RMB 8.127** billion

housing provident fund for every employee in accordance with national and local laws and regulations. Besides, we provide a range of internal special products and services for employees, such as commercial insurance, high-end health insurance, family physical examination package and other benefits. In 2019, we paid a total of RMB59.144 billion in wages.

We encourage employees to participate in annuity schemes and have expanded the coverage of enterprise annuity over the years. In 2019, we paid a total of RMB755 million in enterprise annuity, and the number of employees under enterprise annuity schemes increased by 33,005 to 215.8 thousand, accounting for 57.27% of total employees. Accumulatively, enterprise annuity reached RMB8.127 billion and funds reached RMB1.726 billion in total.

In addition, we’ve developed a stock ownership scheme and a long-term service scheme for core employees to better encourage their long-term work for the Company.

Case Study

Employee satisfaction survey

We focus on listening to employees’ voice, and employees can communicate with the Company through several channels such as labor union, workers’ congress and HR service platform. In 2019, we took a random sample for employee satisfaction in the whole Group and received a total of 18,437 effective responses. The satisfaction survey was carried out in 12 dimensions, including employee services, freedom of speech and the right to express, working environment and health and safety, group atmosphere, fair employment and fight against discrimination, code of conduct, policies and systems and training. The result revealed that employees were generally satisfied with the Company and the satisfaction score was 4.33 (based on a five-point scale). Employees were most satisfied with the group atmosphere, code of conduct, policies and systems, fair employment and fight against discrimination, scoring 4.46, 4.43 and 4.42 respectively.

Case Study

“Through Train for Advice and Suggestion” of Ping An Trust

In July 2019, Ping An Trust established a communication and collaboration mechanism - “Through Train for Advice and Suggestion”. Chairman of the Company regularly and randomly selects and interviews employees online to better identify any weakness in operation and management. The employees interviewed can submit advice and suggestions anonymously. A total of 422 complaints and suggestions were received during the three sessions carried out. Relevant departments participated in the handling and resolving of the suggested issues under the supervision of the Chairman, who then responded to the employees personally.

◎ Care for employees

We are committed to creating a happy working and living environment for employees. We organize activities such as afternoon tea party, birthday party and retirement party to enhance employees’ sense of happiness and belonging; we offer catering services to ensure favorable dining environment; we provide employees with labor protection articles, food, afternoon tea, etc. during hot summers to prevent heatstroke; we organize various events to promote employees’ work-life balance.

The Ping An Employee Assistance Program (EAP) has been developed into a comprehensive service covering stress management, occupational mental health, psychological intervention, and healthy living, providing a comprehensive support to help employees deal with personal difficulties and stay positive both in workplace and in their personal lives.

Ping An continues to optimize its personnel service platform to offer employees with more services and convenience. With this app, Ping An employees can obtain various personnel services such as company ID card application, social security processing, personnel file management, and personnel information management.

As of the end of 2019,

Ping An had **1,166.9** thousand agents in total

In 2019, the Company invested RMB **1.452** billion in trainings for agents, and the average annual training time per agent reached **130** hours

◎ Support for insurance agents

As Ping An continues to develop, agent is one of our most important partners. Our expert agents is a driving force behind the business growth of Ping An Life. We have never overlooked their needs for better income and strives to ensure their retention. We develop high-quality training courses for agents and continue using high-tech means to improve agents’ service skills and expertise level.

Regarding training, Ping An provides customized training plans and online training models for agents, and each month there are 35.7 million agents participating in online learning on average. AskBob, Ping An’s smart assistant for sales agents, answers their inquiries with an accuracy rate of 95%. Its task query and intelligent handling functions can address 90% of the agents’ regular needs. It can also provide agents with simulation assistance for different sales scenarios.

Case Study

Popular “Classroom Live Broadcasting” among agents

In 2019, Ping An Life launched “Classroom Live Broadcasting” Program. With live broadcast and short video technologies, this program provides high-quality online training courses concerning sale, new employee, product, CRM, team management and others. The program is well-received and popular among agents. Meanwhile, it focuses on training online instructors —anchors— and developing high-quality practical training courses with UGC to effectively improve training effect. As of the end of 2019, over 280,000 live broadcast lessons were delivered to more than 10 million people.

