



This report is printed on recycled paper.
Copyright of this report is owned by CPIC and this report
may not be reproduced or translated without permission of CPIC.
You are welcome to submit comments and suggestions.



2018

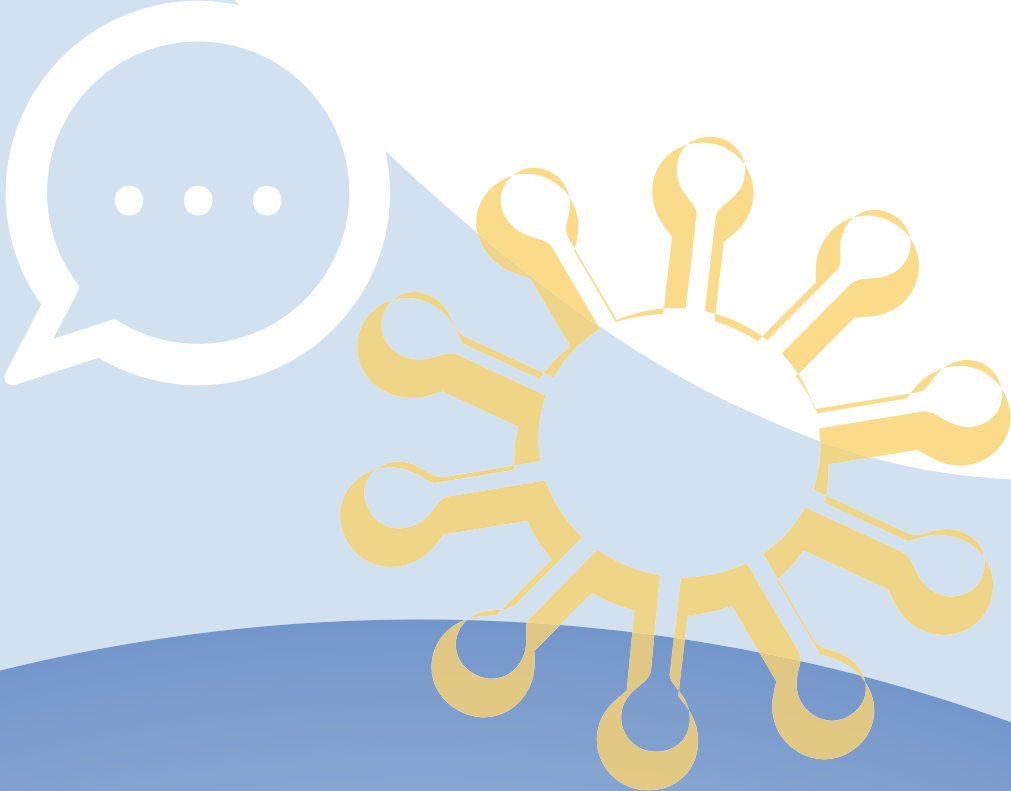
CHINA PACIFIC INSURANCE
CORPORATE SOCIAL RESPONSIBILITY REPORT



Definitions

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below:

- **China Pacific Insurance, CPIC, CPIC Group, the Group**
refers to China Pacific Insurance (Group) Co., Ltd.
- **CPIC Life**
refers to China Pacific Life Insurance Co., Ltd., a holding subsidiary of CPIC Group
- **CPIC Property, CPIC P/C**
refers to China Pacific Property Insurance Co., Ltd., a holding subsidiary of CPIC Group
- **CPIC AMC**
refers to Pacific Asset Management Co., Ltd., a holding subsidiary of CPIC Group
- **CPIC HK**
refers to China Pacific Insurance Co., (H.K.) Limited, a wholly-owned subsidiary of CPIC Group
- **CPIC Allianz**
refers to CPIC Allianz Health Insurance Co., Ltd, a holding subsidiary CPIC Group
- **Changjiang Pension**
refers to Changjiang Pension Insurance Co., Ltd., a holding subsidiary of CPIC Group
- **Anxin Agricultural Insurance**
refers to Anxin Agricultural Insurance Co., Ltd., a holding subsidiary of CPIC Group
- **CPIC SLIM**
refers to Pacific Insurance Senior Living Investment Management Co., Ltd., a holding subsidiary of CPIC Group.
- **Hong Kong Stock Exchange, HKSE**
refers to The Stock Exchange of Hong Kong Limited
- **RMB yuan, yuan**
refers to Renminbi yuan



