

2023

**China Pacific Insurance
Sustainability Report**



LEAD-IN

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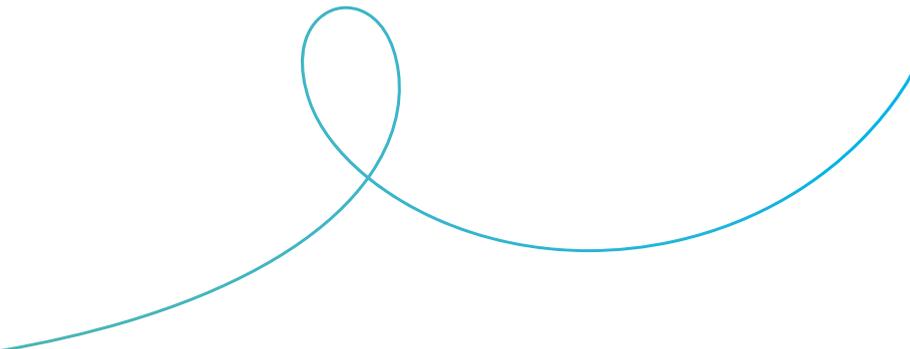
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LEAD-IN

About This Report

This is the third sustainability report issued by China Pacific Insurance (Group) Co., Ltd. (CPIC for short) after the Company has released corporate social responsibility reports for 13 consecutive years. It aims to comprehensively showcase the sustainability philosophy and practice of CPIC to all stakeholders.

Reporting Scope

Organizational scope

The entity covered by this report is CPIC, including its subsidiaries.

Reporting period

This annual report covers the content between January 1, 2023 and December 31, 2023.

Basis of Preparation

This report is prepared in accordance with the Guidelines No. 1 for Self-Regulation of Listed Companies- Standardized Operation of Companies Listed on Shanghai Stock Exchange, Environmental, Social and Governance Reporting Guide (revised by August 2022) and Guidance on Climate Disclosures issued by The Stock Exchange of Hong Kong Limited, Your Guide to ESG Reporting of London Stock Exchange, and Guiding Opinions on Strengthening the Development of Consumer Protection Systems and Mechanisms at Banking and Insurance Organizations, and Green Finance Guidelines for the Banking and Insurance Industries of former China Banking and Insurance Regulatory Commission, and the ESG Indicator System for State-owned Listed Companies in Shanghai issued by Shanghai Municipal State-owned Assets Supervision and Administration Commission.

This report is prepared with reference to the Task Force on Climate-Related Financial Disclosures (TCFD), the United Nations' Sustainable Development Goals (SDGs), GRI Sustainability Reporting Standards (2021) issued by the Global Sustainability Standards Board (GSSB) and Guidelines on Environmental Disclosures for Financial Institutions of the People's Bank of China.

It also reflects the entity's implementation of the United Nations' Principles for Sustainable Insurance (UNPSI) and Principles for Responsible Investment (UNPRI).

Reporting Principles

Materiality: This report has identified and responded to the material topics that has impact on CPIC's sustainable development and, in detail, described the process and results of materiality analysis.

Quantitative: This report has disclosed CPIC's key ESG performance in quantitative terms.

Balance: By disclosing both positive and negative indicators, this report has given an objective view of relevant facts.

Consistency: The indicators and calculation methods used for different reporting periods are kept consistent to the highest extent possible.

Denomination Currency

Unless otherwise stated, this report uses RMB as the denomination currency for financial data.

Languages

This report is written in simplified Chinese, but traditional Chinese and English versions are also available.

Formats

This report is available in both electronic and printed formats, with the latter printed on environment-friendly recycled paper.

Access

The electronic version of this report can be accessed at and downloaded from the official website of the Shanghai Stock Exchange (www.sse.com.cn), of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk), and of China Pacific Insurance (Group) Co., Ltd. (www.cpic.com.cn).

Note on Designations

For better readability, China Pacific Insurance (Group) Co., Ltd. is referred to as "CPIC", "the Company", "the Group" or "we/our" in this report.

Board of Directors' Statement

CPIC places high importance on our Environmental, Social, and Governance (ESG) efforts. We leverage our insurance expertise to continually strengthen our core ESG competencies, diversify ESG practices, and fulfill ESG regulatory demands, thus powering the sustainable economic and social development with insurance solutions.

ESG Oversight and Integration: We embed ESG principles into our corporate governance, establishing an effective and transparent ESG governance framework. The Board of Directors, serving as the highest ESG decision-making body, oversees all ESG activities, routinely deliberates and debriefs ESG progress and the development of critical ESG frameworks. The Group's Strategic and Investment Decision-making and ESG Committee, functioning under the Board, identifies and assesses CPIC's ESG risks and pivotal ESG issues, devises ESG strategies, sets ESG goals, plans, and performance assessment arrangements, supervises ESG plan execution, and fosters ESG integration into our operational and management practices.

ESG Policy and Strategy: We persist in executing our Environmental, Social and Governance Plan (2023-2025), improving our management approaches and strategies in alignment with our annual sustainability priorities and in response to a variety of internal and external factors, including regulatory mandates, shifts in the economic and social landscape, and adjustments to our corporate strategy. In line with stakeholder surveys, we concentrate on material issues like supporting the real economy, enhancing customer service, and bolstering risk management, thus addressing stakeholders' needs comprehensively.

ESG Goals and Execution: We meticulously refine activities in sustainable insurance, responsible investment, ESG risk management, and green, low-carbon operations, annually reviewing our sustainable development endeavors and gauging ESG governance effectiveness. In 2023, the Board of Directors deliberated and approved the Proposal for Investment in the Green Carbon Science and Technology Fund in the Greater Bay Area, Proposal

for Responsible Investment Policies, and 2023 Semi-Annual Performance Report. Also, the Board was briefed on the Mid-Year Progress Update on Key ESG Initiatives. Additionally, the remuneration of executive directors and management of CPIC is tied to ESG performance indicators, embedding the ESG ethos throughout the Company's routine operations in a top-down manner, ensuring the thorough enactment of ESG management requirements.

This report, reviewed and approved by the Board of Directors in March 2024, elaborates on CPIC's management and advancements in the above-mentioned areas and other material matters.



Chairman's Statement

Forging Ahead Towards a Bright Future Together

In 2023, CPIC remained steadfast in its mission to "Integrating into the big picture of national development and securing the wonderful life of the general public." With renewed vigor and steady progress, we continued to better leadership, values, accountability, collaboration, and motivation for sustainable development and contributed to the all-round economic, social and environmental development. By working together with our clients, employees, shareholders, and partners, we are collectively forging a new ecosystem for sustainable development. Despite facing uncertainties and considerable challenges, our journey has been marked by resilience and tenacity, paving the way for CPIC to chart a sustainable course in the insurance industry.

In 2023, we leveraged top-level design to guide our development direction effectively, enabling stronger leadership for sustainable development.

A sustainable closed-loop management cycle encompassing top-level design, execution, incentives, and restraint was primarily taken shape, and our organizational structure and working process were further improved, our management support system formed. ESG management frameworks were established across our subsidiaries. Seven subsidiaries and business lines within the Group introduced ESG-specific departments or roles. Our management effectiveness was better ensured. The decomposition and oversight mechanism for our ESG three-year plan was basically established, integrating ESG-related goals into the performance evaluation of key subsidiaries and branches. This better guaranteed the management effectiveness.

In 2023, we improved our green financial services to support green development, resulting in a more high efficient value for sustainable development.

We supported green transition through innovations in insurance. To address climate change, clean energy, pollution reduction, and ecological conservation, we aided the green upgrade and high-quality development of industrial structures. We promoted pollution and carbon reduction through green investments. While practicing the Principles for Responsible Investment (PRI), we experimented with an ESG rating and analysis system, and broadened our scope in responsible investment and green finance, with green projects like the Lushan Pumped Storage Power Station coming to fruition systematically. We initially established a green operation management system. For the first time, we conducted a comprehensive carbon inventory across the Company and developed a carbon footprint visualization platform for operational processes, aligning our operations with the carbon peak and neutrality goals.

In 2023, we advanced three strategic responses to meet the nation's, people's, and society's needs, showing our deeper commitment to sustainable development.

Our Healthcare strategy mapped out an all-encompassing approach, offering a comprehensive healthcare service system for individuals at various stages of health, rehabilitation and elderly care, emphasizing underwriting, claims, and data to support the Healthy China initiative. Our "Regional Development" strategy improved our competitiveness. We accelerated our development in key areas like the Greater Bay Area and the Chengdu-Chongqing region, and drove growth on both the asset and liability sides to enhance urban cluster construction and real economic development. Our "Big Data" strategy aimed to craft a new ecosystem. We launched the DiTP plan and reformed our technology governance structure, basically achieving all-scenario digital service coverage. We also leveraged technological strengths to enhance the insurance ecosystem, boosting service efficiency and quality.

In 2023, we joined hands with customers, employees, partners, and society to cultivate a sustainable development ecosystem, inspiring surging collaborative momentum behind sustainable development.

We established the first "Consumer Protection Demonstration Zones" and developed the CPIC Digital and Intelligent Consumer Protection Middle Office to elevate consumer protection service levels and efficiency. These initiatives enhanced our professional services. As an official partner of the Hangzhou Asian Games, we provided all-scenario and full-cycle support throughout the event. We provided services for the China International Import Expo(CIIE) for the sixth consecutive year, demonstrating our commitment to "Zero Carbon Expo, Zero Plastic Expo." Leveraging sports, culture, and public welfare as driving forces, we enriched our value ecosystem. We launched initiatives like "CPIC Blue" to protect the health of the elderly and children, "CPIC Green" for engaging in public environmental protection efforts, and "CPIC Red" for rural vitalization, making a more distinct tone of charity for CPIC.

In 2023, we constantly improved our corporate governance to firmly back sustainable development, bringing more enduring impetus for sustainable development.

Our corporate governance framework was further enhanced. Adhering to the principle of "Two Musts" (it must be consistent for an important political principle of adhering to the Party's leadership over SOEs, while it must also be consistent for the establishment of a modern enterprise system as the direction of SOEs reform), we refined our integrated governance and control mechanism, enriching our investor interactive practice, and setting a

"CPIC standard" for corporate governance. A formidable risk defense line was formed. With "five integrations" as our foundation, we established a replicable and scalable supervisory response mechanism, fortifying and upgrading our integrated risk management and ensuring our risk management capabilities continue to lead the industry.

As spring revives the earth, life flourishes anew. The best way to honor our aspiration for beauty is to create it. Let us forge ahead towards 2024, continuously nurturing new advantages, new momentum, and new vitality for sustainable development. Together, let us strive, propel, practice, and ultimately reap the rewards of a shared future on the path of high-quality development!

Chairman:



China Pacific Insurance (Group) Co., Ltd

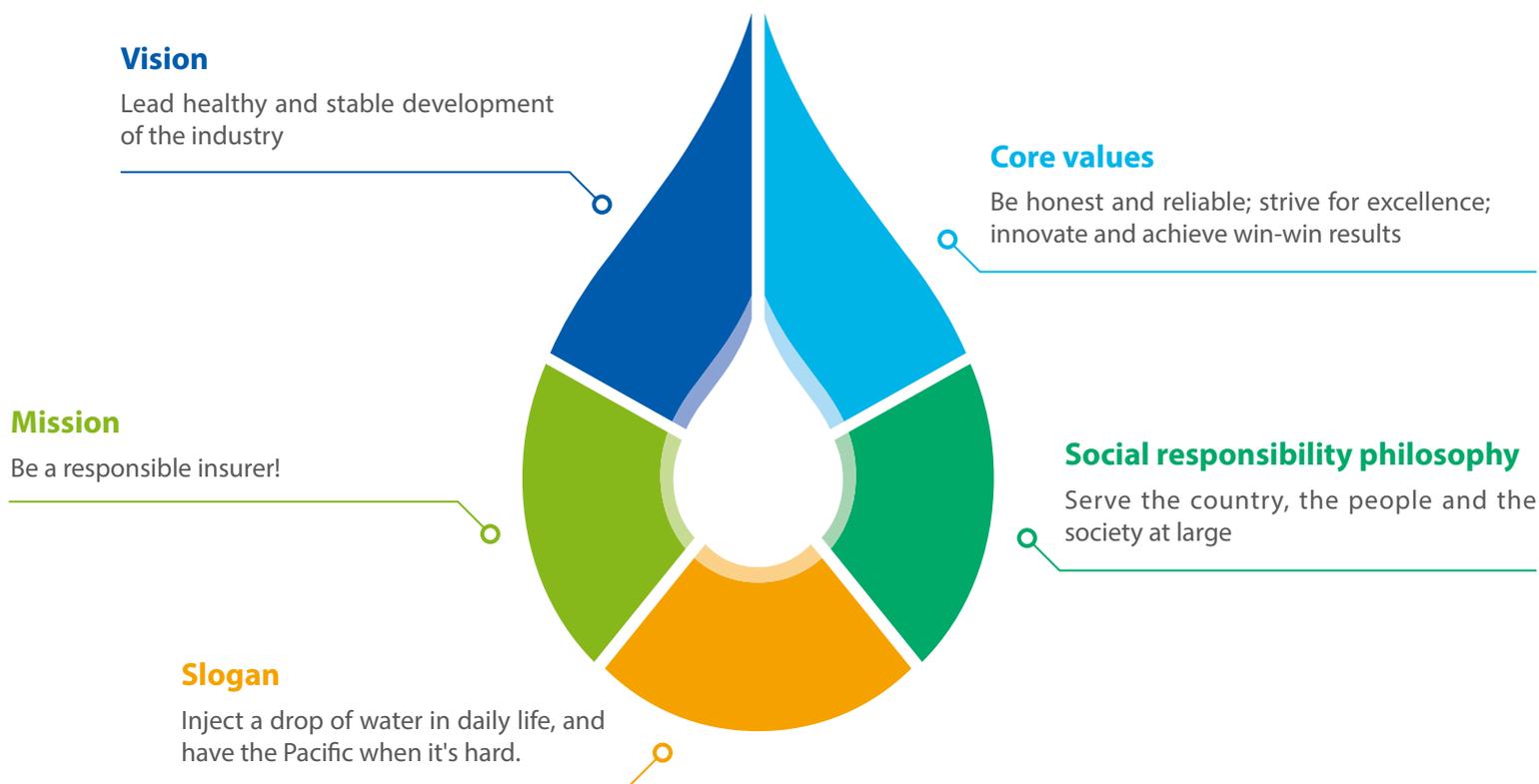


About CPIC

CPIC is an insurance group company founded on the basis of China Pacific Insurance Company, its predecessor incorporated on May 13, 1991. Based in Shanghai, the Company is now a leading insurer providing comprehensive services in China. It is also the first Chinese insurer that successfully gets listed in Shanghai, Hong Kong and London.

CPIC has the license for dealing in all insurance business, including life, property and casualty, endowment, health, and agricultural insurance, as well as asset management. Therefore, it is able to provide clients with all-round insurance solutions, wealth management plans and asset management services.

Corporate Culture



Annual Performance

Financial

	2023	2022	2021
Revenue (RMB million)	323,945	332,140	440,643
Net assets (RMB million)	249,586	196,477	226,741
Numbers of clients (0'000)	17,987	17,053	16,839

Note: The new insurance contract standards and new financial instrument standards came into effect on January 1, 2023. The Group's revenue and net assets for 2022 have been updated in accordance with the new requirements of the new accounting standards.

Environmental

	2023	2022	2021
GHG emissions per employee (tCO ₂ e)	2.38	2.09	2.13
Number of electronic policies (0'000)	42,337	58,103	61,444
Video/Teleconference (times)	26,707	37,322	25,906

Note: The GHG emissions estimation boundary is based on the comprehensive scope of the Group, including its subsidiaries and branches, and the data for 2021 and 2022 is updated based on this scope.

Social

	2023	2022	2021
Number of total employees	104,270	110,862	114,108
Ratio of female employees (%)	51.94	52.66	52.91
Total expenditure for employee training (RMB 0'000)	349	366	306
Donation for public welfare (RMB million)	65	50	78
Social contribution per share (RMB)	6.24	7.37	-

Governance

	2023	2022	2021
Board meetings (times)	9	7	6
Investor services (times)	1,014	678	650
Anti-corruption training for employees (headcount)	186,747	102,161	17,131

Note: The anti-corruption training in 2023 includes compliance training, training on the accountability system for violations, and anti-money laundering training.

Corporate Honors



The **5th** in the Insurance 100 2023 ranking for the **third consecutive year**



CPIC was honored with the "**Outstanding Collective**" title for the Hangzhou Asian Games and Asian Paralympic Games



Social Responsibility (ESG)

- CPIC was given the **CSR Role Model** award by Yicai's China Corporate Social Responsibility List 2023 for the **14th consecutive year**.
- CPIC was included in **SOEs-Vanguard 100 Index 2023**.
- CPIC was awarded "**2023 ESG Best Practice Case among Public Companies**" by China Association for Public Companies.
- CPIC received the "**Future Vision CSR Award**" from People.com.
- CPIC's "**Sanjiangyuan Youth Fulfilling Dreams in the Asian Games**" case clinched the ESG Marketing and Communication Innovation Award of 2023 ECI Awards.
- CPIC was awarded the **ESG Golden Responsibility Award** by Sina Finance.
- CPIC Blue Foundation was honored with the "2023 Shanghai Social Organization Characteristic Service" award.
- The 2022 China Pacific Insurance Sustainability Report was named one of the "**Top Ten Reports**" in Shanghai's state-owned assets system.



Corporate Governance

- CPIC was featured among the **2023 Best Practices for Boards of Directors of Public Companies** by China Association for Public Companies.
- CPIC was awarded an **A-grade rating** for information disclosure by the Shanghai Stock Exchange for the year 2022-2023.
- CPIC's financial rule of law research report earned the First Prize among outstanding research projects of the People's Bank of China.

Technological Innovation

- In 2023, twelve of our technological achievements were recognized as exemplary cases of the insurance industry's digital transformation in China.
- CPIC Technology was named the "**2023 Leading Enterprise in Digital and Intelligent Influence**."
- DevOps2.0 Project won "2023 Innovation Case in Digital and Intelligent Influence".

CPIC Services

- CPIC Property and Casualty Insurance and CPIC Life Insurance secured top positions in the "Insurance Service Quality Index" released by China Banking and Insurance Corporation.
- CPIC Digital and Intelligent Consumer Protection Middle Office won the **Consumer Protection Award** in the 2023 Inclusive Finance Excellent Case Selection by People.com.
- "Service Officer Introducing Consumer Protection" won "**2022 Banking and Insurance Service Innovation Award – Model Consumer Protection Case in the Finance Sector**" in the 2022 Annual Banking and Insurance Service Innovation Case selection.



Employee Care

- CPIC was recognized as one of **2023 Top 100 Employer Excellence of China** for Sustainability and Employee Care
- CPIC was included in the main list of "China Enterprise Benchmarking Platform" and received "**Excellence in Value Creation Award**"

Brand Communication

- CPIC received 11 accolades, such as the "Outstanding Chinese Financial Brand for Influence" from China Banking and Insurance Media Company Limited.
- CPIC was awarded the **Ingenuity Brand Award** by People.com.
- "CPIC Blue Team" was awarded **Best Marketing Case** by the Hangzhou Asian Games Organising Committee.
- CPIC was named Top 100 Brands of 2023 by Sina Finance.
- CPIC was awarded Ecosystem Brand Evaluation Certificate jointly certified by National Brand Project Of Xinhua News Agency, Kantar Group, Caijing Magazine and Saïd Business School of University of Oxford.



Spotlight: CPIC's Stellar Support for the Asian Games

From September 23 to October 8, 2023, Hangzhou successfully hosted the 19th Asian Games. Since CPIC became the official partner in November 2020, the Company has dedicated itself to meeting the Games' demands. Over 1,070 days and nights, driven by our mission **"to serve the country and secure the wonderful life of the general public,"** CPIC has worked tirelessly to safeguard the Asian Games, setting a new service standard, creating a new collaborative value, showcasing our stature, and forging new brand strength. Our efforts **contribute to presenting a spectacular sports and cultural event showcasing "Chinese characteristics and Asian charm" and adding luster to China and CPIC.**

Setting a New Standard with Higher Standards

As the first domestic insurance company to serve as both an insurance and risk management provider for such a significant sports event, CPIC has effectively bridged a critical gap in the major comprehensive sports event insurance sector for the Company.

A safety net for the Asian Games built by comprehensive insurance service: We customized risk solutions for the Asian Games, securing over RMB 400 billion in total coverage across six insurance categories, including property and personal insurance. The latter covered over 150,000 athletes and technical officials.