05

Our Performance in Different Roles

- 5.1 A Listed Company with Integrity and Transparency
- 5.2 A Caring Corporate Citizen
- 5.3 A Trustworthy Company
- 5.4 A Responsible Investor
- 5.5 An Attractive Employer

Performance

Our Performance in Different Roles

◎ A Listed Company with Integrity and Transparency

Business Performance

Indicator	2019	2018	2017
Total assets (in RMB million)	8,222,929	7,142,960	6,493,075
Total income (in RMB million)	1,168,867	976,832	890,882
Operating profit (in RMB million)	147,722	125,804	105,809
Operating profit attributable to shareholders of the parent company (in RMB million)	149,407	107,404	89,088
Dividends per share (in RMB)	2.05	1.72	1.5
Earnings per share (in RMB)	8.41	6.02	4.99
Total remuneration paid (in RMB million)	59,144	49,902	48,271
Total tax paid (in RMB million)	118,300	121,324	99,352
Solvency adequacy ratio of the Group (%)	229.8	216.4	214.9
Insurance fund investment portfolio size (in RMB trillion)	3.21	2.79	2.45
Annualized return on investment (%)	5.2	5.2	5.8
Annualized total investment return (%)	6.9	3.7	6.0

Corporate Governance

Composition of 2019 Board of Directors and Supervisory Committee (person)

Indicator	Board of Directors				Supervisory Committee			
	Executive Director(s)	Non-executive Director(s)	Independent Non-executive Director(s)	Total	External Supervisor(s)	Shareholder Representative Supervisor(s)	Employee Representative Supervisor(s)	Total
Headcount	4	4	5	13	2	1	2	5

Gender and Age Composition of 2019 Board of Directors and Supervisory Committee(%)

Indicator	Board of Directors					Supervisory Committee				
	By gender		By age			By gender		By age		
	Male	Female	Under 30	31- 50	Above 50	Male	Female	Under 30	31- 50	Above 50
Percentage	92.31	7.69	0	15.38	84.62	80	20	0	60	40

Compliance and Risk Management

Indicator	2019	2018	2017
Compliance and internal control awareness raising activities coverage (%)	100	100	-
Risk management staff training coverage (%)	100	100	-

Business Code of Conduct and Anti-Corruption

Indicator	2019	2018	2017
Coverage rate of anti-corruption education (%)	100	100	100
Coverage rate of trainings on anti-money laundering(%)	100	100	100
Number of non-compliance cases related to money laundering	0	0	-
Number of anti-corruption trainings	2,046	2,000	-
Attendance of anti-corruption trainings (million person-times)	3.57	12.13	-
Total training time of anti-corruption trainings of employees and agents (thousand hours)	728.2		
Rectification rate of issues identified in annual audit (%)	71	90	-
Verification rate of complaints received (%)	100	100	-

Sustainable Supply Chain

Supply Chain Overview

Indicator	2019	2018	2017
Number of suppliers	3,038	3,289	2,358

Number of Suppliers by Category and Region

Indicator	2019
Number of service providers	2,129
Number of material suppliers	909
Number of suppliers in East China	1,232
Number of suppliers in North China	757
Number of suppliers in Central China	58
Number of suppliers in South China	796
Number of suppliers in Southwest China	86
Number of suppliers in Northwest China	39
Number of suppliers in Northeast China	21
Number of suppliers overseas	49

ESG Performance of Suppliers

Indicator	2019
Average score of supplier assessment (100-point scale)	68.8
Total number of suppliers eliminated in 2019	113
Coverage rate of ESG related trainings for suppliers (%)	3.29

Information Security and AI Governance

Indicator	2019
Information security evaluation score (100-point scale)	98.6
Total employee information security training hours (hours)	3.5

◎ A Caring Corporate Citizen

Resource consumption and emissions statistics*

Indicator	2019	2018	2017
Total water consumption (tons)	9,279,226	1,173,304	1,101,832
Per-capita water consumption (tons)	24.62	21.82	21.85
Direct energy consumption			
Total natural gas consumption (cubic meters)	3,402,090	2,031,541	1,916,793
Total diesel consumption (liters)	174,898	-	-
Indirect energy consumption			
Workplace Electricity consumption (kWh)	732,249,926	155,732,102	134,879,626
Electricity consumption of data centers (kWh)	96,317,142	-	-
Per-capita electricity consumption (kWh)	2,198.64	2,893.80	2,674.86
Greenhouse gases emission			
Total GHG emission (tCO ₂ e)	797,251	197,904	172,981
Per-capita GHG emission (tCO ₂ e)	2.12	3.68	3.43
Solid waste produced (tons)	309,631	8,957	9,186

Green House Gases Emissions

Indicator	2019
Scope 1 emissions (tCO ₂ e)	7,156
Scope 2 emissions (tCO ₂ e)	720,605
Scope 3 emissions (tCO ₂ e)	69,490

Paper Saved

Indicator	2019
Total paper consumption (tons)	4,315
Total amount of paper saved (tons)	253
Year-on-year paper consumption reduction (%)	5.53

*In 2019, Ping An expanded the scope of its environmental operations data from its own buildings to the Group headquarters and all subsidiaries. The scope 1 GHG emission in this report is referred to stationary source emissions. The scope 2 GHG emission is referred to converted electricity emission data (consumption of 1 kWh of electricity discharges 0.87 kilograms of CO₂). The scope 3 GHG emission is referred to emissions from business travel by airplanes.