Contents

- 02 --- Definitions
- 04 --- Contents
- 06 --- Chairman's statement
- 08 --- About us

10

Focus:

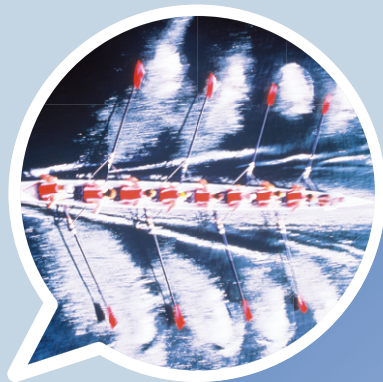
- Transformation 2.0:
gear up for high-quality development
- Targeted poverty alleviation:
fight poverty the CPIC way
- Technology empowerment:
make insurance more considerate
- Insurance centers on protection, serving
national economy and people's livelihood

- 62 --- ESG Report
- 80 --- HKSE ESG Index
- 81 --- GRI Index
- 86 --- About This Report
- 87 --- Contact Us



1. To customers: Insurance services which show our care

- 28 Customer Festival: creating a service ecosystem
- 29 Enhancing customer's sense of gain with stronger protection
- 31 Further improving service system for customers



2. To employees: Environment for talent cultivation



- 34 Platform for career development
- 35 Multi-dimensional support to agents
- 37 Diversified activities for employee engagement



3. To shareholders: Sustainable value growth

- 40 Optimizing corporate governance to build an efficient governance system
- 41 Pursuing sustainable value creation through high-quality development
- 42 Building best risk control through long-term management



4. To society: Heavier social responsibility

- 46 Coming to your rescue in face of disasters
- 47 Building the future with love
- 48 Supporting cultural and sports cooperation



5. To environment: Well-protected green ecology

- 52 Promoting green insurance to tackle environmental risks
- 54 Promoting green operation to reduce carbon emissions



6. To the industry: Cooperation for common development

- 58 Stepping up joint efforts for industry progress
- 60 Spreading insurance awareness for a better world

Chairman's Statement



Pursue dreams and stay true to the times

In 2018, we prepared and geared up for the high-quality development of CPIC's Transformation 2.0. Looking back, each day was different and exciting in 2018. We feel a great sense of honor and responsibility to be your partner. As we value and honor our social responsibility, we collaborate with and complement each other, a point we cherish and appreciate deeply.

President Xi Jinping said: "Dynamic and stable finance leads to dynamic and stable economy; and in turn, prosperous and strong economy brings about prosperous and strong finance. With a shared destiny with China, we adhered to our responsibility and committed ourselves to rigorous development in the past year, launching a cluster of 13 transformation projects with remarkable results. With stable business quality and growth rate consistent with our industry status, we enjoyed ever-improving synergy. We respond to the expectation and trust of the society, the industry, our shareholders, customers and employees with a more stable, cohesive, innovative and warmer attitude, giving more people a sense of gain, security and happiness.

Stability underpins long-term growth. In the first year of the Group's new board of directors, we clearly defined our strategic positioning and strengthened strategic control. We achieved satisfactory results by leveraging internal development against external changes. With outstanding performance of corporate governance, we won the 2018 Outstanding Board Award and Outstanding Director Award granted by the Hong Kong Institute of Directors. For the eighth consecutive year, we made the Fortune Global 500 list, and ranked No. 220, landing on the upper half of the list for the first time in our history. In 2018, the Group obtained excellent results in the evaluation of corporate governance of 140 Chinese-funded insurance institutions by China Banking and Insurance Regulatory Commission. CPIC Life and CPIC P/C both won top rating in regulatory assessments for the past 2 consecutive years, i.e., AA for customer service and A for business operation, thus becoming a new benchmark for corporate governance, service brand and business operations.