Shaping the Asian Games service system based on integrated risk management: We deployed a dedicated team of over 300 to oversee risk management for 56 competition and 21 event and training venues, the Hangzhou Asian Games Village, five sub-villages, and the main media center, with a presence in 43 hospitals and medical facilities in the Games Village.

Enhancing service levels of the Asian Games empowered by digital innovation: A smart service system was established, featuring a "smart brain", two cloud-based hotlines, three claims support lines, four specialized service teams, and five advanced intelligent service systems, ensuring unparalleled heartfelt service.

Creating a New Collaborative Value Through Concrete Measures

CPIC planned and implemented a series of business collaboration activities. We fostered interconnectivity to create a unified ecosystem for our industry; we innovated and improved our efficiency to build a cohesive network for customer engagement; we categorized and layered our strategies to form a clear roadmap for business collaboration.

We organized a series of Asian Games-themed cultural events, including "The Rhythm of Life" Concert, customer engagement activities like "Joining the Women's Volleyball Team to Support the Asian Games" and "Life's Arena, CPIC Service," as well as "Appointment with Champions" for customers to meet with athletes. We also hosted some customer experience events including the Asian Games Experience Tour and the Honor of Kings tournament. Our commitment to social responsibility was evident through public welfare activities such as "Responsibility Lights the Future, Volleyball Supports the Asian Games" teaching activity and CPIC Asian Games Forest adoption. We responded to Nationwide Fitness Initiatives like a national fitness challenge on TikTok and "Too much love to run" in Hangzhou and we also launched many promotional events for the Asian Games through health talk shows and the "78 Insurance Public Awareness" Initiative. Our support for the Asian Games was further showcased through the "CPIC Service, Escorting the Asian Games" branded high-speed trains and over 2,300 airport promotional spots. In total, more than 130 events were held, reaching over 500 million people.

Through effectively promoting the Asian Games culture, CPIC's brand visibility significantly increased during the Asian Games, with 90% of customers expressing brand goodwill and 87% indicating purchase intent.



CPIC delivered a comprehensive insurance policy to the Hangzhou Asian Games Organising Committee.



The "Embrace the Asian Games, Sports for All" TikTok campaign reached 470 million people

Showcasing CPIC's Stature with Superior and Heart-Warming Service

CPIC capitalized on the features of the Asian Games to enhance organizational support, establishing the Asian Games Command Center for professional, responsible, intelligent, and warm services.

The CPIC service team measured 5.75 million square meters of venues during the Games and served 2,876 outpatient and inpatient clients at the 24-hour medical claims center. The Hangzhou Community, CPIC's lodging for Asian Games athletes, successfully accommodated over 700 taekwondo and wrestling athletes, coaches, and technical officials. The CPIC Asian Games exhibition hall, a favorite among online influencers, attracted 65,000 visitors, while the Green Store emerged as a landmark for star athletes.

With our unwavering commitment to supporting the Asian Games, our service team garnered widespread acclaim and endorsements, receiving over 600 letters of commendation and appreciation from the Olympic Council of Asia and the 19th Asian Games Hangzhou 2022 Organising Committee.



Resident staff assisted the Asian Paralympic Games' foreign team with medical services and claims processing

Forging New Brand Strength Through New Approaches

CPIC innovatively shared the Asian Games stories, embodying the Olympic and Asian Games spirit by seeking efficiency through integration, leveraging existing resources, and pursuing precision. We established the "CPIC Blue Team" to pioneer a fresh approach in Asian Games marketing. We concentrated on key moments and trending topics, like the countdown, to sustain attention. Highlighting the achievements and spirit of athletes like Zhang Yufei, Qin Haiyang, Xie Zhenye, and the China women's national volleyball team, CPIC launched campaigns including "Championing the Asian Games", "Celebrating the Mid-Autumn Festival: A Moment of Reunion and Warmth", "Sanjiangyuan Youth: Fulfilling Dreams in the Asian Games", and "CPIC Fans in the Limelight". These campaigns shared the athletes' stories, both during and beyond the games, to elevate interest in the Asian Games and encourage sports participation.

Thanks to our outstanding performance in serving the Asian Games, CPIC was honored as an "Advanced Collective in the Hangzhou Asian Games and Asian Paralympic" by the General Administration of Sport, China Disabled Person's Federation, the Zhejiang Provincial Party Committee and the People's Government of Zhejiang Province.



CPIC Blue Team Ignites China's Red Spirit



34,000 hours

on-site service at the Hangzhou Asian Games

more than **70,000**

individuals served



3.5 billion
exposures



CPIC ranked the **6th** out of 176 sponsors and the **4th** in engagement levels in the list of digital brands sponsored by the Asian Games





01

Stronger Leadership for Sustainable Development

CPIC has elevated ESG to a strategic priority, enhancing its management system, governance, and the leadership for sustainable development.

- Sustainability Strategy
- Sustainability Management
- Stakeholder Communication
- Materiality Analysis
- Sustainability Research

Sustainability Strategy

In 2023, CPIC unveiled its 2023-2025 High-quality Development Plan, prioritizing enhanced sustainability capabilities among its key development goals. The plan committed to embedding sustainability throughout CPIC's operations, delivering comprehensive value to stakeholders, and striving for leadership in high-quality industry development.

Concurrently, CPIC established the Environmental, Social and Governance Planning (2023-2025) as the framework for ESG management, detailing four goals and eight paths to achieve them. Based on a closed-loop ESG management system, it will systematically embed ESG across all links and operations. CPIC Property and Casualty Insurance and CPIC Life Insurance developed a three-year sustainability/ESG plan, while Taiping Asset Management Co., Ltd. formulated a three-year development plan on green finance, enhancing ESG initiatives across the board.

Sustainability Management

CPIC has established a robust ESG governance framework, featuring a well-defined hierarchy from the Board of Directors to management and executives, with distinct responsibilities at each level. This organization served as a management foundation and organization support for top-to-down ESG practices.



Board of Directors

The highest decision-making body for ESG work, responsible for supervising the formulation and implementation of ESG plans and for making decisions regarding the Company's ESG strategies.



Strategic and Investment Decision-making and ESG Committee

Responsible for identifying and evaluating ESG risks and key issues, crafting the Company's ESG strategies, setting ESG objectives, plans, and performance appraisal, overseeing ESG plan execution.



CPIC ESG Committee

Responsible for creating and improving the Group's ESG management frameworks, management systems and work mechanisms, causing ESG to be integrated into the daily routines of various lines of business or functional departments of the Company and subsidiaries, and coordinating the allocation of resources.



CPIC ESG Office

Responsible for overseeing the implementation of ESG policies, work mechanisms, and guidelines across the Company, and urging relevant entities to implement ESG key tasks and projects.



CPIC's functional departments and subsidiaries' business lines

Responsible for practicing specific ESG tasks, preventing and controlling ESG risks, and ensuring that ESG management is effective.



CPIC included ESG indicators for performance appraisal, encompassing both the Group and its major subsidiaries, to guarantee effective ESG governance.

Every subsidiary has enhanced its ESG management framework. Business lines at the Group and main subsidiaries have set up dedicated ESG departments and

roles, and developed specialized teams tailored to their specific needs, thereby solidifying the organizational base and clarifying goals and responsibilities. By accelerating system development, CPIC has established a comprehensive management loop, encompassing management frameworks, professional standards, and incentive mechanisms, effectively underpinning its ESG efforts.

Stakeholder Communication

Stakeholders	Expectations of stakeholders	Means of communication
 <p>Clients</p>	<p>High-quality products and services Data and privacy protection Consumer Protection Availability of communication mechanisms Improved access to financial services</p>	<p>Client needs survey NPS surveys and monitoring 95500 hotline for client services Online service platform for clients Activities designed to show concern for clients Social media</p>
 <p>Employees</p>	<p>Fair and equitable recruitment Availability of communication channels Increased compensation and benefits Bright career prospect Improved professional competences Secured health and safety Better balance between work and life</p>	<p>Meeting of employees' representatives Complaint channels for employees Cross-departmental communications OA and instant messaging platforms Business supervision, training, and technical support Cultural and sports events, and activities designed to show concern, for employees</p>
 <p>Shareholders</p>	<p>Sound operational performance Improved corporate governance Transparent information disclosure Enhanced risk management Compliance and honesty Protection of medium and small shareholders' rights and interests</p>	<p>General meeting of shareholders Regular reports and announcements Roadshows and reverse roadshows Open days for capital market Social media Online communications</p>

Stakeholders	Expectations of stakeholders	Means of communication
 <p>Government and regulatory authorities</p>	<p>Respond to national strategies Manage risk and compliance Pay taxes according to law and regulations Disclose compliance information Promote industry development</p>	<p>Participation in government meetings Visits and work reports Policy research Regular reports Thematic reports</p>
 <p>Suppliers</p>	<p>Fair procurement Cooperation and win-win outcomes Green procurement</p>	<p>Procurement activities Suppliers management system Surveys among suppliers</p>
 <p>Partners</p>	<p>Cooperation and win-win outcomes Industry innovation</p>	<p>Exchange and sharing of practical experience Project cooperation Meeting communication Industry-wide and cross-border cooperation</p>
 <p>Society</p>	<p>Respond to emergencies or disasters Contribute to public welfare Address hotspot issues Popularize financial knowledge</p>	<p>Promotion of rural vitalization Public welfare events and voluntary services Support to sports and cultural events Dissemination of insurance knowledge Multi-media means of communication</p>
 <p>Environment</p>	<p>Address climate change Protect biodiversity Prevent and treat pollution Improve the efficiency of resource use</p>	<p>Environment-friendly products and services Green buildings and green operations Green investment and green insurance Green public welfare activities</p>

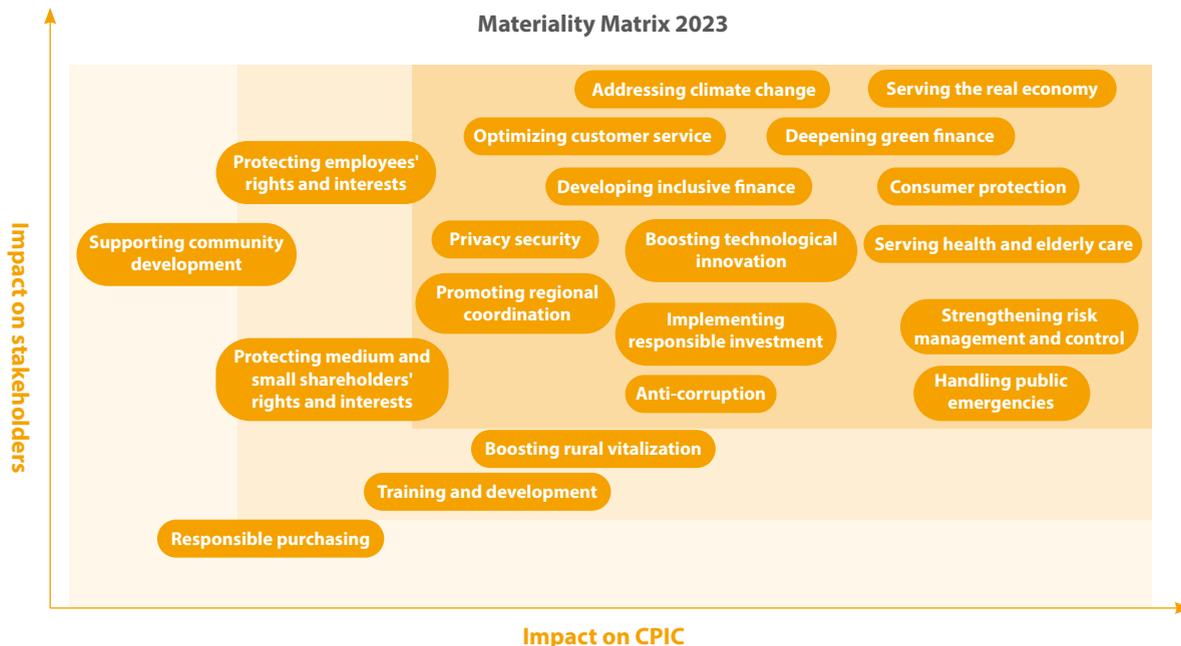
Materiality Analysis

Methods of materiality analysis

CPIC conducted in-depth analyses of national policies, GRI Standards, ESG documents of stock exchanges, external ESG ratings, industry trends, and the UN Sustainable Development Goals. By integrating these with its own strategic plans and actual circumstances, CPIC identified, assessed, prioritized, and evaluated material issues using department interviews, and questionnaires. This process formed a comprehensive issue database, providing reference for this report and better responding to the expectations and demands of stakeholders.

Results of materiality analysis

Evaluating through the dimensions of "impact on CPIC" and "impact on stakeholders", CPIC assessed the effects of its core values, policies, strategies, operation and management, purposes and goals, risks and opportunities, as well as the environmental and social impacts of our activities. We also thoroughly considered ESG issues and indicators highlighted by key stakeholders like governments, regulators, and shareholders and collaborators, alongside industry key topics, future and other external factors. Finally, 20 material issues have been determined. Based on these material issues, through internal and external standards and environmental analysis, relevant businesses were further selected into this year's sustainability report to enhance the report's materiality on the basis of the consistent scope of the report.



Note: Due to external regulatory requirements and internal governance needs, there has been a materiality rise in risks, compliance, and related topics in 2023.

Sustainability Research

Key research areas



Risk Reduction and Management

CPIC Property and Casualty Insurance co-published the first White Paper on Risks Associated with International Engineering Professional Liability with China International Contractors Association, offering crucial support for Chinese contractors to enhance their risk awareness and mitigation capabilities during the course of "going global".



Green Insurance

CPIC spearheaded the research on Shanghai's green insurance framework, developing the Terms and Rates for Shanghai's Environmental Pollution Liability Insurance and the Assessment Report on Shanghai's Environmental Pollution Liability Insurance Products. This effort accelerated the exploration into compulsory environmental liability insurance. CPIC Property and Casualty Insurance contributed to the General Rules for Carbon Neutralization in Enterprises, bridging the gap in carbon neutrality standards at the enterprise level and establishing a foundation for national guidelines in this area.

Industry standards



Green Insurance

CPIC joined a research team led by the Insurance Association of China, contributing to the world's first self-regulatory industry standards for green insurance products, green insurance investments, and green operations of insurance companies: the Green Insurance Classification Guidelines (2023 Edition) and the Guidelines for ESG Disclosure by Insurance Institutions. Additionally, during the CIIE, CPIC hosted the ESG Open Forum, releasing the Innovative Practice and Exploration of Green Insurance and the industry's first group standard on technical specification for low-carbon operation and management, Technical Specification for Low-Carbon Operation and Management of Insurance Companies.





02

More High Efficient Value for Sustainable Development

CPIC continuously leverages its expertise in insurance and innovates in green financial products and services to support the economic and social transition towards green and low-carbon development.

- Promoting Green Development
- Conducting Eco-friendly Operations
- Supporting Green Events
- Conserving Biodiversity

Promoting Green Development

Innovating in green insurance products

With constant efforts in climate change mitigation, pollution control, clean energy development, green transportation, as well as carbon market development, we promote society's gradual transition to a green and low-carbon future. In 2023, CPIC provided green insurance coverage of approximately about RMB 109.2 trillion, innovatively developed 27 industry-first products, including the guarantee insurance for the performance of carbon-assets repurchase.

Catastrophe Index Insurance

We have explored various disaster insurance plans suitable for urban and rural areas, including livelihood assistance, innovation and index-based types. By the end of 2023, CPIC provided a total of RMB 895 billion in catastrophe insurance for the society.

Environmental pollution liability insurance

We have introduced third-party environmental risk assessment agencies and environmental impact assessment technologies to provide accurate risk control suggestions and help mitigate and manage risks. In total, we have provided more than RMB 12.5 billion of environmental pollution liability insurance to approximately 5,000 enterprises. The innovative "Water Quality Worry-Free" insurance project we launched can provide environmental risk management services such as pre-warning and ex-post compensation for the pain point of unbearable payment for ecological damages caused by environmental pollution incidents.

Clean energy insurance

Our insurance solutions safeguard green energy projects against natural disasters and accidents throughout their construction and operational phases, covering the needs of various fields such as hydropower, photovoltaic power, and offshore wind power. By the end of 2023, CPIC's clean energy insurance projects have seen their total sum assured exceed RMB 2.9 trillion.

Commercial insurance for new energy vehicles

We have launched the insurance for new energy vehicles as a crucial means to encourage customers to adopt a green life and consumption style. By the end of 2023, we provided approximately RMB 7.7 trillion of insurance for 3.1 million new energy vehicles.

Ecological carbon sink insurance

A series of ecological carbon sink insurance products have been developed, covering forest, grassland, and wetland carbon sinks, which has comprehensively promoted ecological progress. In 2023, we provided about RMB 65 million worth of coverage in ecological carbon sink insurances.

Carbon asset-related insurances

We have innovatively launched the carbon asset loss insurance, the guarantee insurance for carbon emission quota pledge loan, the carbon loss insurance for emission reduction equipment damages, and the guarantee insurance for the performance of carbon-assets repurchase, which have all completed their first transaction in the industry. These products help major emission control companies fully explore the financial attributes of carbon assets and effectively activate the carbon assets.



about RMB **109.2 trillion**
green insurance provided



about RMB **895 billion**
catastrophe risk protection



about **5,000**
enterprises offered with
environmental pollution liability
insurance

more than RMB **12.5 billion**
sum insured



about RMB **65 million**
ecological carbon sink insurances



more than RMB **2.9 trillion**
insurance for clean energy projects

Comprehensively implementing green investment

We have explored new green investment products about energy saving and environmental protection, clean production, clean energy, ecological conservation, and green infrastructure upgrades, achieving steady growth in green investment.

Clean energy

The CPIC-Henan Lushan Yuneng Debt Investment Plan, registered at a scale of RMB 5 billion, had RMB 2 billion invested by the end of 2023 for building the Henan Lushan Pumped Storage Power Station project. Once put into operation, the project is expected to save 140,000 tons of standard coal per year, equivalent to reducing 310,000 tons of carbon dioxide emissions.

Green infrastructure upgrades

The CPIC-Wuhan Metro Infrastructure Debt Investment Plan (Phase II) was registered with a scale of RMB 3 billion. By the end of 2023, with RMB 600 million being invested, it had obtained the G1-level (the highest level) green certification, from Lianhe Equator Environmental Impact Assessment Co., Ltd. (Lianhe Equator). The CPIC-Chengdu Metro Infrastructure Debt Investment Plan (Phase II) with a registered scale of RMB 6.5 billion has been used to support the construction of urban rail transit network in mega-cities and improve the energy-saving and emission reduction benefits as well as the benefits on society, which also obtained the G1-level green certification from Lianhe Equator.

Water resource protection

We have continued to support and improve local water supply conditions in urban and rural areas with the ongoing "Changjiang Pension-Guizhou Water Conservancy Investment Infrastructure Debt Investment Plan."

Living environment

We expanded our inclusive finance business into the rural areas to help fund the reconstruction of shanty areas and the development of infrastructure. The outstanding balance of our bond investment plans in this area exceeded RMB 10 billion.



more than RMB **200 billion**
green investments



more than RMB **10 billion**
balance of rural living environment
improvement debt plan products



Practicing ESG investment philosophy

CPIC has formulated the Policy on Responsible Investment and ESG Investment Management Measures, applicable across all its domestic and overseas subsidiaries and the investment activities across all the asset categories, industries, and markets. Subsidiaries have established investment management systems such as Measures for the Green Finance Investment Management and Rules for ESG Bond Investment, which integrate ESG elements into the whole processes of both investment management and risk control, promoting the implementation of ESG investment management systems and ESG investment risk management.

We keep enhancing our ESG investment capabilities by establishing a unified platform of ESG evaluation standards and an analysis system for ratings. We also set up an ESG investment task force to organize, guide, and supervise the subsidiaries in ESG investment, ensuring the key tasks of the year were effectively implemented.

Focusing on the three dimensions of "Environmental, Social, and Governance", CPIC Asset innovates in green financial products and actively develops the ESG-themed product line. This measure not only continuously creates value for customers, but also promotes the green and low-carbon transformation of the economy and society. In 2023, at the 15th Fund and Wealth Management-JIEFU Awards, the Pacific Excellence ESG Bond Select Asset Management Product won the "Outstanding Fixed Income Insurance Asset Management Product" award.

CPIC Capital initially formulated and issued the ESG Investment Management Measures of the CPIC Private Equity Fund Management Co., Ltd. (Trial), incorporating the concept of responsible investment into all aspects of the investment management process, including project screening, due diligence, investment decision-making, post-investment management, and exit to actively contribute to the establishment of a green and low-carbon circular economic development system.