◎ A Trustworthy Company

Performance of Sustainable Insurance Products (as of December 31, 2019)

Indicator	Environmental insurance ⁽¹⁾	Social insurance ⁽²⁾	Inclusive insurance ⁽³⁾
Premium income (in RMB million)	181	119,114.34	53,811.31
Insured amount (in RMB million)	13,586	117,117,172.50	4,079,307.73
Valid coverage (person-time)	3,783	736,394,521	48,705,940
Number of valid policies	4,309	87,203,826	46,823,638

Notes: (1) Environmental insurance includes environmental liability insurance, climate insurance, catastrophe insurance, and so on. (2) Social insurance includes liability insurance (eg. workplace safety insurance, food safety insurance, etc.), serious illness insurance, medical insurance, critical illness insurance, and so on. (3) Inclusive insurance includes agriculture insurance, insurance for rural areas, insurance for farmers, insurance for disability, minor insurance, small and micro-business operations insurance, and so on.

Customer Service

Group or subsidiary	NPS supporting indicator	2019	2018	2017
Ping An Group	NPS (%)	43	41	36
	Number of surveys triggered by NPS touchpoints (million)*	137.48	41	3
	Number of retail customers (million)	200.48	180.22	156.90
	Number of online customers (million)	515.50	443.59	429.51
Ping An Life	NPS (%)	38	33	27
	Rolling complaint rate in 12 months (%)	0.04	0.04	0.04
Ping An Property & Casualty	NPS (%)	69	56	48
	Per-case turnaround time for auto insurance claims under RMB10,000 (days)	11.23	13.10	12.23
	Auto claims payment ratio (%)	99.88	99.93	99.58
	Total number of claimed paid (million)	25.79	-	-
Ping An Health	NPS (%)	47	40	24
	Rolling complaint rate in 12 months (%)	0.01	0.01	0.01
	4-hour response rate of reservation (%)	91.40	98.69	98.25
	Response time of automatic claim handling (minutes)	1	-	-
Credit Card	NPS (%)	32	30	20
	Customer satisfaction (5-point scale)	87	87	84
Ping An Annuity	NPS (%)	68	60	51
Ping An Securities	NPS (%)	26	14	9
	Customer satisfaction of call center services (%)	98	98.32	98.94
Ping An Good Doctor	NPS (%)	63	61	54
	Daily praise rate (%)	98	98.88	99.04
Puhui Financial	NPS (%)	23	32	30
	Complaint response rate (%)	99	94	74

*In 2019, the Group's NPS product research was launched online, substantially increasing the number of surveys triggered.

◎ A Responsible Investor

ESG Investment of Ping An (As of December 31, 2019, in RMB million)

Indicator	Equities	Bonds	Financial products	Mutual funds	Lease receivables
Green investment	16,843.77	16,583.04	13,293.62	263.14	4,261.00
Social and inclusive investment	16,428.71	359,566.43	381,211.25	623.78	145,374.00

Green Credit and Inclusive Credit Statistics (As of December 31, 2019, in RMB million)

Indicator	Category	Total line of credit granted in the year	YTD loan balance	Annual loan amount	Loan contracts signed in the year
Ping An Bank	Green Credit	59,056	24,273	5,605	90
	Inclusive Credit	N/A	436,678	499,803	893,538
Lufax Holding	Inclusive Credit	N/A	462,243	493,723	2,946,744

◎ An Attractive Employer

Indicator	2019	2018	2017
Total number of employees (thousand people)	376.9	376.9	342.6
Number of in-house staff (thousand people)	168.7	167.4	149
Number of sales agents (thousand people)	208.3	209.5	192.7
Number of life insurance agents (thousand people)	1,166.9	1,417	1,386

Number of employees by categories

Indicator	2019	2018
Number of regular employees	360,357	363,549
Number of informal employees	16,549	13,351
Percentage of informal employees (%)	4.39	3.54
Number of overseas employees	336	-

Employee Diversity Statistics

Indicator	2019	2018
Number of senior management	2,908	2,694
Number of female senior management	746	685
Number of ethnic minority senior management	103	100
Number of executive management	12	14
Number of female executive management	3	3
Number of ethnic minority employees	19,606	19,598

Diversity by Gender

Indicator	2019	2018	2017
Male employees (%)	51.73	51.36	50.33
Female employees (%)	48.27	48.64	49.67

Diversity by Age

Indicator	2019	2018	2017
Under 30 (%)	53.25	58.75	61.05
31 to 50 (%)	45.19	39.86	37.62
Above 50 (%)	1.56	1.39	1.33

Diversity by Ethnicity

Indicator	2019	2018	2017
Han Chinese (%)	94.54	94.91	95.05
Other ethnic minorities (%)	5.46	5.09	4.95

Education Background of Employees

Indicator	2019
Post-graduate (%)	6.73
College graduate (%)	52.30
Associate college degree (%)	35.87
Others (%)	5.10

Minimum notice period for notifying major business change

For full-time employees with labor contracts, Ping An will communicate with employees at least one month in advance according to *Ping An Manual on Labor Management*.