In 2018, we geared up for the Transformation 2.0, focusing on 5 key areas of transformation: talent development, digitization, synergy, strategic control, and business expansion. In November 2018, the first China International Import Expo was successfully held in Shanghai, and CPIC became its sole property and casualty insurance sponsor, providing comprehensive risk protection with sum assured up to RMB 35 billion, winning praises from the participants with its responsible, smart, and professional insurance service. In personal tax-deferred pension insurance, we not only issued the first policy in China, but also ranked No. 1 by market share and premium income thanks to coordinated promotion by CPIC Life, CPIC P/C and Changjiang Pension. At the end of 2018, CPIC Home, our first high-quality elderly-care community project kicked off, marking our breakthrough in elderly care investment. With a strengthened system of meritocracy, CPIC enables employees to better pursue career development amid Transformation. We applied numerous new technologies to the contact points of various processes to become a leader in innovation. In terms of targeted poverty alleviation, we provided insurance coverage with a total sum assured of RMB 1.36 trillion to cover a registered poverty-stricken population of 4.29 million. All the above achievements were evidence and record of our exciting progress made in the past year.

It is worth mentioning that we have been releasing a stand-alone corporate social responsibility report for ten consecutive years. Over the past 10 years, we made continuous progress in our understanding and performance of corporate social responsibility. At the beginning, we simply saw social responsibility as social welfare. Now we consciously integrate social responsibility into every aspect of our business operation and management, making social responsibility part of our values for all employees. What is social responsibility? How to fulfill social responsibility? As CPIC grows, we have ever clearer answers.

As a Fortune 500 company with 126 million customers, 107,700 employees, 847,000 agents, and 106,000 shareholders, we always believe that all our exploration and practice in corporate social responsibility will be properly rewarded in the future. And whatever CPIC achieves, it belongs not only to us, but also to every one of you who participates in CPIC's cause one way or the other.

Looking ahead, we see hope and a better future. With a shared destiny with the country, CPIC, turning 30 in a few years, will always commit itself to social responsibility, strive for industry leadership for steady and healthy development, and better serve the real economy and people's livelihood, thus creating higher value and assuming greater responsibility.

In 2019, we will continue to pursue steady growth, breakthroughs and progress and stay true to our missions, our dreams and our responsibilities. By injecting a drop of water each day, you will get in return a "Pacific Ocean" at hard times. Let us go forward side by side to pursue our dreams...

Chairman of CPIC Group

About us

China Pacific Insurance (Group) Co., Ltd. (hereinafter referred to as “CPIC”, “the Group” or “the Company”) is an insurance group constituted on top of the China Pacific Insurance Company, a company established on 13 May 1991. The head office of CPIC is located in Shanghai. We are a leading comprehensive insurance group in China that is listed in both A-share and H-share market.