Changjiang Pension focuses deeply on the aging finance core business, continuously enhances its investment research core capabilities. Through optimizing decision-making systems, clarifying core objectives, strengthening attribution analysis, and talent development, Changjiang Pension's investment management performance consistently maintains a leading position in the industry. The company guides long-term funds to serve the real economy, with approximately RMB 120 billion in new investments throughout the year, and the position size of green financial products nearly reaching RMB 40 billion.

Systematically developing its ESG product matrix, CPIC Fund Management Co., Ltd. has launched products such as the CPIC CSI New Materials ETF, CPIC Climate Change Responsibility Investment Mixed Fund and CPIC CNI ESG 300 ETF. By leveraging the funds' resource allocation effect, we effectively mobilize social resources, apply innovative tools in critical areas of green transformation, modern industry development, regional coordinated development, etc.

Pre-investment ESG factor assessment	<ul style="list-style-type: none"> We have developed Policy on Responsible Investment and Measures for ESG Investment Management, identify potential ESG risks and opportunities and take them into account in our investment decisions.
Considering ESG factors in equity investments of listed companies	<ul style="list-style-type: none"> Quantitative ESG ratings and qualitative ESG evaluation from analysts are prioritized as key factors for the investment decision-making. Based on the ESG rating system, we have built an ESG investment pool and an ESG negative screening list. The risk management departments oversee and regularly monitor the ESG factors of the investment portfolios to give investment departments warnings about ESG risks.
Considering ESG factors in fixed income investments	<ul style="list-style-type: none"> For investments in standard debt assets, we have built an investment pool based on ESG ratings, and selected investment targets according to the ESG investment strategy. For investments in financial products, we have fully considered the ESG factors when reviewing and evaluating the products, continuously monitored ESG risks throughout the product lifecycle, and taken risk prevention measures when necessary.
Considering ESG factors in private equity, infrastructure, and real estate investments	<ul style="list-style-type: none"> Focusing on green investments, we pay close attention to the environmental and social impacts of projects. When evaluating the projects, we take their environmental impact and corporate governance level into account. We assess ESG performance through due diligence with consideration given to factors such as climate change on investments.
Considering ESG factors in FOF and outsourced investments	<ul style="list-style-type: none"> We have formulated the ESG Questionnaire for External Managers to comprehensively assess external managers' ESG performance about their management level and investment strategies from multiple aspects, including ESG governance, ESG evaluation systems, ESG risk management, responsible ESG management, and climate change mitigation.

Conducting Eco-friendly Operations

Developing the carbon-inclusive management platform

In June 2023, the CPIC Carbon-Inclusive Platform was officially launched. With the Internet, big data, and carbon finance technologies, the platform makes low-carbon behaviors measurable, perceptible, and rewarding. By establishing carbon accounts for customers, creating low-carbon scenarios with insurance features and giving incentives for carbon reduction, the platform effectively promotes the idea of a green and low-carbon lifestyle among customers. The platform has been launched in 10 branches in Shanghai, Zhejiang, Beijing, Jiangxi, Guangxi, Wuxi, Ningbo, Gansu, and other regions. By the end of December, 2023, the number of registered users exceeded 250,000.

Innovating in carbon management mechanisms

We have fully embraced a low-carbon operational framework. We have established a physical asset management system for the six major categories of assets related to carbon emissions and their operations, and created the first multi-dimensional integrated management model. We have also completed the construction of green demonstration parks, effectively reducing and controlling workplace energy consumption through the renovation of energy-saving equipment in these parks.

In 2023, a comprehensive operation-side carbon inspection was conducted across the entire Group, and we launched an independently developed operation-side ESG carbon footprint management platform to visualize carbon emission data by institutions, time and energy consumption.

Furthermore, CPIC Property and Casualty Insurance has innovatively implemented an internal carbon tax mechanism. Based on the prices of the carbon markets, a carbon tax is set on carbon emissions generated by employees' transportation during business travel, so as to encourage low-carbon travel among employees.



The 929 Park of CPIC Property and Casualty Insurance has completed the low-carbon energy-saving renovation project.



The operation-side carbon footprint management platform

Practicing green office

We have issued the Guidelines for the Green Operation and Management of Self-occupied Office Spaces in the Headquarters, advanced the construction of smart buildings, green technology upgrades as well as measures and processes for green operations, and used assessment indicators to encourage and accelerate our transition to energy-saving and green office. The Company is not a highly

polluting industry, and in 2023, we did not incur any penalties for environmental violations, nor did we receive any environmental complaints.

The Company does not belong to the high-pollution industries. In 2023, we did not encounter any incidents of penalties due to environmental violations, nor did we receive any complaints about environmental issues.



Energy saving

- We established an integrated energy efficiency management and monitoring platform for electromechanical systems of office buildings to monitor energy consumption in real time, analyze the operation of key energy-consuming equipment and formulate energy-saving measures.
- With the intelligent control, variable frequency regulation, chilled water storage, and waste heat recovery technologies, we have improved the energy efficiency of the air conditioning system.
- The lighting system maximizes the use of natural light. We carefully select and use energy-saving lamps, carry out centralized and zoning lighting management, and control the lighting surplus and operating time. We also use LED lamps, energy-efficient bulbs and lighting accessories.
- We optimize the arrangement of the elevator system by carrying out group selective collective operation, zoning operation, and peak-time operation. We adopt technologies such as frequency conversion, power regeneration, drive hibernation and intelligent management to reduce operational energy consumption.
- By the requirements of the Catalogue for the Elimination of High-Energy-Consumption and Outdated Electromechanical Equipment (Products), we have conducted an inventory of our electromechanical equipment/products and replaced those that were high-energy-consuming and outdated.
- In accordance with China's carbon peak and carbon neutrality goals and ESG management goals, we have reviewed and researched our energy usage and will establish targets for energy use, greenhouse gas emission reduction, and air pollutant emission reduction.



Water conservation

- We use water-saving appliances and equipment, such as water-saving toilets, faucets, showers, and high-pressure flushing guns.
- The water supply system is equipped with hot water circulation facilities, and water meters are installed for measurement according to their usage or management units.
- We make full use of unconventional water resources such as recycled water and rainwater.
- The Company's main water source comes from municipal supply. There are no issues related to obtaining applicable water sources.
- In accordance with the requirements of ESG management goals, we have reviewed and researched water usage and will formulate water use targets in accordance with the requirements for the intensive and economical use of water resources.



Waste disposal

- We promote waste sorting by establishing and implementing waste management systems, and setting up specialized waste collection facilities.
- We have taken various pollution control measures such as sealing, odor control, and dust suppression to prevent secondary pollution.
- In accordance with the requirements of ESG management goals, we have reviewed and researched the situation of hazardous and non-hazardous waste and will formulate targets in line with environmental protection requirements.

Supporting Green Events

CPIC pioneered the industry's innovative model of "Carbon Neutrality + Comprehensive Insurance Coverage for Large-scale Events", which provided integrated solutions for major events, including the China International Import Expo, the China (Beijing) International Fair for Trade in Services, the World Green Development Investment and Trade

Expo, the World Internet of Things Expo, and the China International Supply Chain Promotion Expo. Incorporating the carbon-inclusive mechanism, we have collaborated with the organizers to jointly design and implement carbon neutrality actions, and set a green exhibition model for the industry.



Conserving Biodiversity

CPIC has engaged in biodiversity conservation, protecting wildlife, ancient and notable trees, and natural habitats in Sanjiangyuan.

Guarding the beautiful Sanjiangyuan

We have persistently engaged in a variety of green initiatives and environmental philanthropy, guarding 133.3 hectares of the Sanjiang Source's greenery. In May, 2023, we set aside 6.6 hectares within the Sanjiang Source's public welfare forest as the "CPIC Asian Games Forest". And we invited sports enthusiasts, environmentally conscious customers, employees, and the public to participate in the adoption of 10,000 of those trees.

To date, species such as Qinghai spruce, Hebei poplar, wild apricot, and lilac have established themselves at Deji Beach. The area is home to numerous wildlife species including pheasants, tits, wild pigeons, magpies, turtledoves, orioles, cuckoos, and wild rabbits, flourishing with vegetation and teeming with life.

In July 2023, the CPIC Sports Park construction launched. It offers a tangible contribution to green ecological conservation and the creation of a more beautiful China.

Wildlife liability insurance

CPIC has provided public liability insurance against wildlife accidents for over ten years in Xishuangbanna and Pu'er, where wild Asian elephants often invade human settlements. On a cumulative basis, we have disbursed more than RMB 410 million in pay-out benefits to more than 187,000 rural households.

Insurance for ancient and notable trees

In collaboration with local forestry departments, we have established a mechanism of "chief conservator + insurance for ancient and notable trees" to insure trees against accidents, weather or geological disasters, and pests and diseases.

Also, we have jointly released the White Paper on Biodiversity Protection Along the Belt and Road with StarWiz, used remote sensing satellite technologies to provide data for ecological monitoring and established the Belt and Road Initiative (BRI) biodiversity framework to analyze the biodiversity impacts and effectiveness, and offer prediction and warning services for insured projects.



guarding **133.3** hectares of the Sanjiang Source's greenery.



more than **187,000** farming households benefited from public liability insurance against wildlife accidents

RMB **410 million** total compensation







03

Deeper Commitment to Sustainable Development

CPIC played a pivotal role in serving the high-level financial openness. We continue to enhance our capabilities of serving the real economy and contribute to the people's quality of life.

- Facilitating China's Opening up and Deepening Cooperation and Exchanges
- Putting the People First and Increasing Social Wellbeing
- Upholding the Essence of Insurance to Escort the Real Economy
- Supporting Agriculture, Rural Areas, and Farmers for Rural Vitalization
- Enhancing Regional Cooperation and Optimizing Development Mechanisms
- Unleashing Development Vitality through Technological Innovation



more than RMB **2 trillion**
risk protection for overseas business

more than **1,000**
projects covered



more than **300,000**
individuals covered by
"Worry-Free Travel Abroad"



RMB **5,010.8 billion**
risk insurance coverage in six years

RMB **218.6 billion**
insurance coverage for CIFTIS

Facilitating China's Opening up and Deepening Cooperation and Exchanges

Leveraging our expertise in insurance, CPIC has excelled in providing services for international exhibitions, supporting the Belt and Road Initiative, and fostering international exchanges and cooperation.

Supporting the Belt and Road Initiative

2023 marked the 10th anniversary of the Belt and Road Initiative. Over the past decade, CPIC has offered over RMB 2 trillion in risk protection for overseas business, underwriting more than 1,000 projects in nearly 120 countries and regions. As the principal reinsurer, we have been involved in significant projects in key areas like infrastructure, electric power, petrochemical, and commercial risk.

In 2023, we introduced the upgraded "Worry-Free Travel Abroad" 3.0 insurance, an overseas personnel accident insurance product. It incorporated critical illness coverage on the basis of the existing four risk protection categories. This comprehensive update ensures the safety of personnel from Chinese enterprises working abroad. This insurance has covered over 300,000 individuals, with total compensation around RMB 100 million.

Serving international exhibitions

CPIC has committed itself to facilitating the success of international exhibitions through superior service and a sense of greater political awareness and responsibility.

CIIE

As a core supporter and designated insurer for the CIIE, CPIC has contributed to the expo for six consecutive years, providing over RMB 5,010.8 billion in comprehensive risk insurance coverage. In 2023, under the theme "Carbon-Conscious CPIC Services," we offered one-stop comprehensive insurance, covering "property, life, and health" with a sum assured of RMB 1.25 trillion. We also established a green driving experience zone, an exchange platform for green activities, and a showcase area for healthy aging.

Additionally, CPIC Health Insurance mobilized 35 volunteer teams certified in AHA first aid to provide professional first aid and emergency services at the 6th CIIE.

CIFTIS

For four consecutive years, CPIC has been a global partner of China Beijing International Fair for Trade in Services (CIFTIS), providing support and guarantee for the expo, including funds, technologies, services, and products. In 2023, we provided full-process, full-chain comprehensive insurance support in trade financing, transportation, customs declaration, warehousing, and after-sale services, with a sum assured of RMB 218.6 billion, securing the smooth operations of CIFTIS throughout its whole life cycle.

Putting the People First and Increasing Social Wellbeing

CPIC has embraced the Healthcare strategy, launching the "352" healthcare service blueprint. This initiative concentrates on three pivotal elements: underwriting, claims settlement, and health big data to enhance payment capabilities. We have developed five specialized services for comprehensive disease management and targeted two age groups, the elderly and the teenagers, utilizing industrial investment and public welfare funds to foster a thriving health ecosystem.

Embracing inclusive finance

CPIC actively contributes to the construction of the social security system, continuously expanding its product and service offerings.

Policy Insurance

Huiminbao



CPIC remains dedicated to its mission of inclusive finance. By the end of 2023, CPIC Life Insurance had engaged in 44 Huimin Insurance programs nationwide, extending its reach to 15 provinces, 77 cities and serving 20 million individuals. Notably, we established the "Huhuibao" as an industry benchmark. Over the past three years, more than 20 million individuals have enrolled in this insurance policy. Nearly 500,000 claims were settled, with a total compensation exceeding RMB 1.45 billion.

Critical Illness Insurance



CPIC is committed to prioritizing critical illness insurance, offering extensive coverage to safeguard the health of the general public. By the end of 2023, the critical illness insurance program has provided coverage to over 100 million individuals.

Long-term Care Insurance



This service provides long-term essential living and medical care for the severely disabled. By the end of 2023, over 50 million individuals were insured under this scheme.





more than **6 million**
customers and their family members
served by Taiyi Guanjia



nearly **400** cities
more than **2,800** public hospitals
covered by CPIC Blue Passports service



more than **1.4 million**
customer base of Lan Yi Bao



more than **27 million**
nsured population of new citizens

more than **470,000**
small and micro business owners
assisted in securing financing funds

more than RMB **47 billion**
size of financing funds

Health Insurance Services

Our medical service brands like Taiyi Guanjia, Yuanshen Rehabilitation, CPIC Blue Passports, Jia An Xin and Lan Yi Bao are making significant strides. These brands offer holistic insurance solutions aligned with the national health objectives, particularly against the backdrop of an accelerated aging population.

Taiyi Guanjia



Guided by a management-oriented medical care philosophy, our Taiyi Guanjia platform has a team of nearly 1,000 "in-house doctors and outsourced experts". On a 24/7 basis, it provides family doctors and manages care services to users and their family members. By the end of 2023, the service had reached over 6 million customers and their family members.

CPIC Blue Passports



Leveraging resources from China's top 3A hospitals, CPIC Blue Passports offers a "health service + insurance" integrated solution. This covers health management and medical services pre-diagnosis, during treatment, and post-recovery. By the end of 2023, the service had expanded to over 2,800 public hospitals in nearly 400 cities, serving an annual user base of 141,000.

Yuanshen Rehabilitation



Yuanshen Rehabilitation has created the insurance industry's first reha-bilitation medical alliance. In collaboration with Shanghai Second Re-habilitation Hospital, it established the "Yuanshen Rehabilitation Special Ward," pioneering the "insurance + rehabilitation" service model. This innovative approach fosters a deep integration between medical health and the insurance ecosystem.

Lan Yi Bao



Targeted at younger clients, Lan Yi Bao has amassed over 1.4 million customers.

New Citizen Services

CPIC actively leverages our insurance capabilities to offer high-quality services and professional risk assessment and prevention advice for new citizens. In 2023, the insured population surpassed 27 million. The Company introduced the 2023 "Huhuibao" care plan for dedicated groups, extending over 40,000 care assurances to sanitation workers in Shanghai. Furthermore, on a national scale, we provide insurance services to new citizen groups including firefighters, auxiliary police, specific talent groups, and construction workers.

Empowering the growth of MSMEs

CPIC is deeply committed to supporting micro, small and medium-sized enterprises (MSMEs) through inclusive finance, and advancing financial services through banking and insurance to serve the real economy. Utilizing the "banking + guarantee insurance" model, the Company has assisted over 470,000 small and micro business owners in securing financing funds of over RMB 260 billion from banks and other financial institutions.

Fostering aging finance

Creating an elderly care ecosystem

CPIC leverages our dual strengths in risk protection and wealth management to actively develop an "insurance + health + elderly care" ecosystem for customers. We provide one-stop comprehensive services, including pension management, aging finance products for aged care, and health and elderly care services. CPIC Life Insurance has enhanced its service brand by focusing on family health and elderly care needs and scenarios. It employs a holistic approach of insurance and services to reinforce its role as a "social stabilizer."

Comprehensive elderly community strategy

As a key component of our Healthcare strategy, CPIC Home prioritizes customer needs, addresses the diverse demands of the elderly care market, and designs three product lines: Yiyang, Leyang, and Kangyang, catering to all retirement stages and creating a "3+2+X" scenario for elderly customers. By the end of 2023, CPIC Home had landed 14

Elderly-oriented services

CPIC Property and Casualty Insurance focuses on delivering "three dedicated and three heartwarming" services to the elderly, creating promotional videos for the elderly, standardizing service practices for senior citizens, and launching the "Cloud Store" elderly care version to assist the aging group in bridging the digital divide.

CPIC Life Insurance introduced the "five heartwarming services" standard for elderly customers, transformed offline outlets for aging renovation across its network, and encouraged elderly customers to personally engage with smart applications.

projects in 12 cities nationwide and opened eight, with a total of 905,000 square meters under development, including 5,000 elderly apartments and 8,200 beds, and a total investment for 15,800 reserve beds. In 2023, CPIC Home issued over 11,000 occupancy qualification letters.



12
cities covered by CPIC Home

14
projects landed

8
projects opened

5,000
elderly apartments

8,200
beds

15,800
reserve beds in our investment

more than **11,000**
occupancy qualification letters
issued



more than **11,000**
occupancy qualification letters
issued



220,000
visitors received by
CPIC Homes



Case: CPIC Home – Shanghai Putuo Kangyang International Senior Care Community

In August 2023, the CPIC Home – Putuo Community became operational, offering a comprehensive suite of services including medical treatment, rehabilitation, care, nutrition, and recreational activities. This initiative provides a one-stop healthcare solution for the elderly, catering to both long-term and short-term care needs. It encompasses risk screening, disease diagnosis and treatment, and chronic disease management, ensuring holistic and full-cycle health maintenance for seniors.



CPIC Home – Putuo Community

Supporting the healthy growth of teenagers

On July 8, 2023, the Shanghai Youth Health Promotion Center was inaugurated. CPIC, in collaboration with the Shanghai University of Sport, established a comprehensive solution platform for adolescent health. This platform offers customized insurance products, assigns health stewards, consolidates medical resources, and facilitates direct medical insurance payments and rehabilitation care for families with teenagers. It creates a complete package of solutions for assessment, intervention, and protection, along with a one-stop tracking service. In 2023, CPIC Health Insurance unveiled "Qingqing Growth" brand.



"Junior Experience Officers" in the sports experience zone of the Teenager Health Promotion Center

Upholding the Essence of Insurance to Escort the Real Economy



CPIC adheres to the concept of high-quality development. In alignment with major national strategies, such as major infrastructure projects, economic development and upgrade, and urbanization, we aim to bolster insurance coverage, investment size, and service quality in critical sectors, including advanced manufacturing, strategic emerging industries and the transformation and upgrading of traditional industries. Our goal is to strengthen our support for key industrial and supply chains.

Supporting the national space industry

Dedicated to serving the national strategies, CPIC actively engages in space insurance. Recently, we have contributed to insurance projects for launches and related activities of new-generation eco-friendly rockets such as Long March 6, Long March 8, and Suzaku 2. We have primarily insured launch and initial orbit operations of hyperspectral observation satellites for the Ministry of Ecology and Environment. Furthermore, we've established a specialized aerospace insurance team and tailored professional insurance plans to continuously innovate and take initiative in aerospace insurance.

Serving the integrated circuit industry

CPIC provides comprehensive services spanning underwriting, claims processing, reinsurance, and billing, creating an integrated product suite that covers the entire integrated circuit industry's lifecycle and all insurance types. Meanwhile, we have pioneered a comprehensive liability insurance for domestically supplied materials, supporting the localization efforts of the chip industry. We actively engage in risk reduction management and disaster monitoring for the integrated circuit industry, and as a key member of the China Integrated Circuit Insurance Consortium, we are contributing to the development of industry risk management standards. By the end of 2023, we had extended RMB 643 billion in insurance coverage to 300 upstream and downstream enterprises of the integrated circuit industry.

Developing technology risk mitigation products

Concentrating on research and development, the commercialization of research outcomes, and the operational risks faced by tech companies, we have enhanced our insurance product offerings. By the end of 2023, we provided more than RMB 66 trillion of insurance against technology risks.