The standard starting salaries for remuneration in important operation locations compared to the range of local minimum salary

It is not mandatory to set a fixed ratio between the standard starting salaries of subsidiaries and the local minimum salary, but the Group has required all subsidiaries to set the remuneration in a lawful and compliant manner, to regularly understand market data and review the remuneration.

Employee Average Compensation

Indicator	2019
Average compensation of male employees (in RMB)	233,337
Average compensation of female employees (in RMB)	194,305

Employee Turnover

Indicator	2019
Employee turnover rate (%)	33.32
Male employee turnover rate (%)	33.48
Female employee turnover rate (%)	31.07
Turnover rate of employees under 30 (%)	43.42
Turnover rate of employees aged 31 to 50 (%)	13.43
Turnover rate of employees above 50 (%)	9.69
Turnover rate of employees in East China (%)	11.51
Turnover rate of employees in North China (%)	2.35
Turnover rate of employees in Central China (%)	13.32
Turnover rate of employees in South China (%)	5.16
Turnover rate of employees in Southwest China (%)	8.06
Turnover rate of employees in Northwest China (%)	5.04
Turnover rate of employees in Northeast China (%)	4.79

Over-time Policies and Expenses

Year	Expenses	Policies
2019	RMB337 million, accounting for 0.33% of the labor costs	All subsidiaries have established and issued the overtime management measures after democratic discussions were made by employees. The Company does not encourage or force employees to work overtime. Internal approval should be made if there is a need for overtime. If overtime occurs, overtime wages should be paid in accordance with the <i>Labor Law</i> .
2018	RMB329 million, accounting for 0.40% of the labor costs	
2017	RMB217 million, accounting for 0.28% of the labor costs	

Employee Training

Indicator	2019	2018
Coverage rate of face-to-face trainings of EXCO members and senior managers (%)	69.34	48.25
Coverage rate of face-to-face trainings of medium-level managers (%)	23.61	25.45
Coverage rate of face-to-face trainings of general management and employees (%)	11.50	10.95
Coverage rate of face-to-face trainings of male employees (%)	13.59	-
Coverage rate of face-to-face trainings of female employees (%)	12.04	-
Total attendance of face-to-face training (person-times)	48,400	44,411
Average per-capita hours of face-to-face trainings and online trainings per employee (hours)	11.94	9.21
Total employee training hours of face-to-face trainings and online trainings (thousand hours)	4,498.9	3,340.2
Number of trainers of face-to-face courses (persons)	1,036	1,037
Total training expenses (in RMB million)	1,096	1,046

Zhi Niao Learning Platform

Indicator	2019
Number of valid users (million)	1.5766
Annual activity rate (%)	99.27
Highest monthly activity rate (%)	86.00
Total number of courses (thousand)	337.8
Number of playback (million times)	115.0565
Number of online examinations taken (million times)	9.0811
Number of hours of online training (million hours)	16.545
Attendance of online trainings (million person-times)	2.3484

Employee Health and Safety

Indicator	2019
Number of lost working days due to work related injuries (days)	8,397.25

Statement of the Board of Directors

An ESG management function module was established at the Group Executive Committee level. The Board of Directors is ultimately responsible for Ping An and the Group Investor Relations & ESG Management Committee (“IR/ESG Committee”) under the Group Executive Committee is responsible for ESG management structure. The IR/ESG Committee holds ESG exchange conference twice a year, and it is responsible for developing overall ESG strategy, identifying and assessing ESG risks, examining and approving ESG management policies, auditing ESG plans and objectives and deliberating on ESG performance appraisal through the Group ESG Management Committee and the Group ESG Office.

Based on external social and economic macro environment and corporate development strategy, Ping An ESG management team dynamically assess the importance of ESG issues, discuss and determine the Company’s risks and opportunities in terms of environmental, social and corporate governance, and integrate the management and improvement of important issues into annual sustainability strategy.

In 2019, the Board of Directors mainly reviewed the following:

Corporate governance: Ping An has continuously optimized the governance structure and controlled risks and meanwhile vigorously implemented the discipline regarding integrity and combated commercial corruption and bribery and other undesired behaviors. Besides, Ping An has extended its governance to products, services and processes, strengthened ethical risk management by AI and other technologies, and promoted responsible products and compliance management, ensuring the comprehensive top-down coverage of the governance system.