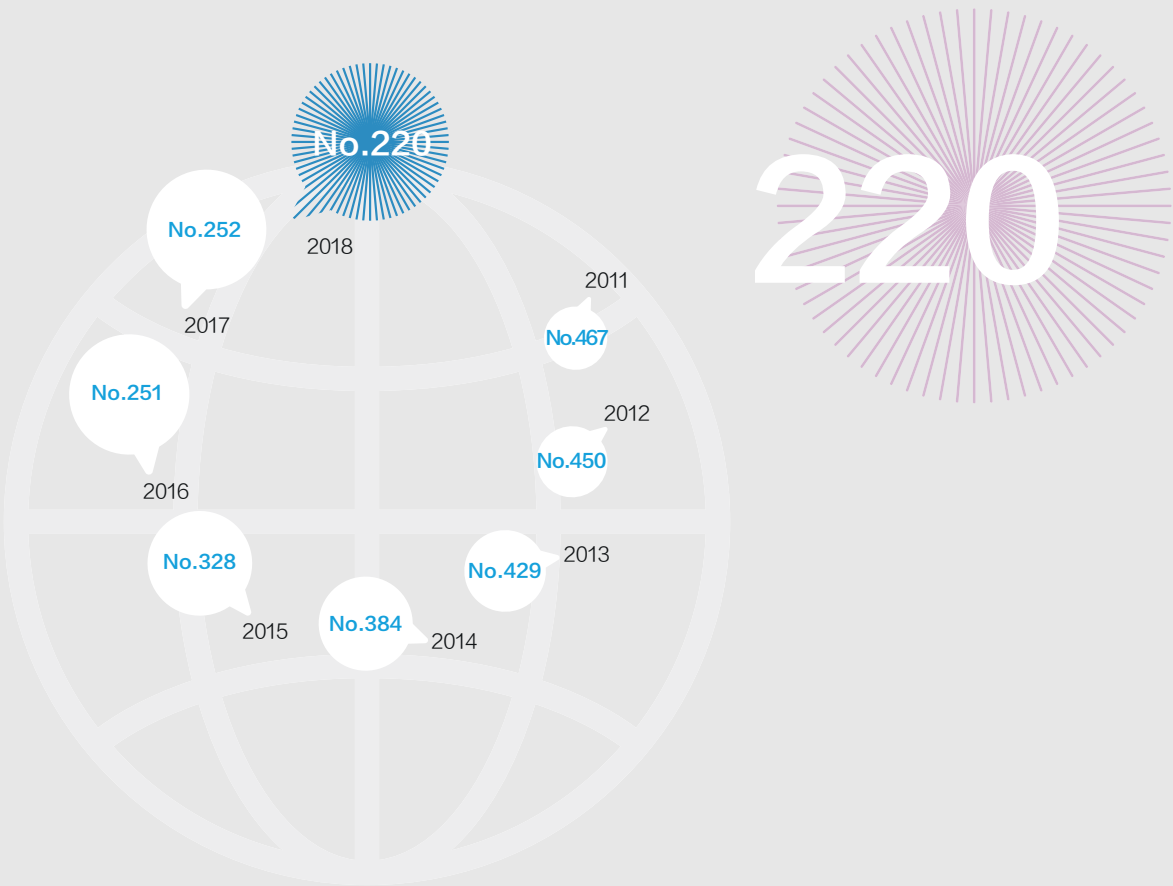
Guided by customer needs, we focused on the main business of insurance, refined business lines, and constantly innovated our products and services, achieving ever-increasing strength and value growth. We have made the Global Fortune 500 List for 8 consecutive years. With extensive distribution networks and service platforms across China, we are providing over 126 million customers with a broad range of insurance protection and asset management services.

With a vision of “industry leadership for healthy and stable development”, we have internalized corporate social responsibility as a driving force for sustainable development and together with all stakeholders worked hard to meet the people’s needs for a better life. In 2018, we won the “Outstanding Enterprise Award” in the China Corporate Social Responsibility List for the ninth consecutive year, and were elected again in the China A-Share Market Environment, Society and Governance (ESG) “The Best 50 Index”.

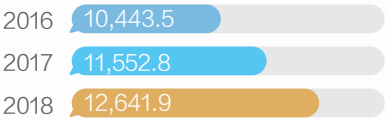


Our growth

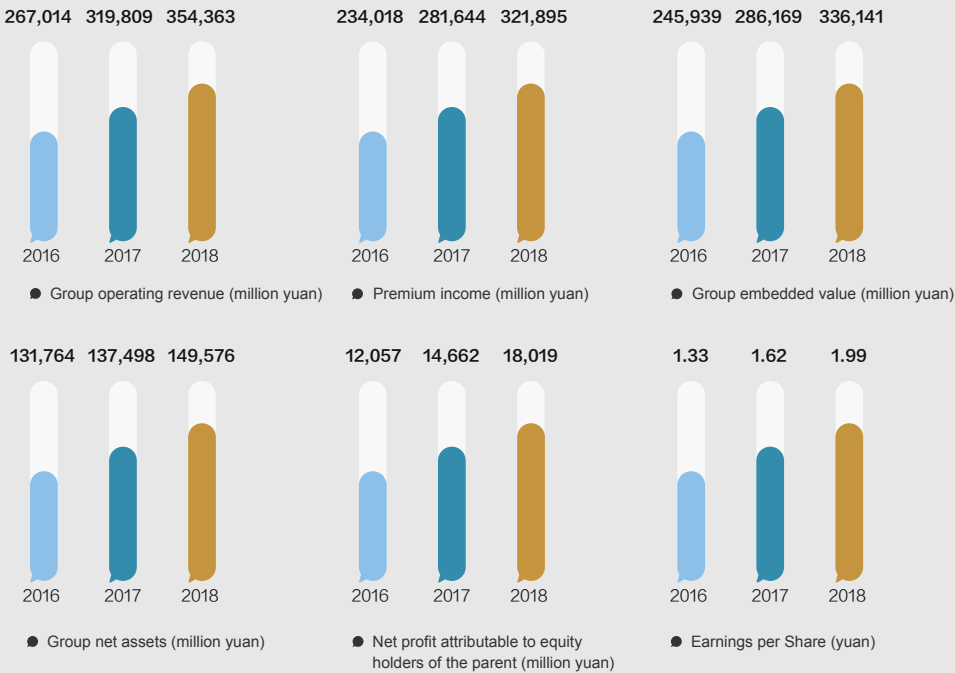
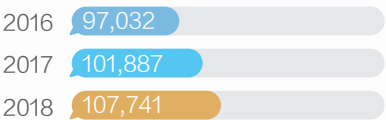
Fortune Global 500 rankings