Bolstering the biopharmaceutical sector

We have developed a range of insurance products, including clinical trial liability insurance, life science insurance, pharmaceutical product liability insurance, and more. Our full lifecycle product solutions support the research and development of new and specialized drugs, thus making contributions to the development of the pharmaceutical industry.



more than **300**
upstream and downstream
enterprises of the integrated circuit
industry

insurance coverage for
RMB **6 billion**



more than RMB **66 trillion**
insurance against technology risks

Supporting Agriculture, Rural Areas, and Farmers for Rural Vitalization

Leveraging our insurance capabilities, we intensify our support in crucial sectors such as rural development, construction, and governance, aiming to establish a sustainable mechanism for rural vitalization.

Rural assistance

Medical support

To land the "Healthy China" initiative in rural regions, we support political insurance projects like critical illness and long-term care insurance in remote areas to address poverty due to illness. The Huiminbao insurance program extends deep into rural communities.

Village-stationed assistance

Our branches take a lead in forming a leading group of rural vitalization strategy to conduct regular research and visit in targeted villages. By the end of 2023, 270 village officials had been stationed across 24 provinces, autonomous regions, and municipalities directly under the central government.



270 village-stationed officials deployed
across **24** provinces, autonomous regions, and
municipalities directly under the central government
insurance against technology risks

Consumption-driven assistance

To address the challenge of unsold agricultural produce, we adopt the ways of the welfare of labor unions, targeted procurement of canteens, live-broadcasting commerce, product underwriting, and employee purchases to help increase farmers' incomes and solidify poverty alleviation efforts.



Agricultural insurance

We have enhanced the quality and efficiency of our agricultural insurance services, developing over 4,000 products to ensure comprehensive coverage across agriculture, forestry, animal husbandry, and fisheries. In 2023, CPIC offered agricultural risk protection to nearly 23 million farmers, amounting to over RMB 780 billion, benefiting 5.77 million farmers with nearly RMB 14.4 billion in compensation.

Innovating in Insurance models

In Guangdong, we introduced customized litchi traceability insurance, promoting income growth for over 130 farmers by more than RMB 3 million through a new model of farmers' income security based on the digital ecosystem that integrates the supply, industry, and value chain, and ecosystem of agricultural products. In Suzhou, Jiangsu, we launched the first commercial freshwater fish income insurance.

Consolidating comprehensive risk coverage

In Zhejiang, over RMB 600 million of comprehensive insurance has been provided to 330 new farmers, covering new agricultural business entities. In Shanghai, a four-party cooperation model with the government, the bank and the guarantee institution, was established to offer green channels of the financing and credit services for agricultural entities.

Digitalized agricultural insurance claims

We continuously refine our agricultural insurance disaster response mechanism and organizational support systems, launching version 9.0 of e-agricultural insurance and employing advanced technologies like big data, AI, IoT, satellite, and infrared detection for preemptive risk management.

Ensuring food security

In 2023, CPIC underwrote 1.27 million hectares of the three major staple crops of rice, wheat and corn, landed the three major staple insurance policies in more than 380 grain-producing counties in 13 provinces, and provided 79.6 billion yuan of risk protection for 1.85 million sub-farming households, which strongly supported China's grain to win another bumper harvest against the adversity and achieve a new record high in production.



nearly **4,000**
agricultural insurance products
developed in total

nearly **23 million**
farming households covered by
various types of agricultural insurance

more than RMB **760 billion**
insurance

5.77 million
farming households receive
agricultural insurance claims

nearly RMB **14.4 billion**
total compensation

1.27 million hectares
of the three major staple crops
covered

Enhancing Regional Cooperation and Optimizing Development Mechanisms

CPIC has deepened the implementation of our "Regional Development" strategy, leveraging the influential role of key regions by synergistically advancing the development of four critical areas including the Yangtze River Delta, Guangdong-Hong Kong-Macao Greater Bay Area, Beijing-Tianjin-Hebei, and Chengdu-Chongqing. The Company has led with responsibility in the pioneering initiatives in major projects and critical sectors.

Yangtze River Delta integration

Aligning with the Yangtze River Delta integration strategy, we participated in the second phase of the Yangtze River Delta Fund, concentrating on semiconductor, digital and intelligent development, and biomedicine industries to foster a deeper integration of the regional industrial chain.

Development of Guangdong-Hong Kong-Macao Greater Bay Area

We established a special innovation and development fund for the Greater Bay Area, focusing on supporting the "four new" sectors. The Guangdong-Hong Kong-Macao Greater Bay Area Joint Investment Center was established to offer comprehensive financial services by leveraging the investment advantages of the Group's diversified platforms. We initiated the Greater Bay Area Party Building and Financial Services Alliance for State-owned Enterprises in Shanghai, enhancing external cooperation and resource integration to support the economic and social development of the Greater Bay Area. Significant events like the ESG Investment Forum of the Greater Bay Area and the Science and Technology Innovation Achievement Conference of the Greater Bay Area were successfully organized to maintain and broaden our network.

Coordinated development of Beijing, Tianjin, and Hebei

With a focus on the real economy, people's livelihood, social governance, rural vitalization, and other areas, we enhance our capabilities for disaster prevention, relief, and mitigation, develop a modern industrial system, improve elderly health care, implement rural vitalization strategies, pursue ecological and green development, and promote the high-quality development of the Xiong'an New Area.

Development in Chengdu-Chongqing Area

We have devised the CPIC Three-Year Action Plan for Chengdu-Chongqing Area (2023-2025) to enhance top-level planning and service capacity in the region. A joint investment center and Chengdu-Chongqing Regional Party Building and Financial Service Alliance were established. A Chengdu-Chongqing Science and Technology Innovation Center was set up to foster a collaborative innovation mechanism and realize a new model of "insurance + technology + ecology".



nearly RMB **50 million** invested in innovative projects in the Greater Bay Area, supporting **33** projects



nearly RMB **10 million** invested in innovative projects in Chengdu and Chongqing, supporting a total of **14** projects

Unleashing Development Vitality through Technological Innovation



To build long-term capabilities in science and technology, we continually enhance our independent research and development, expand the application range and scenarios of our products and services, and foster sustainable growth for both customers and the Company.

Enhancing the sci-tech innovation system

We have drafted the Strategic Plan for Science and Technology 2023-2025, aiming to "establish industry-leading digital and intelligent capabilities and empower high-quality corporate development." This included initiating the "513" project to comprehensively plan the science and technology blueprint, clearly pointing out the direction of innovation.

Boosting digital and intelligent management efficiency

Focusing on our weak spots, we were fast-tracking digital transformation using new technologies, platforms, and models to lighten staff workload and empower internal efficiency.

Improving the data management system

We have issued data management regulations like the Management Measures for CPIC Data Standards, Management Measures for CPIC Data Quality, and Management Measures for CPIC Data Accountability. A data governance platform has been developed to manage metadata, online, automating and intelligentizing data governance. We also have created a data governance operation platform, independently developed smart data governance tools like metadata quality inspection bots and data standard benchmarking bots. In critical data management sectors, we've established a data indicator monitoring system to enhance source governance. In 2023, metadata governance compliance reached 100%.

Optimizing digital business processes

By leveraging new technologies, we've set up a benchmark application promotion mechanism to dig into the application scenarios, address key business pain spots and demonstrate industry leadership. Furthermore, we've established a BP service mechanism to empower our business departments with technologies, achieving 100% coverage.

Enhancing platform empowerment

We've iterated the IT cloud platform's smart functions to boost the professional skills of our technological staff. An integrated R&D operation and maintenance platform has been developed to enhance R&D quality and efficiency. Additionally, an architecture asset management platform has been created to increase asset utilization and promote architectural culture within the organization.



100%

metadata governance compliance



100%

coverage for BP service





Expanding Collaboration for Sustainable Development

CPIC works hard to enhance employee cohesiveness, improve service accessibility and customer satisfaction, and actively contribute to the community. Together with stakeholders, we strive for a better future.

- Cultivating a Fertile Soil for Talents
- Putting Customers First
- Optimising a Sustainable Supply Chain
- Ploughing into Social Welfare Initiatives

Cultivating a Fertile Soil for Talents

Rights and protection

CPIC complies with the Labor Law, the Labor Contract Law, the Trade Union Law, and the Provisions on Collective Contracts and other laws and regulations to secure employees' basic rights and interests. We have renewed CPIC Collective Agreement on the Special Protection of Female Employees with trade unions to

ensure that employees realize their value in a sound working environment. We resolutely resist forced labor and child labor. In addition, we forbid all sorts of discrimination on the ground of race, geographic region, gender, disability and nationality, among other things.

Democratic Management	We ensure the right of employees to participate in democratic management. Employees could participate in the corporate management through the workers' congress to discuss employee welfare. There have been no major disputes involving employee rights or interests in 2023.
Work Compensation Policies	We strictly abide by the relevant provisions of the Labor Law, we have laid down the Compensation Management Measures to ensure the equal pay for equal work between men and women within the governance and full salary can be paid on a regular basis every month. For employees, we make contributions to the endowment, medical, unemployment, work injury and maternity insurance schemes and the housing provident fund, as well as commercial insurance plans. In addition, we establish the Plan of Enterprise Annuity Funds, and 85% of the employees participated in the plan.
Performance Appraisal Policies	We formulate Provisional Measures for the Management of Work Hours and Attendance Check to conduct performance management and organize supervisors at all levels to review on a regular basis. After the annual assessment results are determined, leaders at all levels shall give feedback and mentoring to employees, and formulate targeted performance improvement plans to continuously enhance employees' performance and competences.
Vacation Policies	We follow the provisions of the Labour Law regarding working hours and paid annual leave, draft Provisional Measures for the Management of Paid Leave. According to the measure, we offer employees statutory paid annual leave and paid company welfare leave. When there are differences in holiday provisions between regions, the principle of preference shall be followed.
Work and Social Security	We offer all employees medium-to-long-term benefits, e.g., additional endowment and medical insurance coverage, to create a comprehensive social security mechanism for them and raise their post-retirement standard of living.
Protection of Complaint Right	We have crafted Measures for the Complaint and Mediation of Labor Disputes to properly handle such issues. The trade unions on all levels are designated as the organizations to accept complaints from employees through visits, letters, phones or emails.
Employee Satisfaction Surveys	In 2023, CPIC Life Insurance commissioned a third-party consulting firm to conduct an employee experience survey, with a questionnaire return rate of over 90%. Among them, the employee experience score was 89, 2% higher than the previous year and is higher than the industry average as well. the Company analysed the results of the survey, formulated corresponding improvement measures, and tracked the implementation of each improvement measure to effectively enhance the employee experience.
Protection of Female Employees' Rights and Interests	In accordance with the Law on the Protection of Women's rights and Interests, and the Special Rules on the Labor Protection of Female Employees, among other laws and regulations, we adhere to the principle of equal pay for equal work between men and women. We strictly put in place the maternity, breastfeeding and prenatal check-up leave for females and provide them with parental leave.



102,700
employees



100%
labor contracts
coverage rate



85%
employees
participated
in the Plan
of Enterprise
Annuity Funds

Recruitment and promotion

CPIC has established and improved the recruitment system according to the Labor Law, the Labor Contract Law and other laws and regulations. We resolutely resist forced labor and child labor, and provide equal job opportunity for employees regardless of race, geographic region, gender among other things. We respected employee differences and maintained diverse composition of employees. Focusing on the national policies and the Company's strategic transformation, we emphasize the construction of professional talent team, introducing top talents in the field of big data, cloud computing, blockchain technology, as well as high-level talents in the fields of insurance investment and healthcare industries. In addition, we hold open and equal recruitment for fresh graduates and formulate a special training program which includes tutoring, key project experience, cultivation combining training and practice, job rotation and other training programs. Meanwhile, we carry out personnel rotation exercise with 3 years as a cycle to develop outstanding talents for the industry.

We draft talent development strategies and comprehensive promotion policies to create various hierarchical career development paths for people from different ethnic groups and enable cross-agency, cross-line and cross-departmental flow of employees. We also manage posts by series and configure corresponding performance-based compensation mechanisms to broaden the career advancement channels for talents. We protect the rights of employees to file complaints by formulating the Administrative Measures for Complaint and Mediation of Labor Disputes etc., to clarify the methods and processes for dealing with violations when they are discovered, and to handle labour disputes appropriately.

In 2023, we refined and re-signed the Letter of Commitment for New Employees and the Integrity Commitment Letter for Current Employees to standardize various behaviors of employees.

Development and Training

Constantly focusing on the career development plans and demands of employees, CPIC has established training system and launched a various staff training model.

Establishing a personnel training system

We establish a hierarchical talent training system and formulated a talent pool of young employees in the whole company. A series of cultivating mechanisms including young talent training camp, the trainee supervisor and management trainee projects help to build and improve the youth talent echelon. Furthermore, we set up executive training courses to strengthen the construction of the management team, standardize the selection process and concretely observe the principle of length of service and contractual management.

In 2023, the Group conducted two sessions of training programs focused on high-quality development. These programs blended online and in-person learning, engaging participants across our company and our subsidiaries. The curriculum spanned a wide range of topics, including political literacy, leadership enhancement, the journey of digital transformation, innovative practices, strategic interpretation, and execution.

Improving measures for personnel development and management

The Company formulated and improved the Staff Development Manual, the Guidance Opinions on the Training of Young Talents in the 14th Five-Year Plan, the Measures for the Management of CPIC for On-the-job Employee Training

and the Measures of CPIC for the Management of employees Taking the China Association of Actuaries (CAA) Examination, among others.



14,000

courses are provided on the
online learning platforms



more than 550,000

users



8,000

tests have been offered



12,000

events have been
livestreamed

Enriching digital online education courses

By giving full play to the "aggregation + penetration + cross-border sharing" function of the online learning platforms, namely, CPIC Learning and CPIC Livestreaming, we build an ecosystem of external links and internal communication which could provide rich and convenient digital learning resources and intelligent operation innovative solutions for all employees of the corporate, the subsidiaries and the branch companies. By the end of 2023, the online learning platforms has provided more than 14,000 courses for over 550,000 users, offered over 8,000 tests and livestreamed more than 12,000 events. And the daily active users (DAU) amounted to more than 100,000.

Strengthening cooperation with professional external institutions

Based on the business needs, we work with universities and educational institutions to customize professional training courses for employees. We jointly build the Insurance Application Innovation Research Institute with Fudan University to empower the cultivation of professional talents. Additionally, in partnership with Southwestern University of Finance and Economics, the Company has established the Finance Shared Service Center Student Internship Base in Chengdu to bolster resource sharing and collaboratively nurture a new generation of versatile finance and economics professionals.

Moreover, in recent years, the Company has regularly partnered with esteemed domestic and international training institutions, including Fudan University, FranklinCovey, 51Job, Foretell Business School, DDI, and others, to incorporate renowned copyrighted courses into our training curriculum. These include The 7 Habits of Highly Effective People, Principle 4 of the Execution of Highly Effective People and Situational Leadership. These partnerships are designed to strengthen our talent development framework and empower our employees to advance their careers.

Supporting employees to improve professional skills

In order to boost the sustainable value growth of the Company with intellectual engine, we encourage employees in the governance to take out academic degrees or professional certificates, reimburse their training and examination expenditure and give them exam leave and exam passing incentives. In 2023, CPIC Life Insurance, in partnership with Shanghai University of Finance and Economics, conducted the inaugural elderly planning certification training session. Ninety insurance agents from across our company's branches participated and successfully achieved their elderly planning professional certifications after undergoing professional assessments.

Health and safety

We attach importance to the physical and mental health of employees and the balance between work and life by organizing sport events, offering psychological counseling and cares for employees. According to the distribution of high-incidence disease populations in recent years with the requirements of health management, we offer all employees with differentiated occupational health examinations with a coverage rate of 100%.

In compliance with the Law on Work Safety, Regulations of Shanghai Municipality on Work Safety and other national and local laws and regulations, we implemented the work safety policy of "safety first, prevention first, comprehensive management", strictly implemented the Measures for Management of the Production Safety Responsibility System, and issued the 2023 Work Safety Performance Assessment Programme to optimise the implementation of the work safety responsibility system at each level. We revised

the Letter of Commitment to Production Safety and required all staff to sign it. The Company continues to strengthen the dual prevention mechanism through risk assessment, hidden danger investigation and rectification, as well as the supervision over the implementation of health and safety work from the workers' congress of the Group and its subsidiaries. In 2023, we work with Shanghai Work Safety Association to formulate the Standardization Specification for Safety Production Management of Financial Institutions under the Administration of the Shanghai Emergency Management Bureau.

We carry out safety promotion covering all employees, offer safety production education and training for employees of various levels of the corporate institutions and revise contingency plan addressing fire, flood and typhoon. On a regular basis, we also conduct emergency response exercises and fire safety drills in particular.

Employee care

We provide holiday benefits for employees, offer condolences and assistance to employees suffering from serious illnesses, natural disasters, or emergencies, as well as to employees in need. In 2023, we offered RMB 5.89 million to 3,689 employees who encountered financial difficulties. At the same time, we have optimized the medical and health insurance coverage of employees, expanded the amount and coverage of medical insurance for in-service employees and improved the experience and level of medical security benefits for employees. In addition, we also provide value-added health management services for retirees and improve the convenience of medical treatment for them.



41

safety production training classes have been held

28.46 million

invested



occupational health examinations with a coverage rate

100%



helped

3,689 employees who encountered financial difficulties

offered

RMB **3,689 million**

Putting Customers First

Safeguarding consumer rights and interests

Adhering to the relevant laws and regulations for the promotion and sale of insurance products, CPIC practices the Integrity Service Declaration, follows the compliance requirements and avoids any unethical behavior to provide warm insurance services to the people. CPIC has also formulated the Management Measures for Fighting Insurance Fraud to effectively prevent and mitigate insurance fraud risks and protect consumer rights. We adheres to regulatory policies including the Guiding Opinions of China Banking and Insurance Regulatory Commission on Strengthening the Development of Consumer Protection Systems and Mechanisms for Banking and Insurance Institutions, the Measures for Management and Disposal of Consumer Complaints in Banking and Insurance Industries, and the Measures for Protecting Consumer Rights and Interests in Banking and Insurance Sectors. We have developed and enacted the Key Items of the Consumer Protection Work Agenda 2023, revised and improved our Corporate Policies for the Management of Consumer Protection, broadening its application scope. Additionally, we collaborated with industry peers to establish the Consumer Protection and Self-discipline Convention for the Insurance Industry to foster a healthy industry ecosystem. In partnership with other insurers, we have compiled and shared Typical Cases of Consumer Protection in the Insurance Industry to reinforce consumer rights protection. We have also launched our inaugural consumer protection demonstration zones and developed the "CPIC Digital Intelligence Consumer Protection Middle Office" to elevate the level of consumer protection services and efficiency.

Addressing Complaints

CPIC has innovated a "complaint escalation risk early warning" model for trial implementation to promote smart consumer protection aimed at equipping frontline managers with the tools to effectively identify and preemptively address escalating complaints. This approach, featuring a comprehensive cycle of monitoring, early alert, resolution, and tracking, allows us to understand consumer needs more deeply and respond swiftly and effectively, thus enhancing the customer experience. CPIC Property and Casualty Insurance has established regulations such as the Management Measures for Handling Insurance Consumer Complaints and has made complaint-related information accessible through the official website, social media channels, the CPIC app, and physical stores.

Financial Education

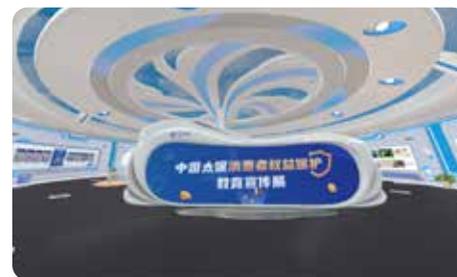
CPIC has organized events such as the "3.15" Consumer Rights Week, "7-8" Public Insurance Awareness Day, and a month-long focus on financial consumer rights. The Group and its subsidiaries jointly set up a multi-dimensional digital exhibition hall dedicated to consumer protection. Additionally, the subsidiaries have been proactive in offering a mix of online and offline financial education activities, regular and intensive, to broaden public understanding and engagement with financial knowledge.



Enhancing customer experience across all services

Leveraging the CPIC service brand, we aim to seamlessly integrate our insurance products and services, constructing a holistic "insurance + health + retirement" solution to significantly improve user experience and satisfaction.