Poverty alleviation: In 2019, the Company spared no efforts to promote the “Ping An Rural Communities Support” initiative, based on thoughts such as smart poverty alleviation, targeted assistance and long-term poverty alleviation. According to the main strategy of “Ping An Closed-Loop Poverty Alleviation”, we implemented the “Ping An Rural Communities Support” initiative and developed a benchmarking model for poverty alleviation.

Responding to climate change: In its own operations, Ping An fully control its carbon footprint in the aspects such as carbon emission intensity, carbon emission reduction potential, and green building; and managed its exposure to climate change and guided green development and transformation of other industries by means of professional climate risk management system and other sustainable insurance products as well as a diversity of responsible investment products.

Serving the real economy with finance: Ping An actively participated in real economic construction of “the Belt and Road Initiative” and Guangdong-Hong Kong-Macao Greater Bay Area and supported lending and financing to small and micro enterprises with inclusive finance, contributing to real economic development and improvement of economic development quality.

Technological change and innovation: Backed by three core technologies of AI, blockchain and cloud computing, Ping An has enabled traditional financial businesses, created five ecosystems and continuously made new technological achievements in financial services, healthcare, smart cities and other fields, continuously contributing to social livelihood development.

Ping An’s management practices and progresses in all the above work and other ESG issues as fully disclosed in this Report have been examined and approved by the Board of Directors in February, 2020.

About this Report

◎ Scope of the Report

Reporting scope: The Report is mainly about Ping An Insurance (Group) Company of China, and covers its subsidiaries.

Reporting period: From January 1, 2019 to December 31, 2019.

Reporting cycle: The Report is released annually.

◎ Compilation principles of the Report

The Report is compiled in accordance with *Environmental, Social and Governance Reporting Guide* of the Stock Exchange of Hong Kong Limited and by reference to *Global Reporting Initiative (GRI) Sustainability Reporting Standards*.

◎ Data of the Report

The financial data in the Report was extracted from Ping An 2019 Annual Report, which went through independent audit of PricewaterhouseCoopers Zhong Tian (LLP). Other data came from the internal systems of the Company or manual collection. Unless otherwise specified, the currency in the Report is RMB.

◎ Assurance of the Report

The contents and data disclosed in the Report were approved by the Board of Directors of Ping An Insurance (Group) Company of China. Deloitte Touche Tohmatsu Certified Public Accountants (LLP) has carried out an independent third-party assurance on the Report in accordance with *International Standard on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (“ISAE3000”)*.

◎ Release form of the Report

The report is released both in hardcopy and online. The online version can be accessed at www.pingan.cn.

Indexes

ESG Content Index

ESG Indicators	Status of disclosure	References
General disclosure	Disclosed	16,55,56,90
A1: Emissions		
A1.1	Disclosed	83
A1.2	Disclosed	83
A1.3	Not applicable	-
A1.4	Disclosed	83
A1.5	Disclosed	55,56
A1.6	Disclosed	55,56
General disclosure	Disclosed	16,55,56,90
A2: Use of Resources		
A2.1	Disclosed	83
A2.2	Disclosed	83
A2.3	Disclosed	55,56
A2.4	Disclosed	55,56
A2.5	Not applicable	-
A3: The Environmental and Natural Resources		
General disclosure	Disclosed	55,56
A3.1	Disclosed	55,56,61-63,67-71
General disclosure	Disclosed	16,74-77
B1: Employment		
B1.1	Disclosed	85-89
B1.2	Disclosed	85-89
General disclosure	Disclosed	16,76
B2: Health and Safety		
B2.1	Not disclosed	-
B2.2	Disclosed	85-89
B2.3	Disclosed	76

ESG Indicators	Status of disclosure	References
General disclosure	Disclosed	16,72-74
B3: Development and Training		
B3.1	Disclosed	85-89
B3.2	Disclosed	85-89
General disclosure	Disclosed	16,74-77
B4: Labor Standards		
B4.1	Disclosed	74-77
B4.2	Disclosed	74-77
General disclosure	Disclosed	16,53
B5: Supply Chain Management		
B5.1	Disclosed	81-82
B5.2	Disclosed	81-82
General disclosure	Disclosed	16,52,54,58-66
B6: Product Responsibility		
B6.1	Not applicable	-
B6.2	Disclosed	66,84
B6.3	Disclosed	40-43
B6.4	Not applicable	-
B6.5	Disclosed	43,54,82
General disclosure	Disclosed	16,50-52
B7: Anti-corruption		
B7.1	Not disclosed	-
B7.2	Disclosed	50-52,81
General disclosure	Disclosed	16,28-36,57,90
B8: Community Investment		
B8.1	Disclosed	28-36,57
B8.2	Disclosed	28-36,57