Number of customers (10,000)



Number of employees





Focus

Transformation 2.0 Gear up for high-quality development

We insist on being a “long-distance runner” in the insurance industry. In 2018, we started our Transformation 2.0 in a comprehensive manner, focusing on transforming the growth mode, optimizing the business structure and shifting the development momentum, and opening up a new journey for quality development of CPIC.

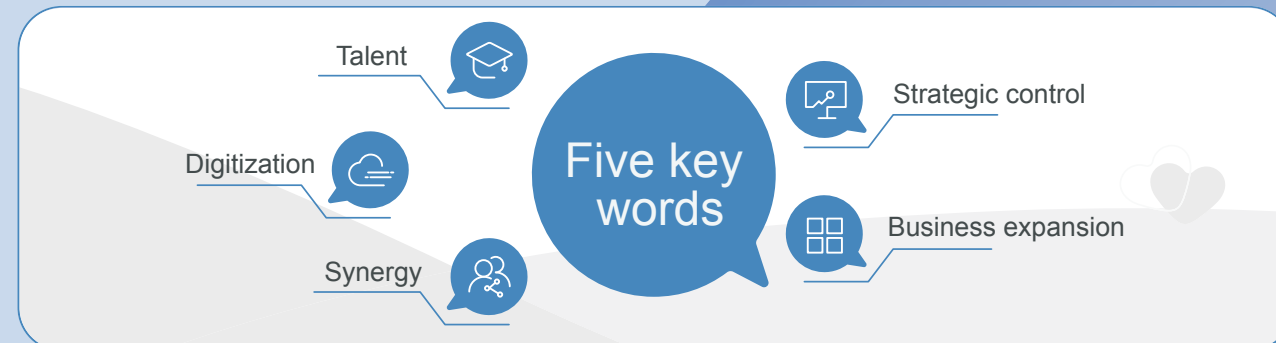


Vision and goal

Strive for “**industry leadership for healthy and stable development**”, with the best customer experience, business quality, and risk control.



Five key words



Organizational guarantee

We set up a steering committee for deepening transformation and a Transformation 2.0 think tank composed of external advisers and internal experts. The Group issued the “Management Measures for Strategic Transformation 2.0” to define the responsibilities and work processes of the relevant parties such as the Group, its subsidiaries and branches and promote Transformation 2.0 through organizational guarantees in decision-making, execution, think tank and management.



Roadmap of Transformation 2.0

2017 Planning
2018 Gearing up
2019 Overcoming difficulties
2020 Forging ahead
2021 Completion



Plan and launch 15 project sets for Transformation 2.0

Centering on the Company's core business, growth opportunities and organizational health, we planned 15 sets of projects based on the blueprint for Transformation 2.0.



Front line of transformation

Create high-quality talent team for transformation

On October 22, 2018, CPIC Group held the first work conference on talent cultivation and issued the "Three-Year Action Plan for Talent Development System Innovation". This was a key step to effectively strengthen the talent team. The Action Plan is guided by the vision of Strategic Transformation 2.0, and establishes a system of "strengthened meritocracy", with planning for talent development for the next 3 years. In December, the Group completed its first large-scale organizational restructuring in the past 10 years, aiming to build up a "synergy-driven value creation" headquarters.