We give full play to the advantages of the four-tier service officer system, to continuously amplify the pivotal role of "CPIC service officers" in integrating consumer protection governance. Service officers at each tier attentively listen to customer feedback through engaging in financial education, resolving customer grievances, and conducting customer visits, identifying areas of friction and bottlenecks within service processes, thereby boosting service excellence.



One-Stop Service

We are committed to furthering our customer-oriented transitional reforms. By gaining accurate customer insights from the Group's holistic view, we are enhancing our capacity to provide integrated one-stop services. In 2023, CPIC Property and Casualty Insurance and CPIC Life Insurance hosted offline customer festivals in Shanghai, showcasing our unwavering commitment to its responsibilities and missions, our dedication to serving the national interest and public welfare and our drive to excel in delivering "CPIC Service" with a strong customer-focused concept.

NPS-Driven Service Quality Improvement

Our "NPS Customer Experience Real-time Monitoring Platform" encompasses 77 service scenarios, spanning the customer journey from auto and life insurance to critical stages of insurance purchase, claims and conservation in health insurance, gathering multifaceted feedback. In 2023, we dispatched nearly 17 million surveys to our customers, devising improvement strategies such as streamlining business processes and enhancing smart applications based on identified high-frequency customer pain points.

Digital services across all scenarios

CPIC is committed to developing digital solutions tailored to individual customers, leveraging technology to innovate in services, achieve accurate perception of customer needs, and dynamically match them with comprehensive services, further enhancing the level of refined service provision. In 2023, the inaugural CPIC Individual Customer Report was published, setting a new standard for utilizing big data in "intelligent and comprehensive customer service."

CPIC Property and Casualty Insurance

We encourage customers to engage with our digital and intelligent service brands, including the "Cloud Store" WeChat mini-program, "Tai Hao Pei," "Zhuan Xiang Pei," "Tai Tie Xin," and "E-Agricultural Insurance." These offerings underscore our commitment to educating customers about the digital transformation of financial services, ensuring that they have access to swift and convenient financial services.

The 95500 contact center of CPIC Property and Casualty Insurance has made progress in intelligent factory operations as a basis for upgrading customer service capabilities of factories. We've introduced the first pilot for a smart vehicle insurance claim process, spanning branches in Shanghai, Guangdong, Shandong, Henan, Zhejiang, and Qingdao. This effort has led to a notable increase in the use of smart interactions in property insurance calls. We achieved a completion rate of over 45% throughout the production process and reduced the average call duration by nearly 20 seconds when switching to manual service. In 2023, we served over 43 million customers, provided steadfast support for the CIFTIS and CIIE, and offered bilingual services for the Hangzhou Asian Games.



"NPS Customer Experience Real-time Monitoring Platform" encompasses

77 service scenarios



dispatched nearly

17 million surveys to our customers



Auto Insurance intelligently serves

43 million customers

CPIC Life Insurance

Utilizing artificial intelligence and big data, we have introduced a "digital health record" system that allows users to upload their medical reports or records for digital management.

CPIC Health Insurance

We have expanded our online sales channels, including Alipay, and in collaboration with the CPIC Digital Intelligence Research Institute, have launched digital insurance and service solutions. This effort focuses on delivering precision marketing, intelligent underwriting, streamlined claims processing, and comprehensive health management services.

Enhancing Partnerships with Strategic Customers

CPIC prioritizes fostering cooperative and mutually beneficial relationships with strategic clients, including national ministries, local governments, regulatory bodies, and leading enterprises, continuously expanding our network of partners. In 2023, we collaborated with 1,009 strategic partners, comprising 68 central enterprise clients and 132 strategic contractual clients, achieving an 88.9% partnership rate with provincial governments (including provinces, autonomous regions, direct municipalities under the central government, and cities specifically designated in the state plan).



1,009
strategic partners

88.9%
partnership rate with
provincial governments



We signed a strategic cooperation agreement with the Jinan Municipal Government, focusing on rehabilitation healthcare, proactive health management services for both the elderly and youth, and social welfare for key demographics, contributing to the development of a "Healthy Jinan."



We signed a new strategic agreement with the Management Committee of China (Shanghai) Pilot Free Trade Zone Lingang Special Area, to deepen and expand our collaboration in the emerging financial sectors, focusing on fintech, technology-driven finance, green finance, and talent development.



We reached a strategic partnership with Fudan University to promote comprehensive collaboration in personnel training, insurance application innovation, and social and cultural engagements.

Claims management for major disasters

CPIC is committed to delivering prompt claims and emergency services for major disasters, including the Beijing-Tianjin-Hebei rainstorm and the Qinghai earthquake in Gansu. We stand as an economic buffer and social stabilizer, offering a comprehensive "insurance, prevention, mitigation, rescue, and compensation" service package for major disaster-stricken regions. On one hand, we landed and promoted the "Water Sprite" IoT flood monitoring and alert program to minimize the impact of natural calamities like typhoons and rainstorms, keeping flood season losses manageable. On the other hand, we initiated fast-track processes for disaster claims, streamlined documentation requirements, and ensured swift, full, and advanced compensations to safeguard lives and properties. In 2023, CPIC disbursed over RMB 4.5 billion in compensation for catastrophes.



1,262 companies
deployed "Water Sprite" IoT flood alert devices



responded to **71** total claims reach
dsignificant natural disasters RMB **4.5 billion**



Case: CPIC's Swift Rescue Efforts in Zhuozhou, Hebei

In July, confronted with severe flooding in the Beijing-Tianjin-Hebei region, CPIC swiftly activated its emergency disaster response. The specialized rapid response team drove 173 professional rescue vehicles to Zhuozhou, Hebei, for rescue and claims services. Concurrently, CPIC facilitated a fast-track claims process for disaster impacts, guaranteeing prompt, complete, and advanced compensation for all legitimate claims.



Optimising a Sustainable Supply Chain

In 2023, CPIC introduced the Supply Chain ESG Management Guidelines, outlining the ESG obligations of suppliers across environmental protection, health and

safety, employee rights, and business ethics. This framework applies universally to suppliers engaged in centralized procurement with CPIC Group.

Supplier Entry

We prioritize suppliers offering energy-saving and environmentally friendly products, strictly adhering to national laws, regulations, and Group provisions. This selection is based on project needs and guided by principles of openness, fairness, justice, competition, and efficiency. In 2023, an ESG clause was integrated

into the Statement of Suppliers, mandating alignment with CPIC's Supply Chain ESG Management Guidelines. This effort aims to forge a green supply chain, safeguard employees' basic rights and interests, health, and safety, and uphold high standards of business ethics and compliance.

Green Procurement

CPIC boosts the procurement of energy-efficient and environmentally friendly products, strictly auditing suppliers' ISO 14001 (Environmental management systems) certification and specific product energy consumption standards. The

Company is exploring a decision-making process that includes the total life cycle cost of products in evaluations and utilizes an "e-procurement platform" to digitize the process and minimize paperwork.

Supplier Assessment

CPIC conducts annual assessments and on-site inspections of key suppliers. In 2023, we performed cybersecurity evaluations for 10 critical technology service providers, ensuring the enforcement of network security obligations and minimizing supply chain risks. The Group has also introduced a dynamic system of rewards and exits based on annual assessment outcomes.



508

suppliers involved in
centralized procurement

Ploughing into Social Welfare Initiatives

Supporting cultural and sporting events

Serving the Shanghai Marathon

As an official sponsor and designated insurance service provider for the 2023 Shanghai Marathon, CPIC offered comprehensive risk protection with a total sum assured of nearly RMB 20 billion. This coverage safeguarded 45,000 athletes and staff, supported by a dedicated claims team, a 95,500 bilingual service hotline, and expedited claims processing. Furthermore, over 150 volunteers were organized to provide extensive support throughout the event.



nearly RMB **20 million**
for the Shanghai Marathon
over **50 volunteers**
on site



"Music Flowing Around the World" Symphony Concert

CPIC collaborated with the Shanghai Symphony Orchestra to create the "Yue Xing Tian Xia (Music Flowing Around the World)" Symphony Concert brand, a signature event that has been enchanting audiences for 14 years. In 2023, the "Future Harmonies: Choose Your Tune" Greater Bay Area Customer Festival's launch event saw over a thousand customers revel in the symphonic concert at Xinghai Concert Hall, experiencing CPIC's service amidst an auditory and visual spectacle.



promote symphony
for **14 years**



Strengthening public welfare efforts

CPIC steadfastly commits to its founding mission of paying back to society, embarking on long-term philanthropic endeavors. In 2023, our charitable donations amounted to RMB 64.88 million.

CPIC Blue Philanthropy

"Guarding Memory, Guarding Love" Initiative: Achieved early screening for cognitive issues in 100,000 individuals, introduced an AD eye movement screening tool, established China's first precise early screening model, opened a public "Brain Health Cognition Experience Hall," and initiated the "Lan Xin program" with 47 training sessions for 2,374 individuals to enhance elder care and public welfare talent. We made donations to civil affairs authorities of Chongming, Hangzhou, and Qingdao, etc. to support the construction of facilities dedicated to cognitive disorders.

Caring for "children with autistic disorders": We initiated a public welfare training program in painting and calligraphy for thousands of children with autism, hosted a non-profit art exhibition featuring works from more than a thousand autistic children across 28 provinces and cities, and staged small-scale public welfare activities in prominent Shanghai locales such as the Shanghai World Expo Museum, Xiaodongmen Street, Lujiazui Street, BCG, and GLBC CIAO Plaza (the Bund).

"Responsibility Brings a Bright Future" – Volunteer Teaching

In May 2023, CPIC visited the No. 2 Boarding Primary School in Qinghai's Gonghe County for a themed activity "Responsibility Brings a Bright Future: Fulfilling the Volleyball Dream in the Asian Games". Members of the China women's national volleyball team and 12 volunteer coaches brought sports, fine arts, music, safety, and AI lessons to over 1,500 children. In October, students from Sanjiangyuan Hope Primary School traveled to Hangzhou to support the China women's national volleyball team, fulfilling their dreams.

CPIC also donated funds and "Kai Xing Guo" brain-computer interface equipment to the Shanghai Children's Home for the "Guiding Children with Autism" initiative, supporting the rehabilitation of children with Autism Spectrum Disorder and those with special needs.



12
volunteer teaching members

more than **1,500**
children benefited



RMB **65 million**
charitable donations in total



early screening for
100,000 individuals
by CPIC Blue



2,374
Individuals trained by
"Lan Xin program"







05

More Enduring Impetus for Sustainable Development

CPIC continuously tightened corporate governance, leveraged the leading role of technology and strengthened internal control and compliance management, laying a solid foundation for high-quality development.

- Corporate Governance
- Risk Management
- Ethics and Compliance
- Data Security
- Intellectual Property Right Protection

Corporate Governance

Corporate governance framework

According to the requirements of relevant Chinese laws and regulations, including the Company Law, Securities Law and Insurance Law, CPIC has built a corporate governance framework consisting of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors, and the senior management. The purpose was to create an operating mechanism under which the power, decision-making, supervisory and executive organs cooperate and coordinate with one another on one hand, and keep check and balance on the other. By continuously improving the corporate governance structure, fully integrating internal resources, and strengthening communication with the capital market, we have developed a sound corporate governance framework.

The chairman is mainly responsible for enterprise planning and strategic decision-making, presides over the work of the Board of Directors. The president is accountable to the Board of Directors, leads the management team, and is mainly responsible for the daily production and operation management affairs of the Company.



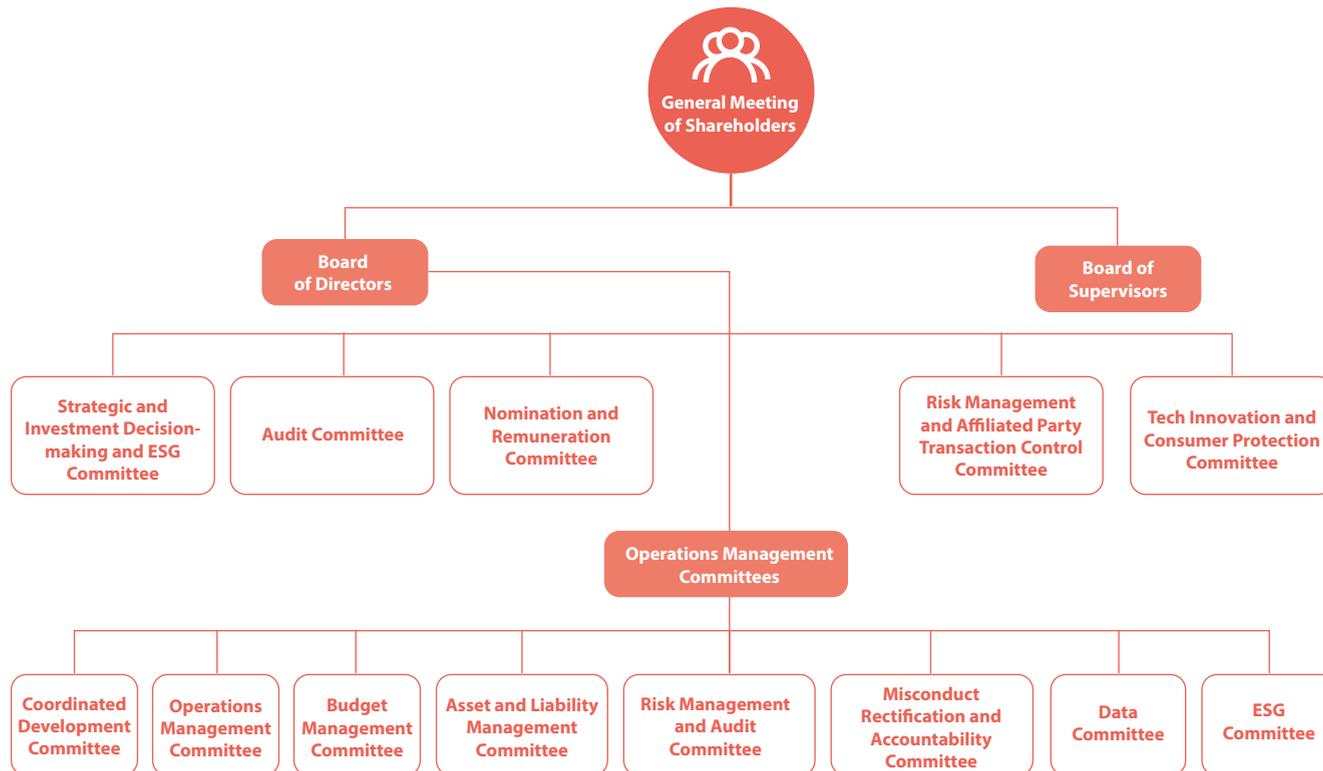
2
General Meetings of Shareholders held



9
Meetings of Board of Directors convened

10
proposals deliberated and adopted

74
proposals adopted



Board diversity

When reviewing the eligibility and credentials of candidate directors and making proposals to the Board, the Nomination and Remuneration Committee shall consider the candidates' gender, age, culture, educational background, professional experience, skills and knowledge, length of service, etc.. At present, the Directors are all leading figures in various fields, generally possessing rich industry experience and working background in international financial institutions.



Standardized information disclosure

Improving disclosure quality

In compliance with the Securities Law and other Chinese laws and regulations of domestic and foreign regulatory authorities on information disclosure, we have formulated our 2022 annual report, 2022 sustainability report, 2023 quarterly report and semi-annual report. We made sure our information disclosure remains true, complete, timely and fair, and continuously improve disclosure quality and management. We ensured the compliance and consistence of information disclosure in Shanghai, Hong Kong and London markets.



Investor relations management

We have built diversified communication platforms with investors at the center. By utilizing various methods such as in-person meetings, live-streaming, and teleconferences to conduct performance briefings, global roadshows, capital market forums and market open days, we efficiently communicate our development strategies and business performance to the capital market. We collected and gave feedback to investor opinions and suggestions from our investor hotline, fax, e-mail, investor relations column on the official website, SSE E-interactive platform, etc., helping them comprehensively understand the Company's investment value. In addition, we protected shareholders rights and interests, especially those of medium and small ones, through our systems and procedures. Our independent directors gave objective and fair opinions on matters associated with the interests of minority shareholders, such as profit distribution plans, executive compensation and major connected transactions. Moreover, a real-time interactive platform through telephone and live-streaming was formed open to small and medium investors at the performance briefing, with 100% response rate to written questions on the same day.



100%
response rate to written questions on the same day

Risk Management

Risk management architecture

We have established a risk management architecture covering all institutions and positions under which the Board assumes the ultimate responsibility, the management directly leads, and the risk management department supports the risk management as well as relevant functional departments cooperates with each other. The Board of the Group and our subsidiaries are the highest risk

management authority in their institutions, and assume the ultimate responsibility for their respective risk management systems and risks. The headquarters and insurance and asset management subsidiaries are all equipped with relatively independent risk management departments. Each functional department and branch is the first responsible department for risk management.

CPIC risk management organization structure



Risk management system

We have established a risk management system covering CPIC-specific risks and seven risk categories. The CPIC-specific risks include risk contagion, concentration risk, opaque organizational structure risk and non-insurance risk. The seven categories are insurance risk, market risk, credit risk, strategy risk, reputation risk, liquidity risk and operational risk. The system have connected our business systems with risk management structure. In the meantime, we have developed clear risk management processes including target setting, risk information collection, risk identification and assessment, risk early warning, risk response,

risk supervision and reporting and improvement. A closed-loop risk management mechanism was in place.

In 2023, subsidiaries including CPIC Technology, CPIC Property and Casualty Insurance and CPIC Capital established and improved their risk management systems to enhance integrated risk control. CPIC obtained the on-site assessment opinion of 2022 Solvency Aligned Risk Management Requirements and Assessment (SARMRA) and its score ranked high among insurance groups.

ESG risk management

We have developed mechanisms to identify, assess, monitor, report and control or mitigate ESG risks by means of the combination of qualitative and quantitative methods to ensure that ESG risks were under control. Meanwhile, we promoted subsidiaries such as CPIC Property and Casualty Insurance, CPIC

Health Insurance, CPIC Asset Management and CPIC Changjiang Pension to formulate exclusive ESG risk control systems to improve ESG risk control level.

Raising risk awareness

CPIC has conducted risk system publicity, risk investigations, risk control benchmark project initiating, new risk control technology race and frontier risk

control forum, etc., to enhance employees' awareness of risks management and foster a risk management culture.

Ethics and Compliance

Anti-money laundering

In strict accordance with Chinese laws and regulations, such as the Anti-money Laundering Law, and our Measures for Money Laundering Risks, we incorporated money laundering, terrorist financing, and proliferation financing risks into our enterprise risk management (ERM) system. Following a risk-based approach, we created and implement money laundering risk management strategies. We comprehensively promoted anti-money laundering to continuously improve the risk control effectiveness. To consolidate the internal control foundation in this aspect, we optimized the management structure, improved the subsidiaries' internal control system at different levels, optimized the management system, and carried out extensive publicity and training. Focusing our efforts on key regulatory areas and common issues in the industry, we strengthened typical case analysis and self-assessment to improve risk control mechanisms from the source. For example, we identified client identities and enhanced measures for high-risk clients to accurately collect and report large-value and suspicious transactions while preserving materials of client identities and transaction records.



100%

anti-corruption training coverage

186,747

total trainees of anti-corruption training

100%

signing rate of the Letter of Commitment of Honest Business by full-time staff

Anti-corruption

In response to the central authorities' important instructions on combating corruption in state-owned enterprises, we strictly abided by relevant Chinese laws and regulations, enhanced the control and prevention of integrity risks. In compliance with the Anti-fraud Work Provisional Rules and the Accountability Measures for Employees' Misconduct, we have formulated regulations including the Provisions on Accountability Procedures to standardize procedures to report, investigate, handle, and hold violations to account for fraudulent or illegal behaviors. A hotline and a mailbox for whistleblowing were opened to accept all reports for violations. Once fraud or violations were found, relevant departments promptly carried out investigations, completed investigation reports and implemented accountability. At the same time, we strictly implemented the Rules for Discipline Inspection and Supervision Organs to Handle Whistleblowing and Accusations to offer whistleblowers better protection. Specifically, the names and addresses of whistleblowers as well as the reporting information should be strictly confidential to ensure the information was not exposed during the verification process. Moreover, we protected the personal and property of the whistleblowers and their close relatives, and, according to laws, dealt with sternly the retaliation that harm the person, property or reputation of the whistleblowers.