GRI Standard Index

GRI Indicator Category	Indicator	Name of the Indicator	Status of disclosure	References
GRI 102	102-1	Name of the organization	Disclosed	9
GRI 102	102-2	Activities, brands, products, and services	Disclosed	9
GRI 102	102-3	Location of headquarters	Disclosed	Back Cover
GRI 102	102-4	Location of operations	Disclosed	9
GRI 102	102-5	Ownership and legal form	Disclosed	9
GRI 102	102-6	Markets served	Disclosed	9
GRI 102	102-7	Scale of the organization	Disclosed	9
GRI 102	102-8	Information on employees and other workers	Disclosed	85-89
GRI 102	102-9	Supply chain	Disclosed	53,81-82
GRI 102	102-10	Significant changes to the organization and its supply chain	Disclosed	53,81-82
GRI 102	102-11	Precautionary principle or approach	Disclosed	18-21
GRI 102	102-12	External initiatives	Disclosed	25,53,67-68,71
GRI 102	102-13	Membership of association	Disclosed	25,67-68
GRI 102	102-14	Statement from senior decision-maker	Disclosed	4-5,90
GRI 102	102-15	Key impacts, risks, and opportunities	Disclosed	18-21
GRI 102	102-16	Values, principles, standards, and norms of behavior	Disclosed	16
GRI 102	102-17	Mechanisms for advice and concerns about ethics	Disclosed	46-52
GRI 102	102-18	Governance structure	Disclosed	17,46-50
GRI 102	102-19	Delegating authority	Disclosed	17,90
GRI 102	102-20	Executive-level responsibility for economic, environmental, and social topics	Disclosed	17
GRI 102	102-21	Consulting stakeholders on economic, environmental, and social topics	Disclosed	17,24-25
GRI 102	102-22	Composition of the highest governance body and its committees	Disclosed	46-50
GRI 102	102-23	Chair of the highest governance body	Disclosed	Corporate Governance Report chapter in the 2019 annual report
GRI 102	102-24	Nominating and selecting the highest governance body	Disclosed	Corporate Governance Report chapter in the 2019 annual report
GRI 102	102-25	Conflicts of interest	Disclosed	Risk Management chapter in the 2019 annual report

GRI Indicator Category	Indicator	Name of the Indicator	Status of disclosure	References
GRI 102	102-26	Role of highest governance body in setting purpose, values, and strategy	Disclosed	17
GRI 102	102-27	Collective knowledge of highest governance body	Disclosed	4-5,90
GRI 102	102-28	Evaluating the highest governance body's performance	Not disclosed	-
GRI 102	102-29	Identifying and managing economic, environmental, and social impacts	Disclosed	16-18,20-23
GRI 102	102-30	Effectiveness of risk management processes	Disclosed	18,19,46-50
GRI 102	102-31	Review of economic, environmental, and social topics	Disclosed	16-18
GRI 102	102-32	Highest governance body's role in sustainability reporting	Disclosed	17,18
GRI 102	102-33	Communicating critical concerns	Disclosed	18,24-25
GRI 102	102-34	Nature and total number of critical concerns	Disclosed	18,90
GRI 102	102-35	Remuneration policies	Disclosed	Directors, Supervisors, Senior Management and Employees chapter in the 2019 annual report
GRI 102	102-36	Process for determining remuneration	Disclosed	Directors, Supervisors, Senior Management and Employees chapter in the 2019 annual report
GRI 102	102-37	Stakeholders' involvement in remuneration	Not disclosed	-
GRI 102	102-38	Annual total compensation ratio	Not disclosed	-
GRI 102	102-39	Percentage increase in annual total compensation ratio	Not disclosed	-
GRI 102	102-40	List of stakeholder groups	Disclosed	24-25
GRI 102	102-41	Collective bargaining agreements	Not disclosed	-
GRI 102	102-42	Identifying and selecting stakeholders	Disclosed	24-25
GRI 102	102-43	Approach to stakeholder engagement	Disclosed	24-25
GRI 102	102-44	Key topics and concerns raised	Disclosed	24-25
GRI 102	102-45	Entities included in the consolidated financial statements	Disclosed	91
GRI 102	102-46	Defining report content and topic Boundaries	Disclosed	91
GRI 102	102-47	List of material topics	Disclosed	18,22-23
GRI 102	102-48	Restatements of information	Disclosed	91