CPIC Group's first work conference on talent cultivation



"100 Exemplary Bases for Cross-sell" promotes synergy between P/C and life business.

In 2018, CPIC P/C and CPIC Life, leveraging the "100 Exemplary Bases for Cross-sell", carried out a variety of collaboration based on local conditions to support cross-selling. Branches in Anhui, Wenzhou, Qingdao, Suzhou and other places developed exclusive services for automobile insurance customers from cross-selling by life agents, including value-added services such as "personnel health check + vehicle safety test + annual vehicle inspection-related service". Explorations in sales management and team integration were made in all the branches. For example, the Shenzhen Branch's cross-selling management department set up joint offices to provide seamless solutions to front-line problems. The Hebei Branch piloted the "1000 Claims Adjusters" Program to train life agents into claims adjusters for small amount P/C claims. Moreover, the branch's P/C business general managers at all levels visited the life business outlets regularly to solve pain points of sales service. Branches in Anhui and Zhejiang focused on renewal premiums management for "orphan policies".

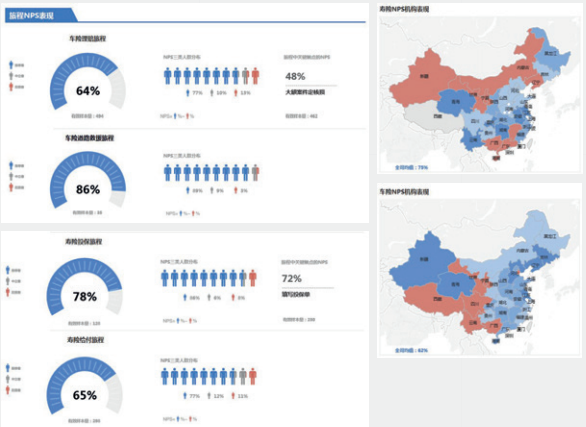


Jointly build up the "100 Exemplary Bases for Cross-sell" to promote synergy between life and P/C business

Transformation 2.0: Gear up for high-quality development

Interactive NPS real-time monitoring platform put to use at CPIC P/C and Life branches

On 1 September 2018, CPIC's interactive NPS real-time monitoring platform was officially launched and put into use in 41 P/C and Life branches. Independently developed by CPIC, it is a customer interaction big data platform featuring automatic NPS monitoring and automatic analysis of customer feedback, first of its kind in the industry. By the end of 2018, the platform has covered six contact points in the four customer journeys: automobile claims settlement, life insurance application, benefit payment, renewal management, with six functions including automatically triggered investigation, automatic data recovery, NPS real-time monitoring, and auto-generation of welcome calls, NPS driving factor analysis, and NPS multi-dimensional analysis. The platform can make quick calls to detrimental customers to reduce customer churn and negative word of mouth. At the same time, the platform can display customer experience changes and pain points through data analysis of large-sized samples, thus contributing to targeted measures to optimize customer experience.



Launch of E-invoice, a digitized invoice management product

On November 23, 2018, "E-invoice", CPIC's digitized invoice management product, was launched in CPIC's 811 outlets nationwide. Since the trial operation on July 20, "E-invoice" has examined 480,000 invoices and certified 340,000 invoices. The overall operation was stable and orderly, and has achieved good results in improving user's reimbursement experience and strengthening risk prevention and control.

The industry-leading "E-invoice" digitizes the whole process of invoice receiving, covering 15 related processes such as expense reimbursement, procurement, claims settlement, and channels. It adopts a "dual-channel" mode (direct-connect tax bureau channel and the crawler channel) to guarantee the stability of data acquisition and business operations. It also supports "dual automation": automatic authentication of value-added tax special invoice, and automatic switch of income year, shortening the certifying period from 2-6 days to as little as one hour, thus leading to much quicker payment to the customers. Thanks to "E-invoice", about RMB 10 million of labor cost of invoice authentication can be saved each year. With the integration of "Automatic acquisition + intelligent examination", "E-invoice" can process an invoice in 20 seconds, compared to 3 minutes in the past. In addition, with expanded reimbursement scope for electronic invoice, customers need not print out their invoices any more, a big convenience for customers applying for reimbursement.