At the same time, CPIC Incorruptibility learning platform encompassed seven main sections including Integrity Promotion, Disciplinary Affairs, Party Discipline Tales, Case Studies, Legal Interpretations, Party Disciplinary Rules, and Training

Exams. Utilizing various formats such as videos, audios, in-depth articles, animations, etc., we delivered comprehensive disciplinary knowledge and skills training to thousands of full-time and part-time disciplinary and supervisory cadres across the Company. Concurrently, this platform disseminates integrity education and anti-corruption publicity to all CPIC staff. We have made the Anti-Commercial Bribery Agreement a mandatory attachment to all contracts, ensuring that suppliers adhered to the agreement's terms to maintain integrity in procurement activities. The Criteria for Identifying Supplier Misconduct has been established, categorizing acts such as bribery or the provision of illicit benefits to secure contracts as grave offenses. If such offenses were identified, the Company would initiate further investigations and impose appropriate penalties. Additionally, we have formulated the Information Technology Outsourcing Management Measures and engaged third-party experts to conduct regular due diligence on IT outsourcing suppliers, producing detailed reports that included identification of any legal violations, administrative sanctions, or legal actions. In 2023, we had no major legal proceedings against corruption.

In internal control and executive audits (focusing on senior managers involved in procurement) across the Group, our subsidiaries, and branches, there was a specific focus on the integrity and effectiveness of the procurement management system. This encompassed a detailed review of supplier management aspects, including the management of supplier qualifications, the maintenance of supplier information databases, and the processes for selecting suppliers.

Compliance and internal control

Following Chinese regulations and laws including the Anti-unfair Competition Law, CPIC resolutely opposed monopoly and unfair competition. In 2023, we had no major legal lawsuits against anti-competition behavior, antitrust, and anti-monopoly practices. Through the corporate WeChat account, we conducted training and activities to promote compliance concepts and nurture a compliance culture.

We have innovated in digital audit methods. By piloting digital audit employees in three digital positions of front inspectors, middle assistants, and back managerial personnel, we sorted, acquired, verified, and compared audit data to promote risk analysis and identification. We strived to build a new audit model that changed from manual inquiry to automatic detection, from supervision afterwards to process supervision, and from sampling inspection to full sample analysis, improving accuracy and efficiency.



Releasing the Compliance Declaration and compliance risk control tools

Data Security

Refining data management mechanism

In response to national data security requirements, we have constructed a hierarchical organizational structure following the principle of "integration of power and responsibility". The network security and informationization leading

group is in charge of the Company's data security, whose leader is held by the Company president.

Improving data management system

In accordance with the Cybersecurity Law of the People's Republic of China, Data Security Law of the People's Republic of China, Personal Information Protection Law of the People's Republic of China, Information Security Technology—Personal Information (PI) Security Specification (GB/T 35273-2020), Provisions on the Scope of Necessary Personal Information for Common Types of Mobile Internet Applications, etc., we have formulated and will continuously improve the Provisional Measures of CPIC for Data Security Management, Implementing Rules for Categorization and Classification of Data for Security Purposes, Measures of CPIC for Prevention of Data Leaks and so on, which are applicable to CPIC and all of its subsidiaries. We further clarified data collection purposes and methods. By management and technological means, we strive to prevent data leakage incidents.

We continuously improve the system based on realities and updated the Measures of CPIC for Management of Information Security of Application Systems, tightening supervision over application systems throughout the lifecycle. We renewed the Measures for the Management of Information System Users, and establish a centralized user management system to make full use of relevant resources in a safer and more efficient way. We revised the Terminal Security Management Measures to enhance the Company's terminal security and reduce possible risks.

Each year, we conduct annual assessment of ISO 27001 information security management system and ISO 29151 personal information protection management system, which cover CPIC and all of its subsidiaries, making sure these two systems are consistent with international standards. In addition, we hire a third party to carry out information security level evaluation to ensure our application systems are secured as required by relevant regulations.

We have signed centralized procurement contracts with suppliers including the Security and Confidentiality Agreement. For all network products or services collecting user information, suppliers must abide by the provisions of relevant laws on the protection of personal information and seek written consent from the Company. We conduct due diligence investigations into outsourcing partners and roll out regular and special audits.



Standardizing management process

CPIC take a full range of measures to guarantee data security. We make every effort to improve our network security, data security and digital operation, in a bid to empower the overall digital capacity and drive both business growth and company security.

Table: CPIC lifecycle data security management measures

Data collection	Based on the principles of legitimacy, transparency and "least necessity", we do not collect personal information unrelated to our products and services. Explicit consent should be obtained from individuals before collection and individuals must be clearly informed of the purpose, method, and scope. Personal information shall not be provided to third-party organizations without the consent of the data subjects.
Data storage	All data is stored at our data center, with no overseas storage. If the customer data needs to be separated from the data center, the desensitization process must be implemented in advance. The storage of personal information should not exceed the storage period specified in the collection and usage rules, and personal information should be promptly deleted after the users cancel their accounts.
Data processing	We handle only the minimum types and quantity of personal information after obtaining users authorization. When receiving requests for personal information queries, modifications, or deletions related to the very user, the inquiries, modifications, or deletions should be conducted within a reasonable time and at a reasonable cost. The Company's client-end mobile apps released on the market all provide the function of user account cancellation, and the channels, which are clearly explained to users in the products' privacy policies, to access, modify, and delete personal data.
Data transfer	We have adopted SSL encryption technology for the encrypted transfer of important data from our internet application systems, securing sensitive information transfer. We have also deployed a network and terminal data leakage prevention system across the Company.
Data use	We give minimum operation authority to whichever party uses data, adopt strict access control and two-factor (bastion host, privileged account authorization) authentication to secure core database, and ensure the legal compliance of data assets in the process of data empowerment business by external partners through trusted computing platform.
Data destruction	We introduce such technologies as media degaussing and disk soft erasing to destruct data.

Fostering a security culture

To improve employees network security awareness and skills, we organize skills training for professionals on preventing social engineering attacks, developing security certificates and information security professional skills.

To improve employees' network security awareness and skills, CPIC organizes skills training for professionals on preventing social engineering attacks, developing security certificates and information security professional skills. To promote the corporate culture of "Everyone should take due responsibility of cyber security," the Company actively conducted a series of network security-themed training activities. In 2023, two network security awareness training sessions covering

all employees were conducted throughout the Company, with a total of 863,000 trainees and over 140,000 testers. In the field of professional skills, we not only organized skills training for professionals on developing security certificates, preventing social engineering attacks and information security professional skills, but also hosted hot network security technology exchange and sharing meetings on topics, such as legal supervision policies, personal information protection, network security incident emergency handling, so as to jointly promote network security work and promote technology to empower the efficient business development. In September 2023, we held 2023 CPIC Network Security Week and supporting activities. During that week, we mobilized more than 100,000 employees

throughout the Company to participate extensively and conducted security training and invited internal and external experts to share their network security skills. Furthermore, we give out information security telegrams to all employees each month to improve their awareness and skills.

Meanwhile, the Group has formulated seven emergency plans for data security, including the Emergency Handling Manual for Data Leakage Incidents and Emergency Plan for Internet Application Security Incidents, and organized several emergency drills according to the plans. Emergency drills related to data security have also been carried out to verify the effectiveness of post-event response and disposal measures.

Intellectual Property Right Protection

The Company strictly abided by such Chinese laws as the Copyright Law, Trademark Law and Patent Law, and has put in place such systems as the Measures for Comprehensive Management of Intellectual Properties, Measures for Trademark Management and Emergency Response Plan

for Comprehensive Management of Intellectual Properties, so as to enhance our IPR protection awareness and strengthen IPR management. In the meantime, we offered a variety of IPR insurance products for enterprises to build a high wall against relevant risks.

Honors





The CPIC Trademark recognized as "2023 Shanghai Excellent Intellectual Property Right Protection Case"



The CPIC Trademark included in the 13th Batch of Shanghai Key Trademark Protection List by Shanghai Intellectual Property Administration



The "CPIC (Justice)" and "A casual drop in normal, a life-saving CPIC in danger" trademarks rated as Shanghai Good Trademarks by Shanghai Trademark Brand Association



769

registered trademarks



14

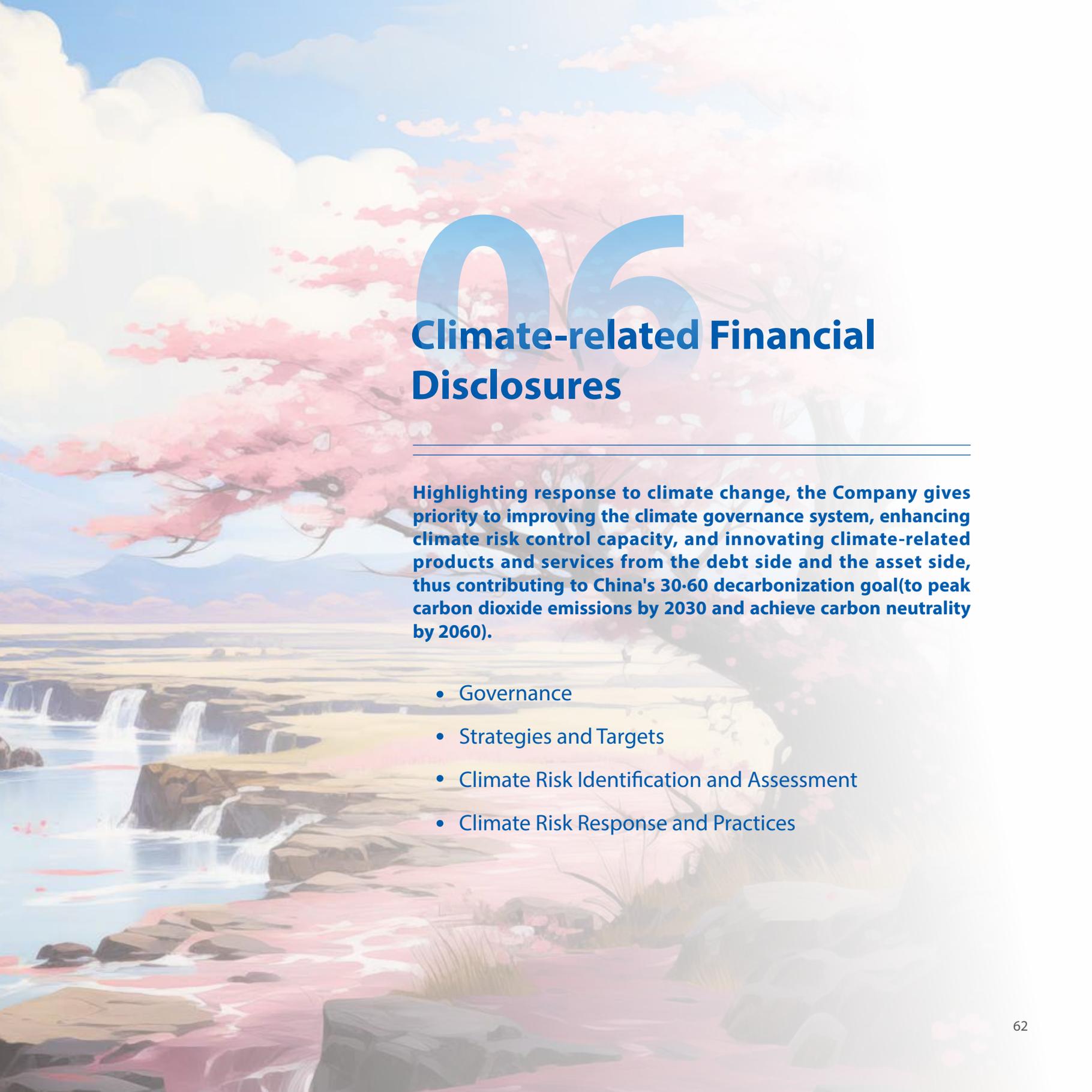
patents



317

copyrights





06 Climate-related Financial Disclosures

Highlighting response to climate change, the Company gives priority to improving the climate governance system, enhancing climate risk control capacity, and innovating climate-related products and services from the debt side and the asset side, thus contributing to China's 30-60 decarbonization goal (to peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060).

- Governance
- Strategies and Targets
- Climate Risk Identification and Assessment
- Climate Risk Response and Practices

Governance

The Company has established a "Board of Directors—Management—Executive" ESG governance structure to provide managerial foundation and organizational support for climate response. CPIC continuously improves working mechanisms, embeds climate-related work into the annual ESG plan and tracks and supervises key climate tasks on a regular basis. CPIC has as well established corresponding

incentive and restraint mechanisms to form a closed-loop management. We continue to improve our systems and embed climate change response into the management system, standard system and implementation process according to the characteristics of each business segment, in a bid to improve our climate risk governance and control abilities.

Strategies and Targets

We comply with the requirements China's 30-60 decarbonization strategy and other major policies, and practice the Green Finance Guidelines for the Banking and Insurance Industries and Plan for Building a Demonstration Area in the Yangtze River Delta on Ecologically Friendly Development and other financial regulatory policies. The Company is leveraging its professional insurance expertise to boost the low-carbon transition of the economy and society, reduce the impact of climate change, enhance the climate change resilience across the board including the upstream and downstream of industry chain, striving to lead the sustainable development in the industry.

Raising the strategic priority of addressing climate change. We have embedded climate change into our strategic management framework and strengthened research on climate response policies and market trends. We continue with analysis of climate risks and opportunities and have raised the priority of climate response strategies to advanced strategic level.

Improving climate risk control system and capacity building. We have integrated climate risk control into the Company's enterprise risk management (ERM) system. To improve climate risk governance and control capacity, we roll out scenario analysis and stress testing, and have refined risk analysis, reporting, warning and response mechanisms.

Boosting the development of green finance. We give full play to the functions of insurance debt side and asset side, and offer insurance and financial support for energy-efficient economic activities that can help protect the environment and mitigate climate change, therefore contributing to the national climate strategy and the 30-60 decarbonization goal.

Making carbon reduction plans for operation. We conduct carbon emission verification across all operational activities to clarify the carbon neutrality goal throughout the Company's medium and long-term operation. By defining clear implementation pathways and action plans for carbon neutrality for operation, we have significantly reduced GHG emissions across the Company.

Climate Risk Identification and Assessment

Addressing climate risks

Physical risks	Key impact of risks	Time horizon	Level of impact	Analysis of the impact on CPIC
Extreme weather risks	<ul style="list-style-type: none"> Liability side: As climate change worsened, extreme weather conditions and natural disasters significantly increased. Accordingly, property loss increased for motor vehicles, non-motor vehicles, and agricultural insurance. In consequence, the risk for insurers grew. Asset side: Extreme weather events might have significant impacts on the investment of insurers in infrastructure and real estate areas. In turn, it will impair the value of the investment portfolios. Operation side: Frequent extreme weather events might pose more threats to the normal operation of business outlets and facilities, as well as to the health and safety of employees. 	Short, medium or long term	High	<ul style="list-style-type: none"> With years of experience in developing catastrophe insurance plans, we created scientific models to assess catastrophe risks, resorted to such technical tools as risk radar systems, and included climate change in the risk assessment and pricing for our insurance products. We conducted risk surveys to help clients avoid or reduce losses from disasters. To fully consider climate factors in our service distribution and pricing, we conducted in-depth climate scenario analyses and stress testing. We plan to have more researches on the impact of long-term temperature rise on health and lifespan, providing a reference for our life and health insurance business.
Long-term risks	<ul style="list-style-type: none"> Liability side: In the long run, climate change might cause irreversible risks, such as rising sea levels, increasing average air temperature, frequent heat waves, etc. In consequence, the clients of insurers might face more complex impacts from climate. Aside from the property and casualty insurance business, which might face the risk of increased pay-out, the life and health insurance business was likely to meet more challenges. Asset Side: Likewise, investment projects might sustain loss from the irreversible impact of climate change, see their operating cost increase, affecting the value of insurers' investment portfolios. 	Long-term	Medium to high	<ul style="list-style-type: none"> Moreover, we tried to incorporate ESG factors into our investment research and decision-making and establish methods to screen investment projects in the theme of ESG or green development, to gradually deepen our understanding of climate-related risks. The likelihood that we should face large-scale business disruptions due to extreme weather conditions or other natural disasters was rather low. Nevertheless, we made the Emergency Response Plan for Major Natural Disasters or Severe Fire, Production and Traffic Accidents to proactively address severe natural disasters like floods, typhoons and earthquakes.

Transition risks	Key impact of risks	Time horizon	Level of impact	Analysis of the impact on CPIC
Policy and legal risks	<ul style="list-style-type: none"> Liability and asset sides: As climate-related policies and legal requirements became stricter traditional industries may face significant challenges in the low-carbon transition. This might impact insurers' clients and investment projects, potentially leading to relevant risks to insurers. For example, in the low-carbon transition, the clients of insurers might give rise to new problems and lead to a higher probability of pay-out from the insurers. If insurers concentrated their investment in high carbon emission industries, their assets might devalue as stricter restrictions on carbon emission are enacted. Operation side: Government promotion of green building standards and green data centers may impose stricter low-carbon operational requirements on insurers, leading to their management cost increase in the future. 	Short, medium and long term	Medium	<ul style="list-style-type: none"> CPIC developed new climate-related products, optimized and adjusted actuarial models in practice, and built up insurance experience in the low-carbon transition. We formulated Guidelines for Sustainable (Green) Insurance Standards, developed green insurance, and enhanced capacity building to provide professional support for clients to prevent disasters and loss. We included the reduction of carbon emissions of asset portfolios as one of the core ESG targets, formulated measures for the management of green investment, conducted green investment on an ongoing basis, and imposed greater restrictions on the investment in high carbon emission industries, to progressively lower the level of the carbon intensity of investment portfolios. We regarded green offices, green data centers and green buildings as an important part of the efforts to perform social responsibility so as to improve the performance in green operations.
Technology and market risks	<ul style="list-style-type: none"> clean energy technologies, stricter energy use standards across industries, and growing demand for green products and services are accelerating the phase-out of traditional technologies. Owing to a lack of experience in pay-out, how to accurately price the insurance services for new technologies might end up as a challenge. Asset side: Technological advancements and business restructuring might impact the operating costs and competitiveness of certain investment projects. Some projects may even fail in their green transition. All these might cause asset impairment risks to insurers. 	Medium-Long term	Medium to high	<ul style="list-style-type: none"> CPIC built a team of experienced insurance professionals with expertise in risk survey, assessment and management across diverse industries. We stepped up cooperation with third-party professional organizations to stay abreast of advancements in low-carbon new technologies, which informed the development of precise risk control plans and product pricing mechanisms. Gradually, we incorporated ESG factors into investment research and decision-making, improved risk identification and management for high-carbon projects, and constantly increased the share of green investment in the total. We also developed ESG rating systems and optimized the low-carbon transition of asset allocation.

Transition risks	Key impact of risks	Time horizon	Level of impact	Analysis of the impact on CPIC
Reputational risks	<ul style="list-style-type: none"> Climate change response has become one of the global sustainability-related concerns. Corporate climate actions are now under scrutiny by many stakeholders, including investors. The intensity and efficacy of climate actions are increasingly being incorporated as key metrics within mainstream ESG rating systems. For businesses that had not yet taken proactive climate actions they will be subject to stakeholder inquiries, causing potential damages on the brand image and their reputation. 	Short-medium term	low	<ul style="list-style-type: none"> Aligning with national development strategies, CPIC has been actively fulfilling social responsibility since its inception to promote win-win outcomes for the economy, society and environment. In recognition of the growing public focus on ESG and climate change responses, we enhanced capacity building to contribute to sustainable development through sound management and practices. We have vigorously built green brands, intensively communicated with stakeholders, and actively championed green and low-carbon initiatives.

Seizing climate opportunities

Types of Opportunity	Analysis of key opportunity factors	Time horizon	Level of impact	Analysis of the Impact on CPIC
Products, services, and market opportunities	<ul style="list-style-type: none"> Liability side: Low-carbon transition gave rise to a rich array of demands for green insurance products and services. Based on their risk management expertise, insurers could assist insured businesses to conduct climate risk assessments, monitoring and alert, and provide the insured enterprises with risk reduction services. Asset side: After introducing 30-60 decarbonization goal, China's green financial market has seen a fast growth. The demand for green finance grew continuously, and insurers enjoyed a huge room for growth in the size of green investment. 	Short, medium or long term	High	<ul style="list-style-type: none"> CPIC launched several products pertaining to climate change, such as climate insurance and catastrophe insurance. In the fields of low-carbon tech, carbon market, ecological carbon sink, green transportation etc., we actively renewed our products and services to enrich our green product pool. Our clients were found everywhere in the green and strategic emerging industries, such as power generation from renewable energy, and NEVs. Through climate risk surveys, we provided clients with professional and in-depth risk management plans. We directly invested in developing green projects via bond investment plans, equity investment plans, asset-backed plans, and industrial funds to increase the share of green investment. Moreover, we launched several asset management products on the theme of ESG or carbon neutrality.