GRI Indicator Category	Indicator	Name of the Indicator	Status of disclosure	References
GRI 102	102-49	Changes in reporting	Disclosed	91
GRI 102	102-50	Reporting period	Disclosed	91
GRI 102	102-51	Date of most recent report	Disclosed	91
GRI 102	102-52	Reporting cycle	Disclosed	91
GRI 102	102-53	Contact point for questions regarding the report	Disclosed	100
GRI 102	102-54	Claims of reporting in accordance with the GRI Standards	Not disclosed	-
GRI 102	102-55	GRI Content Index	Disclosed	94-97
GRI 102	102-56	External assurance	Disclosed	98,99
GRI 103	103-1	Explanation of the material topic and its Boundary	Disclosed	18,91
GRI 103	103-2	The management approach and its components	Disclosed	16-23
GRI 103	103-3	Evaluation of the management approach	Disclosed	17,90
GRI 201	201-1	Direct economic value generated and distributed	Disclosed	9,12,46,74-77,80
GRI 201	201-2	Financial implications and other risks and opportunities due to climate change	Disclosed	21,61-65,68-71
GRI 201	201-3	Defined benefit plan obligations and other retirement plans	Disclosed	74-77
GRI 201	201-4	Financial assistance received from the government	Not disclosed	-
GRI 202	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Disclosed	87
GRI 202	202-2	Proportion of senior management hired from the local community	Not disclosed	-
GRI 203	203-1	Infrastructure investments and services supported	Disclosed	37-39
GRI 203	203-2	Significant indirect economic impacts	Disclosed	28-36,38
GRI 205	205-1	Operations assessed for risks related to corruption	Disclosed	50-52,81
GRI 205	205-2	Communication and training about anti-corruption policies and procedures	Disclosed	50-52
GRI 205	205-3	Confirmed incidents of corruption and actions taken	Not disclosed	-
GRI 302	302-1	Energy consumption within the organization	Disclosed	83
GRI 302	302-2	Energy consumption outside of the organization	Disclosed	83
GRI 302	302-3	Energy intensity	Disclosed	83

GRI Indicator Category	Indicator	Name of the Indicator	Status of disclosure	References
GRI 302	302-4	Reduction of energy consumption	Disclosed	83
GRI 302	302-5	Reductions in energy requirements of products and services	Disclosed	55-57,61-65,68-71
GRI 305	305-1	Direct (Scope 1) GHG emissions	Disclosed	83
GRI 305	305-2	Energy indirect (Scope 2) GHG emissions	Disclosed	83
GRI 305	305-3	Other indirect (Scope 3) GHG emissions	Disclosed	83
GRI 305	305-4	GHG emissions intensity	Disclosed	83
GRI 305	305-5	Reduction of GHG emissions	Disclosed	56,83
GRI 305	305-6	Emissions of ozone-depleting substances (ODS)	Not applicable	-
GRI 305	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Not applicable	-
GRI 306	306-1	Water discharge by quality and destination	Not disclosed	-
GRI 306	306-2	Waste by type and disposal method	Disclosed	83
GRI 307	307-1	Non-compliance with environmental laws and regulations	Disclosed	55-56
GRI 308	308-1	New suppliers that were screened using environmental criteria	Disclosed	53,81,82
GRI 308	308-2	Negative environmental impacts in the supply chain and actions taken	Disclosed	53
GRI 401	401-1	New employee hires and employee turnover	Disclosed	87
GRI 401	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Disclosed	74-77
GRI 401	401-3	Parental leave	Not disclosed	-
GRI 402	402-1	Minimum notice periods regarding operational changes	Disclosed	87
GRI 404	404-1	Average hours of training per year per employee	Disclosed	72,88,89
GRI 404	404-2	Programs for upgrading employee skills and transition assistance programs	Disclosed	72-74,88,89
GRI 404	404-3	Percentage of employees receiving regular performance and career development reviews	Disclosed	74,77,89
GRI 405	405-1	Diversity of governance bodies and employees	Disclosed	80,81,85,86
GRI 405	405-2	Ratio of basic salary and remuneration of women to men	Disclosed	74
GRI 414	414-1	New suppliers that were screened using social criteria	Disclosed	53,81,82
GRI 414	414-2	Negative social impacts in the supply chain and actions taken	Not disclosed	-

Third-party Assurance Report



Independent Assurance Report

To the Board of Directors of Ping An Insurance (Group) Company of China, Ltd (the "Board of Directors"):

We have been engaged by the Boards of Directors of Ping An Insurance (Group) Company of China, Ltd (hereafter 'PING AN') to perform a limited assurance engagement on the information disclosed in Ping An 2019 Sustainability Report (hereafter 'the Sustainability Report') for the financial period from 1 January 2019 to 31 December 2019.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the completion and presentation (including reporting guidelines, limitations, reporting data and relevant identification procedures) of the Report compiled in accordance with the Environmental, Social and Governance Reporting Guide of the Stock Exchange of Hong Kong Limited and by reference to GRI Standards of Global Reporting Initiative (GRI).

The Board of Directors is also responsible for determining the objectives in respect of sustainability performance and reporting, including identification of stakeholders and material issues that are relevant to these stakeholders; establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived; and maintaining adequate records.

Our Responsibilities

In accordance with the agreed terms with PING AN, we are responsible for performing a limited level of assurance engagement on the following selected data ("the Subject Matter") in the Sustainability Report:

- Number of patent applications
- Cooperative suppliers

- Total employee training hours on anti-corruption
- Anti-corruption events
- Coverage rate of anti-money laundering training
- Workplace Electricity consumption
- Total water consumption
- Total natural gas consumption
- Total diesel consumption
- Total paper consumption
- Solid waste produced
- Scope 3 emissions
- Greenhouse gases emission
- Total poverty alleviation fund granted for "Village Officer"
- Low-income households supported
- Total number of village and township clinics upgraded
- Total number of village doctors trained
- Total number of village primary schools upgraded
- Total number of village teachers trained
- Total volunteer hours from Ping An employees and agents
- Amount of philanthropy investments
- Number of volunteers from employees and agents of Ping An
- Premium income of environmental insurance
- Insured amount of environmental insurance
- Premium income of social insurance
- Insured amount of social insurance
- Premium income of inclusive insurance
- Insured amount of inclusive insurance
- Green investment of equities
- Green investment of financial products
- Green investment of mutual funds
- Social and inclusive investment of equities
- Social and inclusive investment of bonds
- NPS of Ping An Group
- Number of retail customers
- Number of online customers
- Total number of employees
- Number of female senior management
- Number of female executive management of the Group
- Coverage rate of face-to-face trainings of male employees
- Coverage rate of face-to-face trainings of female employees
- Total employee training hours of face-to-face trainings and online trainings
- Employee turnover rate

Our work is only for the Board of Directors, and for no other purposes. We do not assume responsibility or accept liability to any other person or third party for our work or the contents of this report.

Our Independence and Quality Control

We conducted our engagement in accordance with the independence and other ethical requirements in the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants. We maintains a comprehensive system of quality control applying *International Standard on Quality Control 1*.

Basis of Our Work

We conducted our work in accordance with *International Standard on Assurance Engagements 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Federation of Accountants. We planned and performed our engagement to obtain all the information and evidence which we considered necessary to form conclusions.

Procedures, Scopes and Limitations of Our Work

Our procedures performed included interviewing with PING AN's personnel responsible for collecting, compiling and reporting the information, analyzing the information obtained, and other procedures relevant to the collection of the appropriate evidences. Specifically we:

- Interviewed relevant staff responsible for providing the underlying data for the selected information, to understand the procedure of identifying stakeholders and material issues, including relevant internal control procedures.
- Reviewed data and supporting documents to understand the coverage of those identified material

issues and how it is implemented at a corporate level.

- Established the Subject Matter and assurance standard in the independent and limited assurance on the Report with PING AN.
- Based on limited sampling, evaluated information or explanations about selected data, statements and assertions in the Report in accordance with our work results, and as well as the reporting systems and processes of related to the selected information.
- We performed above onsite work at Shenzhen and Shanghai headquarters of PING AN.

In a limited assurance engagement, the evidence gathering procedures are less in scope than a reasonable assurance engagement. Accordingly, we do not express an opinion on the effectiveness of any of the PING AN's management systems, business processes, and related financial performance data.

We did not interview with external stakeholders. Moreover, the scope of this work does not include historical comparative data and financial data.

Our Conclusions

Based on our work performed, nothing has come to our attention that would lead us to believe that there is any material misstatement related to the Subject Matter in the Sustainability Report.

This is translation of the Chinese language version of the Independent Assurance Report. If there is any conflict between the Chinese and English version, the Chinese version will prevail.



Deloitte Touche Tohmatsu Certified Public Accountants LLP

20 February 2020

Feedback

Thank you for your support for the improvement of our corporate sustainability practices. We are looking forward to hearing your feedback via email or phone call.

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Zip code: 518048
Mailing address: 47/F, Ping An Financial Center, Yitian Road, Futian District, Shenzhen
Email: Pub_CSR@pingan.com.cn
Telephone: 95511

In order to provide you and other stakeholders with professional and valuable sustainability information and further improve the quality of our sustainability reporting, please give us your feedback and comments regarding the questions in the feedback form below through following channels:

- By mail (Please write "sustainability report feedback" on the envelope.)
- By email (Please label the subject "sustainability report feedback".)
- By Telephone

Are you pleased with this report? Please give us your feedback and comments.

What do you think of the completeness of the disclosure of our corporate sustainability performance in this report?

Does this report provide enough disclosure regarding the issues that you are interested in? And what are these issues?

Do you think the length of this report is adequate?

Do you think the content structure and illustration of this report are reasonable? Any suggestions for improvement?

Do you like the design of this report? Any suggestions for improvement?

What are your suggestions for the disclosure of our corporate sustainability performance?

Your information

Name _____

Position _____

Fax _____

Company _____

Telephone _____

Email _____



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