Types of Opportunity	Analysis of key opportunity factors	Time horizon	Level of impact	Analysis of the Impact on CPIC
Resource efficiency and energy source opportunities	<ul style="list-style-type: none"> Operation side: Increasing the efficiency of resource use and the utilization of clean energy was an important measure to reduce GHG emission. It helped businesses to lower their operating cost in the medium-to-long term and therefore become pacesetters for actions addressing climate change. 	Medium-long term	High	<ul style="list-style-type: none"> CPIC did a great deal of work to reduce overall energy and resources consumption, including developing low-carbon operating policies, enforcing energy conservation and carbon reduction measures, accelerating the roll-out of digital systems, and fostering a culture of environmental responsibility among employees. Gradually, we increased the proportion of NEVs in our fleet. In the future, we will systematically advance the carbon neutrality of our operations.

Climate Risk Response and Practices

With a foundation in a scientific and integrated risk management structure, we are constantly refining our ERM approach to actively address risks such as extreme weather events, climate change risks, long-term risks, policy and legal risks, as well as technology and market uncertainties. We are dedicated to developing innovative green insurance products, adhering to the green investment principles, and implementing eco-friendly operations. Through these efforts, we are taking concrete steps towards climate action and aligning with China's carbon peak and carbon neutrality.

Liability side

Strengthening climate resilience insurance coverage. We continuously increased research and investment in climate change and catastrophe insurance and got ourselves acquainted with advanced catastrophe risk assessment techniques and tools in a timely manner. Based on professional catastrophe models and years of meteorological observation data, we developed different types of catastrophe insurance plans, including livelihood assistance, innovation and index-based types. We developed our own smart risk control platform, i.e., "Risk Radar", which tracks real-time forecasts of meteorological disasters such as heavy rain, storms, and typhoons. Simultaneously, we have developed a detailed urban flooding risk alert map, ensuring that disaster warnings reach the final stretch of their journey. These efforts are significantly boosting the community's capability to anticipate and mitigate climate-related risks.

Safeguarding the green transition of the economy and society. We offer comprehensive risk coverage for green energy projects during their construction and operational phases, addressing the insurance requirements for hydropower, solar power, and offshore wind power. We have also pioneered a range of ecological carbon sequestration insurance products that encompass various forms such as forest, grassland, and wetland carbon sequestration. By integrating "insurance+ services", we continue to drive deeper and broader exploration and implementation in the fields of agricultural and rural emissions reduction, carbon sequestration, and innovative financial services for ecological environments. This approach highlights the importance of green development in our pursuit of high-quality growth.

Asset side

We are proactively seeking innovations in green investment products, with a focus on sectors such as energy conservation, environmental protection, clean production, renewable energy, ecological conservation, and infrastructure greening, aiming to drive consistent growth in green investments. We have established a unified platform for ESG standards and a rating analysis system, along with an ESG investment task force, to organize, guide, and oversee ESG investment-related activities across all subsidiary companies, ensuring the effective implementation of annual key initiatives. We refined a series of investment management regulations such as Measures for the Green Finance Investment Management and Rules for ESG Bond Investment, incorporating ESG issues into investment analysis and decision-making processes, promoting the implementation of the ESG investment management system and ESG investment risk management. In addition, the company has revised and improved its ESG-related investment policies, strengthened its climate risk measurement, and monitored the carbon emission levels of its investment projects, so as to continue to contribute to the 3060 goal.

Operation side

We are committed to fostering a comprehensive low-carbon operational framework. We have established a physical asset management system for the six major categories of assets related to carbon emissions and their operations, and created the first multi-dimensional integrated management model. In parallel, we have established a demonstration park for green and low-carbon operations, where energy-saving equipment modifications have significantly curbed workplace energy use. Our in-house developed ESG carbon footprint management platform for operations has enabled a visual representation of carbon emission data across various organizational, temporal, and energy consumption metrics. Furthermore, we have formulated and released the

Pre-investment ESG factor assessment	We have developed Policy on Responsible Investment and Measures for ESG Investment Management, identify potential ESG risks and opportunities, including climate change, and take them into account in our investment decisions.
Mid-investment	We systematically analyse climate-related risks and opportunities, strengthen the grading management of ESG risks in investment projects, continuously monitor the level of carbon emissions of the projects we invest in, and carry out due diligence management of high-carbon assets.
Post-investment	We tracked negative public sentiment on environmental and climate change risks to offer timely reminders and alerts.

Guidelines for the Green Operation and Management of Self-occupied Office Spaces in the Headquarters, which drives the adoption of smart building technologies, green technological overhauls, and the implementation of green operational practices. Moreover, we have developed a set of assessment indicators to foster positive change and to accelerate our progress in enhancing energy efficiency and embracing environmental sustainability.

For more climate-related information, please refer to the Report of CPIC on Addressing Climate Change 2023.



07

ESG Performance

- Environmental Performance
- Social Performance

Environmental Performance

Emissions

Emission of Waste Gas	2023	2022	2021
NOx emissions (kg)	17,818	17,862	19,219
SO ₂ emissions (kg)	216	218	232
Particulate emissions (kg)	1,662	1,643	1,818
NOx emission density (kg/RMB 100 million)	5.50	5.38	4.36
SO ₂ emission density (kg/RMB 100 million)	0.07	0.07	0.05
Particulate emission density (kg/RMB 100 million)	0.51	0.49	0.41

Emission of Greenhouse Gases (GHG)

GHG emission	2023	2022	2021
GHG emissions (scope 1) (tons of carbon dioxide equivalent)	45,085	43,519	45,930
GHG emissions (scope 2) (tons of carbon dioxide equivalent)	202,742	188,008	196,889
GHG emissions density (scope 1) (tons of carbon dioxide equivalent/RMB 100 million)	13.92	13.10	10.42
GHG emissions density (scope 2) (tons of carbon dioxide equivalent/RMB 100 million)	62.59	56.61	44.68

Notes: 1. GHG gases include carbon dioxide, methane, nitrous oxide, HFCs, PFCs and SF6.

2. The GHG gas emissions (scope 1) refer to the emissions caused by the use of fixed energy sources, while the GHG gas emissions (scope 2) refer to those caused by outsourced electricity.

3. The GHG gas emissions in 2021 were calculated according to the Accounting Methods and Reporting Guidance for GHG Emissions by Enterprises-Power Generation Facilities (revised in 2021) by the Ministry of Ecology and Environment and 2006 IPCC Guidelines for National Greenhouse Gas Inventory by the IPCC.

4. The GHG gas estimation boundary is based on the comprehensive scope of the Group, including its subsidiaries and branches, and the data for 2021 and 2022 is updated based on this scope.

Discharge of Waste

Discharge of waste	2023	2022	2021
Hazardous waste			
Lead acid storage battery (ton)	22.30	98.33	23.74
Carbon powder (ton)	37.53	34.15	27.55
Ribbons (ton)	4.62	8.05	4.80
Waste lamp tubes (ton)	3.83	3.02	3.95
Hazardous waste emissions (ton)	68.27	143.54	60.04
Hazardous waste emissions density (ton /RMB 100 million)	0.02	0.04	0.01
Non-hazardous waste			
Domestic garbage (ton)	5,473.01	4,909.28	670.89
Non-hazardous waste emissions density (ton/RMB 100 million)	1.69	1.48	0.15

Notes: 1. The above data is based on the comprehensive scope of the group, including its subsidiaries and branches, and changes will be made to the data for 2021 and 2022 based on this scope.

2. The reason for the high production of discarded lead-acid batteries in 2022 is the replacement of the second phase batteries in the Chengdu Data Center's lifecycle.

Resources and Energy Use

Resources use	2023	2022	2021
Consumption of natural gas (m ³)	2,246,862	2,043,191	1,967,417
Efficiency of natural gas consumption (m ³ /RMB 100 million)	694	615	446
Consumption of electricity (kWh)	337,940,289	310,203,029	320,200,589
Efficiency of electricity consumption (kWh/RMB 100 million)	104,320	93,395	72,667
Total energy consumption (MWh)	489,562	460,317	480,087

Notes: 1. The resources and energy usage estimation boundary is based on the comprehensive scope of the Group, including its subsidiaries and branches, and the data for 2021 and 2022 is updated based on this scope.

2. The consumption of energy was calculated according to the consumption of electricity and fuel as well as to the conversion factor stipulated in the General Principle for the Calculation of Total Production Energy Consumption (GB/T2589-2008).

Water resources	2023	2022	2021
Total consumption of water (ton)	1,413,897	2,071,132	2,375,863
Efficiency of water consumption (ton/RMB 100 million)	436.64	623.57	539.18

Note: The water statistics boundary in 2023 is the Group headquarters, CPIC Property and Casualty Insurance, CPIC Life Insurance, CPIC Health Insurance, CPIC Capital, CPIC Changjiang Pension, CPIC Asset Management and CPIC Fund Management, ect.

Resources use at data centers	2023	2022	2021
PUE of Tianlin Data Center	/	2.48	1.83
PUE of Chengdu Data Center	1.45	1.49	1.54
PUE of Luoqing Data Center	1.4	1.49	1.55
PUE of other owned and leased data centers	1.6	/	/
Electricity consumption at Tianlin Data Center (10,000kWh)	0	385	2,607
Electricity consumption at Chengdu Data Center (10,000kWh)	4,297	3,688	3,452
Electricity consumption at Luoqing Data Center (10,000kWh)	3,215	2,596	2,140
Electricity consumption at Songjiang Data Center (10,000kWh)	746	101	0

Notes: 1. PUE = total energy consumption of a data center/energy consumption of IT

2. The Tianlin Data Center was shut down after its lifecycle expired, and only tracked data from January to June for 22 years.

3. The newly leased Songjiang Data Center was put into operation in 2022, and the final operation of PUE began in January 2023 equipment

Paper use	2023	2022	2021
Paper use in offices (kg)	664,532	723,129	894,962

Note: The paper usage estimation boundary is based on the comprehensive scope of the Group, including its subsidiaries and branches, and the data for 2021 and 2022 is updated based on this scope.

Digitalization

Digitalization performance	2023	2022	2021
Annual number of electronic policies (10,000)	42,337	58,103	61,444
Ratio of CPIC Life Insurance's mobile post-sale (%)	89	92	87
Number of electronic invoices (10,000)	2,685	1,706	3,218
Volume of business solicited through mobile phones (10,000 policies)	4,568	4,620	4,419
Number of electronic endorsements (10,000)	1,688	5,840	3,552
Number of electronic letters (10,000)	21,258	23,261	32,645
Number of SMS notices (10,000)	141,128	171,707	220,770
Number of mobile claim settlement (10,000 policies)	1,107	668	863
Number of video conference (times)	26,663	37,237	25,470

Note: Number of electronic invoices: Due to adjustments to business models, some invoices were not issued automatically. Consolidated invoices were promoted.

Social Performance

Anti-corruption

Anti-embezzlement training	2023	2022	2021
Number of people trained	186,747	102,161	17,131
Length of training (hour)	102,798	51,906	12,843

Note: The number of people trained in 2023 anti-embezzlement training included those trained in compliance training for new employees, training sessions on misconduct accountability rules, anti-money laundering training, etc.

Employment

Employees	2023	2022	2021
Total number of employees	104,270	110,862	114,108
Number of newly added employees	6,119	10,180	12,823
Number of foreign employees	13	14	33
Number of disabled employees	133	203	137
Per gender			
Number of male employees	50,109	52,480	53,733
Number of female employees	54,161	58,382	60,375
Per the type of employment			
Number of employees under labor contracts	98,732	104,502	107,000
Number of employees under labor dispatch	5,403	6,148	6,815
Number of employees hired post-retirement	135	212	293

Employees	2023	2022	2021
Per age			
Number of employees at or under age 30	22,031	27,998	33,088
Number of employees in the age bracket of 31-40	51,237	52,853	52,042
Number of employees in the age bracket of 41-50	22,883	21,869	21,240
Number of employees at or over age 51	8,119	8,142	7,738
Per region			
North China	11,194	11,805	12,306
Northeast China	6,114	6,406	6,327
East China	41,116	42,104	44,525
Central China	13,878	14,709	15,229
South China	14,088	16,803	15,894
Southwest China	11,926	12,718	13,164
Northwest China	5,954	6,317	6,663
Per ethnicity			
Number of Han employees	98,693	105,052	108,097
Number of ethnic minority employees	5,564	5,796	5,978

Employee turnover rate (%)	2023	2022	2021
Total employee turnover rate	9.47	13.80	14.54
Per gender			
Male employee	10.38	15.67	15.49
Female employee	8.62	11.65	13.74
Per age			
Employees at or under age 30	19.69	29.57	26.69
Employees in the age bracket of 31-40	8.40	10.82	13.21
Employees in the age bracket of 41-50	4.16	4.11	4.45
Employees at or over age 51	3.44	2.82	2.28
Per region			
North China	7.24	6.63	9.47
Northeast China	6.23	6.00	12.57
East China	8.14	13.09	15.74
Central China	8.33	15.15	14.06
South China	16.45	20.40	20.15
Southwest China	10.94	19.28	16.10
Northwest China	9.34	8.55	13.08

Employee Health and Safety

Workplace casualties of employees	2023	2022	2021
Number of deaths from workplace accidents	1	0	0
Ratio of deaths from workplace accidents (%)	0.001	0	0
Number of working days lost to work injury (day)	1,838	3,247	2,011

Note: The deceased due to work was an employee of the Hebei Qinhuangdao Middle Branch of P&C Insurance, who died in a car accident while on the way to work.

Employees Training

Training of employees	2023	2022	2021
Total expenditure for employee training (RMB 10,000)	349	366	306
Staff training rate (%)	100	100	100
Average length of staff training (hours)	23.9	/	/
Per gender			
Ratio of male employees trained (%)	48.1	47.7	48.0
Average length of training for male employees (hour)	23.9	13.7	93.9
Ratio of female employees trained (%)	51.9	52.3	52.0
Average length of training for female employees (hour)	23.9	13.7	101.7
Per the type of employees			
Ratio of senior executives trained (%)	0.08	0.1	0.7
Average length of training for senior executives (hour)	23.62	13.4	100.8
Ratio of mid-level management trained (%)	0.99	0.8	5.0
Average length of training for mid-level Management (hour)	23.38	13.0	93.9
Ratio of ordinary employees trained (%)	92.65	99.1	94.3
Average length of training for ordinary employees (hour)	23.37	14.6	98.7

Note: The statistical caliber of employee training data in 2020 and 2021 is the group headquarters, and the statistical caliber will be adjusted to all internal employee in 2022.

Suppliers

Number of suppliers per region	2023	2022	2021
Per region			
Northeast China	2	2	3
North China	118	130	130
East China	319	323	363
Central China	10	6	11
South China	46	51	53
Southwest China	9	13	12
Northwest China	2	1	1
Overseas	2	1	3

Consumer Complaints

Consumer complaints in 2023	CPIC Property and Casualty Insurance	CPIC Life Insurance	CPIC Health Insurance
Number of complaints received	273,259	151,769	2,396
Number of complaint referrals from regulators	2,704	4,843	84
Number of complaints per RMB 100 million premium	1.44	2.08	5.49
Number of complaints per 10,000 policies	0.00	0.23	0.60
Number of complaints per 10,000 persons	N/A	0.03	0.12
Ratio of complaints handled and closed in a timely manner (%)	100	100	100
Ratio of complaints about vehicle insurance (%)	65.50	N/A	N/A
Ratio of complaints about non-vehicle insurance (%)	34.50	N/A	N/A
Ratio of sales disputes (%)	30.73	67.2%	0.00
Ratio of claim disputes (%)	69.27	8.2	39.29
Ratio of other disputes (%)	0.00	24.6	60.71

Consumer complaints in 2023	CPIC Property and Casualty Insurance	CPIC Life Insurance	CPIC Health Insurance
Per region			
East China (%)	5.33	17.2	/
North China (%)	18.60	18.0	28.57
Northeast China (%)	39.57	31.4	14.29
Central China (%)	6.77	12.3	/
South China (%)	14.35	5.4	50.00
Southwest China (%)	9.06	7.3	0.00
Northwest China (%)	6.32	8.5	/
Response to complaints about CPIC P&C Insurance			
	2023	2022	2021
Metrics for call center services			
Call completion rate (%)	98.50	98.29	98.62
IVR satisfaction for 95500 call services (%)	99.98	99.99	99.99
Metrics for efficiency of claim settlement			
Average claim settlement cycle time of current year (motor vehicle insurance) (day)	16.1	10.3	8.8
Average claim settlement cycle time for cases involving less than RMB 10,000 (motor vehicle insurance) (day)	8.6	10.2	8.7
Metrics for efficiency of complaints			
Ratio of P&C insurance complaints handled in a timely manner (%)	100	100	100
Ratio of P&C insurance complaints resolved all at once (%)	99.00	93.53	95

Response to complaints about CPIC Life Insurance	2023	2022	2021
Call completion rate (%)	99.27	99.65	99.51
Ratio of calls answered in 20 seconds (%)	99.26	99.55	99.48
Satisfaction of incoming call services	99.63	98.21	96.48
Metrics for efficiency of claim settlement			
Average settlement cycle time for small-amount claims (day)	0.15	0.17	0.16
Ratio of small-amount pay-out settled in 5 days (%)	98.5	99	99
Efficiency of complaint handling			
Ratio of major life insurance complaints closed (%)	100	100	100
Ratio of minor life insurance complaints closed (%)	100	100	100
Ratio of life insurance complaints handled in a timely manner (%)	100	100	100
Average complaint disposal cycle time for life insurance (day)	7.33	7.19	5.45
Satisfaction metrics			
Satisfaction about CPIC Changjiang Pension's client service hotline (%)	99.7	99.5	98.8
Satisfaction about CPIC Health Insurance's client service hotline (%)	99.62	99.61	99.7

Punishment received for violating marketing and underwriting laws	2023	2022	2021
CPIC Property and Casualty Insurance			
Times of punishment	17	18	31
Total amount of penalty (RMB 10,000)	479	407	604
Times of warning	2	3	4
CPIC Life Insurance			
Times of punishment	4	4	20
Total amount of penalty (RMB 10,000)	24	26.2	28
Times of warning	1	2	7



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Appendix

- Appendix 1 Progress in the Implementation of Principles for Sustainable Insurance
- Appendix 2 Implementation of the Responsible Investment Principle
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Appendix 1 Progress in the Implementation of Principles for Sustainable Insurance

Principles for Sustainable Insurance	Our progress
<p>We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.</p>	<ul style="list-style-type: none"> • Our business lines and seven subsidiaries have established their ESG functional departments and positions. They are forming ESG special teams based on their realities to consolidate organizational foundation and clarify objectives.
<p>We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.</p>	<ul style="list-style-type: none"> • We increased investment in clean energy, pollution and consumption reduction, climate change response, environmental protection, green transportation, etc., contributing to more diverse green insurance products and services.
<p>We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.</p>	<ul style="list-style-type: none"> • In partnership with the China International Contractors Association, we released the first domestic White Paper on International Engineering Professional Responsibility Risks, providing significant support for Chinese contractors to go global by enhancing their understanding of risks and improving their ability to reduce those risks. • We participated in the preparation of Green Insurance Classification Guidelines of Insurance Association of China. • CPIC participated in the preparation of the Standard for Work Safety Management of Shanghai Municipal Financial Institutions to fill the gap in the standard construction of work safety system in the financial industry. • CPIC held an ESG forum in the China International Import Expo and unveiled a book, Practice and Exploration of Green Insurance Innovation and the first group standard for low-carbon operation and management in the insurance industry, Technical Specification for Low-carbon Operation and Management of Insurance Companies.
<p>We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.</p>	<ul style="list-style-type: none"> • In accordance with the recommended framework of the Task Force on Climate-related Financial Disclosures (TCFD) of G20 Financial Stability Board, we disclosed our climate governance, strategy and goals, identification and assessment of climate-related risks, and our response to climate risks in our climate-related financial disclosure section.

Appendix 2 Implementation of the Responsible Investment Principle

Principle of Responsible Investment	Our actions
Incorporate ESG issues into investment analysis and decision-making processes.	<ul style="list-style-type: none"> • In both the Policy on Responsible Investment and Measures for ESG Investment Management, it is required to identify and quantify ESG risks before transactions, which should be considered into investment decision-making.
Be active owners and incorporate ESG issues into our ownership policies and practices.	<ul style="list-style-type: none"> • We accelerate our ESG investment capability building by establishing a unified platform for ESG evaluation standards and a rating analysis system. Additionally, we have formed an ESG investment task force to coordinate, guide, and supervise the ESG investment initiatives across all subsidiaries. • Subsidiaries have proactively developed new green financial products that align with their core businesses and primary operations, steadily increasing their financial backing for critical sectors.
Seek appropriate disclosure on ESG issues by the entities in which we invest.	<ul style="list-style-type: none"> • We focus our investment on green projects, show concerns for environmental and social impact of our projects, and in the process of project evaluation, consider the environmental impact and corporate governance. • We enhance our due diligence process, consider the ESG performance of the entities in which we would invest and take into account the possible effects of climate change and other factors on investment.
Promote acceptance and implementation of the principles within the investment industry.	<ul style="list-style-type: none"> • We have participated in the drafting of the Green Insurance Classification Guidelines (2023 Edition), the world's first self-regulatory industry standard for green insurance products, green insurance investments, and green operations of insurance companies and the Guidelines for ESG Disclosure by Insurance Institutions. • We published the Innovative Practice and Exploration of Green Insurance and the industry's first group standard on technical specification for low-carbon operation and management, Technical Specification for Low-Carbon Operation and Management of Insurance Companies.
Work together to enhance our effectiveness in implementing the principles.	<ul style="list-style-type: none"> • We strengthen our operational mechanisms by incorporating climate response initiatives into our annual ESG plans. Furthermore, we persistently track and guide key climate-related tasks and have put in place incentive and restrictive measures to form the closed-loop management. • Taking into account the characteristics of each business sector, we incorporate climate change response efforts into our management systems, standard frameworks, and implementation processes. This approach aims to continuously enhance our governance and control capabilities regarding climate risks.
Report on our activities and progress towards implementing the principles.	<ul style="list-style-type: none"> • We continuously exert efforts in areas such as climate change response, environmental pollution control, clean energy development, green transportation, and carbon market construction, making contribution to a steady, orderly, and step-by-step green and low-carbon transformation of society. In 2023, our green investments surpassed RMB 200 billion.

Appendix 3 Report Content Index

ESG Reporting Guide Index

Mandatory Disclosure Requirements	Governance Structure	P02; P13-14
	Reporting Principles	P01
	Reporting Boundary	P01; P17

Aspect	General disclosure and indicator description	Page
A1: Emissions	General Disclosure: Relating to air and greenhouse gas emissions ³ , discharges into water and land, and generation of hazardous and non-hazardous waste. (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	P24-25
	A1.1 The types of emissions and respective emissions data	P71-72
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P71
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	P72
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	P72
	A1.5 Description of emission target(s) set and steps taken to achieve them	P24-25
	A1.6 Description of how hazardous and nonhazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	P25
A2: Use of Resources	General Disclosure: Policies on the efficient use of resource ⁵ , including energy, water and other raw materials	P24-25
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility)	P72-73
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility)	P73
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them	P24-25

Aspect	General disclosure and indicator description	Page
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	P25
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	N/A
A3: The Environment and Natural Resourc	General Disclosure: Identification and response to major climate policies that may exert impacts on the issuer	P21-26
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	P21-26
A4: Climate Change	General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	P63-68
	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	P63-68
B1: Employment	General Disclosure: Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P41-42
	B1.1 Total workforce by gender, employment type (for example, full or part-time), age group and geographical region	P75-76
	B1.2 Employee turnover rate by gender, age group and geographical region	P77
B2: Health and Safety	General Disclosure: Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P44
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	P78
	B2.2 Lost days due to work injury	P78
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored	P44
B3: Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P43
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	P78
	B3.2 The average training hours completed per employee by gender and employee category	P78
B4: Labor Standards	General Disclosure: Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P42
	B4.1 Description of measures to review employment practices to avoid child and forced labor	P42
	B4.2 Description of steps taken to eliminate such practices when discovered	P42

Aspect	General disclosure and indicator description	Page
B5: Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain	P48
	B5.1 Number of suppliers by geographical region	P79
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	P48; P57
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	P48
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P48
B6: Product Responsibility	General Disclosure: Information on health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) relevant laws and regulations	P45; P59
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	N/A
	B6.2 Number of products and service-related complaints received and how they are dealt with	P45; P79-81
	B6.3 Description of practices relating to observing and protecting intellectual property rights	P60
	B6.4 Description of quality assurance process and recall procedures	N/A
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored	P58-59
B7: Anti-corruption	General Disclosure: Relating to prevention of bribery, extortion, fraud and money laundering (a) the policies; and (b) relevant laws and regulations	P57
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	P57
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	P57
	B7.3 Describe of the anti-corruption training provided to directors and employees.	P57
B8: Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	P49-50
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	P49-50
	B8.2 Resources contributed (e.g. money or time) to the focus area	P49-50

Guidance on Climate Disclosures Index

Framework	TCFD Disclosure	Disclosure Index
Governance	Describe the board's oversight of climate-related risks and opportunities.	P13-14; P55-56; P63
	Describe management's role in assessing and managing climate-related risks and opportunities.	P13-14; P55-56; P63
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	P63-67
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	P63-67
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	P63-67
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	P55; P64-67
	Describe the organization's processes for managing climate-related risks.	P55; P64-67
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	P55; P63-67
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	P71-72
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	P71
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	P25; P63; P67-68

The Environmental, Social, and Governance (ESG) Indicator System for State-owned Listed Companies in Shanghai of Shanghai State owned Assets Supervision and Administration Commission

Primary indicators	Secondary indicators	Third level indicators	Page
E Environment	E1 Environmental management	Environmental management objectives and systems	P25
		development of green products and use of environmental protection technologies	P21
		Total investment in environmental protection	-
		Environmental training performance	-
	E2 Energy	Energy management goals and planning	-
		Energy conservation measures	P25
		Development and application of renewable energy	P24
		Total energy consumption	P72
	E3 Resource	Resource management system and planning	-
		Water resource goals and planning	-
		Water conservation measures	P25
		Annual total water consumption	P73
		Management of Other Resource Usage	P25
	E4 Pollutant	Wastewater management goals and planning	-
		Measures to reduce wastewater discharge	P25
		Wastewater recycling usage	-
		Discharge of wastewater pollutants	-
		Waste gas management goals and planning	-
		Measures to reduce exhaust emissions	P25
		Emissions of exhaust pollutants	P72
Solid waste management goals and plans	-		

Primary indicators	Secondary indicators	Third level indicators	Page
E Environment	E4 Pollutant	Solid waste treatment measures	P25
		Solid waste emissions	P72
		Solid waste recycling, utilization, and disposal volume	-
		Other pollutant management	P25
	E5 Climate change	Identifying climate change risks and establishing goals and strategies to address climate change	P63
		Measures to support the "dual carbon" goal	P67-68
		Carbon verification/inventory measures	P24
		Greenhouse gas emissions	P71
	E6 Biodiversity	Biodiversity conservation system	P26
		Biodiversity conservation measures	P26
S Society	S1 Products and services	Product Safety and Quality Management System	P45
		Product research and development innovation	P21
		Intellectual property protection	P60
		Customer Information Protection and Privacy	P45
		Customer Service Management System	P45
		Responsible promotion	P45
		Customer complaint volume/complaint resolution rate	P80-81
		Customer satisfaction	P81
	S2 Employee responsibilities	Employee Employment and Composition	P75-76
		Employee turnover rate	P77
		Employee democratic management	P41

Primary indicators	Secondary indicators	Third level indicators	Page
S Society	S2 Employee responsibilities	Salary and Benefits System	P41
		Employee care	P44
		Employee satisfaction	P41
		Employee occupational health and safety management	P44
		Safety emergency management measures	P44
		Total investment in safety production	P44
		Performance of safety production training	P44
		Work related injuries and deaths	P78
		Employee physical examination coverage rate	P44
		Employee Career Development System	P43
		Employee training and practical measures	P43
		The effectiveness of employee development	P43
	S3 Supply chain responsibility	Supplier management system	P48
		Supplier ESG review	P48
	S4 Community responsibility	Carry out public welfare and charity activities	P49-50
		Public welfare and charity investment	P50
		Volunteer service performance	P50
	S5 Corporate Responsibility	Serve national or Shanghai strategy	P29-38
		Dealing with public crises	P47
		information safety	P58-60
Public service		P30-31	
Tax contribution		P06	

Primary indicators	Secondary indicators	Third level indicators	Page
G Governance	G1 Corporate governance	The leadership of the Party	-
		Chairman/General Manager separation	P53
		The proportion of external directors	P54
		Compliance management system	P57
		Risk Management System	P55-56
		Audit system	P58
		Measures to avoid violating business ethics	P56-57
		Anti monopoly and fair competition	P56-57
	G2 ESG Governance	Board involvement in ESG management	P13
		ESG Work organizational structure	P13-14
		ESG strategy/objectives	P13
		ESG stakeholder identification	P15-16
		Identification of substantive ESG issues	P17
		ESG related regulations	P13
		Carry out stakeholder communication activities	P15-16
		Linking management compensation to ESG performance	P14
		Specific business considerations for ESG elements	P23
	G3 Data governance	Basic platform construction	P38
		Data aggregation and interoperability	P38
		Data governance system	P38

GRI Standards Index

Instructions	China Taiping Insurance reported the information cited in this GRI content index based on the GRI standards from January 2023 to December 31, 2023.
GRI 1 used	GRI 1: Fundamentals 2021

GRI standards	Disclosure content	Page/remarks
GRI 2: General Disclosure 2021	Organization details	P05
	Entities included in the organization's sustainability reporting	P01
	Reporting period, frequency and contact point	P01
	Restatements of information	P72-P73
	External assurance	-
	Activities, value chain and other business relationships	P05
	Employees	P75-P76
	Workers who are not employees	P75
	Governance structure and composition	P14; P53
	Nomination and selection of the highest governance body	-
	Chair of the highest governance body	P04
	Role of the highest governance body in overseeing the management of impacts	P02
	of responsibility for managing impacts	-
	Role of the highest governance body in sustainability reporting	P02
	Conflicts of interest	-
	Communication of critical concerns	P15-P16
	Collective knowledge of the highest governance body	P54
	Evaluation of the performance of the highest governance body	P02
	Remuneration policy	P41
	Process to determine remuneration	-

GRI standards	Disclosure content	Page/remarks
GRI 2: General Disclosure 2021	Annual total compensation ratio	-
	Statement on sustainable development strategy	P02; P13
	Policy commitments	P23
	Embedding policy commitments	P23
	Processes to remediate negative impacts	P45
	Mechanism for seeking advice and raising concerns	P23
	Compliance with laws and regulations	P56
	Membership associations	P86
	Approach to stakeholder engagement	P15-P16
	Collective bargaining agreements	-
GRI3: Material Topics 2021	Process to determine material topics	P17
	List of material topics	P17
	Management of material topics	P17
GRI 201: Economic Performance 2016	Direct economic value generated and distributed	P06
	Financial implications and other risks and opportunities due to climate change	P64-P66
	Defined benefit plan obligations and other retirement plans	P41
	Financial assistance received from government	-
GRI 202: Market Presence 2016	Ratios of standard entry level wage by gender compared to local minimum wage	-
	Proportion of senior management hired from the local community	-
GRI 203: Indirect Economic Impact 2016	Infrastructure investments and services supported	P22; P34
	Infrastructure investments and services supported	P36
GRI 204: Procurement Practices 2016	Proportion of spending on local suppliers	-
GRI 205: Anti-Corruption 2016	Operations assessed for risks related to corruption	P57
	Communication and training about anti-corruption policies and procedures	P57
	Confirmed incidents of corruption and actions taken	P57

GRI standards	Disclosure content	Page/remarks
GRI 206: Anti-competitive Behavior2016	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P58
	Approach to tax	-
GRI 207: Anti-competitive Behavior2016	Tax governance, control and risk management	-
	Stakeholder engagement and management of concerns related to tax	-
	Country-by-country reporting	-
GRI 301: Materials 2016	Materials used by weight or volume	-
	Recycled input materials used	-
	Reclaimed products and their packaging materials	-
GRI 302: Energy 2016	Energy consumption within the organization	P72
	Energy consumption outside the organization	-
	Energy intensity	P72
	Reduction of energy consumption	-
GRI 303: Water and Effluents 2018	Reductions in energy requirements of products and services	-
	Interactions with water as a shared resource	-
	Management of water discharge- related impacts	-
	Water withdrawal	-
	Water discharge	-
GRI 304: Biodiversity 2016	Water consumption	P73
	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-
	Significant impacts of activities, products and services on biodiversity	P26
	Habitats protected or restored	-
GRI 305: Emission 2016	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-
	Direct (Scope 1) GHG emissions	P71
	Energy indirect (Scope 2) GHG emissions	P71
	Other indirect (Scope 3) GHG emissions	-

GRI standards	Disclosure content	Page/remarks
GRI 305: Emission 2016	GHG emissions intensity	P71
	Reduction of GHG emissions	-
	Emissions of ozone-depleting substances (ODS)	-
	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	P71
GRI 306: Waste 2020	Waste generation and significant waste-related impacts	-
	Management of significant waste-related impacts	-
	Waste generated	P72
	Waste diverted from disposal	-
	Waste directed to disposal	-
GRI 308: Supplier Environmental Assessment 2016	New suppliers that were screened using environmental criteria	-
	Negative environmental impacts in the supply chain and actions taken	-
GRI 401: Employment 2016	New employee hires and employee turnover	P75; P77
	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	P41; P44
	Parental leave	P41
GRI 402: Labor/Management Relations 2016	Minimum notice periods regarding operational changes	-
	Occupational health and safety management system	-
GRI 403: Occupational Health and Safety 2018	Hazard identification, risk assessment and incident investigation	-
	Occupational health services	-
	Worker participation, consultation, and communication on occupational health and safety	-
	Worker training on occupational health and safety	P44
	Promotion of worker health	P44
	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	-
	Workers covered by an occupational health and safety management system	-
	Work-related injuries	P78
Work-related ill health	-	

GRI standards	Disclosure content	Page/remarks
GRI 404: Training and Education 2016	Average hours of training per year per employee	P78
	Programs for upgrading employee skills and transition assistance programs	P42
	Percentage of employees receiving regular performance and career development reviews	-
GRI 405: Diversity and Equal Opportunity 2016	Diversity of governance bodies and employees	P54
	Ratio of basic salary and remuneration of women to men	-
GRI 406: Non-Discrimination 2016	Incidents of discrimination and corrective actions taken	P41
GRI 407: Freedom of Association and Collective Bargaining 2016	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-
GRI 408: Child Labor 2016	Operations and suppliers at significant risk for incidents of child labor	P42
GRI 409: Forced or Compulsory Labor 2016	Operations and suppliers at significant risk for incidents of forced or compulsory labor	P41
GRI 410: Security Practices 2016	Security personnel trained in human rights policies or procedures	-
GRI 411: Rights of Indigenous Peoples 2016	Incidents of violations involving rights of indigenous peoples	-
GRI 413: Local Communities 2016	Operations with local community engagement, impact assessment, and development plans	-
	Operations with significant actual and potential negative impacts on local communities	-
GRI 414: Supplier Social Assessment 2016	New suppliers that were screened using social criteria	-
	Negative social impacts in the supply chain and actions taken	-
GRI 415: Public Policy 2016	Political contributions	-
GRI 416: Customer Health and Safety 2016	Assessment of health and safety impacts of product and service categories	-
	Incidents of non-compliance concerning the health and safety impacts of products and services	-
GRI 417: Marketing and Labeling 2016	Requirements for product and service information and Labeling	-
	Incidents of non-compliance concerning product and service information and labeling	-
	Incidents of non-compliance concerning marketing communications	-
GRI 418: Customer Privacy 2016	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P59

SDGs

SDGs	Our Actions
	<ul style="list-style-type: none"> • We leveraged the essence of insurance to enhance the support of CPIC in key areas such as rural development, rural construction, and rural governance, and explored long-term mechanisms for rural revitalization
	<ul style="list-style-type: none"> • CPIC has provided various agricultural risk protection for nearly 23 million households, exceeding RMB 780 billion. Agricultural insurance claims have benefited 5.8 million households and paid compensation of nearly RMB 14.4 billion
	<ul style="list-style-type: none"> • CPIC Home implemented 14 projects in 12 cities across the country • CPIC is committed to prioritizing critical illness insurance, offering extensive coverage to safeguard the health of the general public. By the end of 2023, the critical illness insurance program has provided coverage to over 100 million individuals • Created such medical service brands as Taiyi Guanjia (an online medical service provider), CPIC Blue Passports (an integrated solution consisting of health services and medical insurance), and Yuanshen Rehabilitation (a professional convalescence brand)
	<ul style="list-style-type: none"> • Donated money to fund education, in the belief that "responsibility brings a bright future"
	<ul style="list-style-type: none"> • Recruitment: eliminate all discriminatory behaviors caused by gender • Salary: adhere to equal pay for equal work between men and women, and receive regular and full monthly salaries • Training and Promotion: strictly follow the company's rules and regulations, and eliminate all discriminatory behaviors caused by gender
	<ul style="list-style-type: none"> • The water use device adopts water-saving appliances and equipment, such as water-saving toilets, water-saving faucets, water-saving showers, high-pressure flushing water guns, etc. • Reasonably utilize non-traditional water sources such as recycled water and rainwater
	<ul style="list-style-type: none"> • Providing risk protection for various natural disasters and accidents during the construction and operation periods of green energy projects, covering insurance needs in fields such as hydroelectric power generation, photovoltaic power generation, and offshore wind power
	<ul style="list-style-type: none"> • CPIC attaches great importance to the physical and mental health of employees and the balance between work and life. It organizes employee sports games and provides psychological counseling and brain health care for employees through the CPIC Blue Foundation • Paid RMB 5.8904 million in solatia to 3,689 employees who encountered financial difficulties

SDGs	Our Actions
	<ul style="list-style-type: none"> Establish a comprehensive product system that covers the entire industry, lifecycle, and insurance types of integrated circuits, providing insurance coverage of RMB 643 billion for 300 upstream and downstream integrated circuit enterprises
	<ul style="list-style-type: none"> In accordance with the Law on the Protection of Women's Rights and Interests, and the Special Rules on the Labor Protection of Female Employees, among other laws and regulations, we insisted on equal pay for male and female employees, to put in place the maternity and breastfeeding leave for females and provide them with "parental leave"
	<ul style="list-style-type: none"> The Huiminbao program has covered more than 200 cities, with 53 million participants Dealing with 71 major natural disasters, with a cumulative claim amount of RMB 4.5 billion
	<ul style="list-style-type: none"> Management Measures, develop the Supply Chain ESG Management Guidelines, and add ESG related content in the Supplier Declaration
	<ul style="list-style-type: none"> In June 2023, the "CPIC-Carbon Inclusion" platform was officially launched. The platform has been launched in 10 institutions including Shanghai, Zhejiang, Beijing, Jiangxi, Guangxi, Wuxi, Ningbo, Yunnan, Wenzhou, Gansu, etc. As of the end of December, the number of account opening users has exceeded 250000
	<ul style="list-style-type: none"> Offered the public liability insurance against wildlife accidents, serving more than ten years in areas with frequent incidents of wild Asian elephants in Xishuangbanna and Pu'er, and disbursed more than RMB 410 million pay-out in insurance benefits to 187,000+ farmers Collaborate with local forestry departments to establish a "Ancient and Famous Tree Insurance" mechanism to continuously protect ancient and famous tree communities
	<ul style="list-style-type: none"> Enhanced the control and prevention of integrity risks to forestall corruption risks Regularly communicated compliance requirements, as well as the requirements to combat fraud, money Laundering, organized crimes, illegal fund-raising, etc.
	<ul style="list-style-type: none"> Collaborate with external institutions to conduct sustainable development research, share research results in areas such as risk management, climate change, and safety production

Appendix 4 ESG Rating and Index Performance

Name of ESG index	Name of ESG index Notes
Hang Seng (China A) Corporate Sustainability Benchmark Index (HSCASUSB)	Incorporated
Shanghai and Shenzhen 300 ESG Leading Index	Incorporated
Shanghai and Shenzhen 300 ESG Benchmark Index	Incorporated
Beautiful China ESG 100 Index	Incorporated
MSCI ESG rating	BBB
FTSE Russell ESG rating	2.7
Social responsibility of local SOEs-Vanguard 100 Index	The 50 th place

Appendix 5 Contact Us

Dear readers,

Thank you for sparing time to read the China Pacific Insurance 2022 Sustainability Report. In order to better meet your needs and provide you with more valuable information, as well as to facilitate our continuous improvement of sustainability performance, we earnestly hope that you can provide valuable comments on the reports by giving us feedback through the following means.

Address: No.1, South Zhongshan Road, Shanghai

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Department: China Pacific Insurance (Group) Co., Ltd. Brand Department

Thanks!

China Pacific Insurance (Group) Co., Ltd.

March 2024



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