Focus

Targeted Poverty Alleviation Fight Poverty the CPIC Way



Insurance has a unique advantage in tackling poverty-causing risks. Using our business and Group synergy advantages, and focusing on deeply-impooverished regions, we explored and established a long-term mechanism for targeted poverty alleviation. In 2018, the Company invested RMB 21.3 million in poverty alleviation, and helped a total of 4.29 million registered poverty-stricken households with various types of poverty alleviation projects, providing insurance coverage with a total sum assured of RMB 1.36 trillion.

Fight poverty with insurance

In recent years, we continued to expand, improve and upgrade our business-based poverty alleviation projects targeting the risks that the impoverished population may face in the process of fighting poverty.

Alleviate poverty with dread disease insurance, providing tertiary protection for the poor

We have undertaken 22 serious disease insurance-based poverty alleviation projects in 10 provinces across the country, covering 2.26 million registered poverty-stricken households, providing insurance with total sum assured up to RMB 775.3 billion, and making 57,000 payouts totaling at RMB 59.19 million. In addition, we launched a preferential poverty alleviation mechanism for registered poverty-stricken households to further expand coverage by means of lowering deductibles and raising reimbursement rates.

Xianning Model of Supplementary Medical Insurance

By the end of 2018, the targeted poverty alleviation supplementary medical insurance project undertaken by CPIC had covered 369,000 people from the category I&II of the registered poverty-stricken population in Xianning, Hubei Province.

The "Xianning Model" has four characteristics: first, full coverage of the region where the project is running. It covers all the registered poverty-stricken population in all the 6 counties and districts within the city's jurisdiction. Second, high publicity exposure. Door-to-door distribution of publicity materials in towns and villages was carried out to ensure 90% of people know about the project. Third, strictly controlled payment schedule. The claims of medical expenses incurred before the go-live of settlement system would be adjusted manually, and the payment shall be made within 3 working days. Fourth, high insurance protection. The combined reimbursement rate of the basic medical insurance, dread disease insurance and supplementary medical insurance was as high as 91.9% on average.

Launched Fang Pin Bao (anti-poverty insurance) to tackle pain points in poverty alleviation and reduce risks of falling back into poverty.

Very often, we see many people fall back into poverty unexpectedly while they strive to stay above the poverty line, which is a persistent problem in poverty alleviation. To solve this problem, CPIC developed Fang Pin Bao, the first commercial anti-poverty insurance product in the industry, to help people prevent poverty caused by illness, disaster, or schooling expenses.

Pilot Fang Pin Bao: build a protective wall for poverty alleviation

Fang Pin Bao focuses on helping low-income households on the verge of poverty and households slightly above the poverty line but with low and unstable per capita income, and on monitoring the risk of them falling back into poverty due to illness, disaster, or schooling expenses. CPIC cooperates with township and village government agencies to carry out insurance payment verification, and distributes Fang Pin Bao payments to eligible recipients to ensure that the per capita disposable income of the people prone to poverty is not lower than the anti-poverty warning line which is determined based on factors such as the number of people on the verge of poverty or prone to poverty in the jurisdiction, the insurance fund budget of the jurisdiction, the per capita disposable income of the counties within the city's jurisdiction, and the national poverty standards of the previous year.

Since the pilot of Fang Pin Bao in Wei County, Hebei Province, there have been 742 people who received payments totaling at RMB 7.58 million. In 2018, there was no new case of poverty in Wei County. Thanks to this, Fang Pin Bao won high praises from the State Council's Poverty Relief Office, the local governments in the region where the project is piloted, and the project-covered population.



CPIC staff issue Fang Pin Bao payments to poverty-stricken households.

Insurance + futures, hedging market risks and ensuring income of poverty-stricken households

In recent years, we have launched 120 agricultural insurance products according to the characteristics of local industries that cover farmer's income, agricultural product prices, and agricultural output, covering 25 provinces, autonomous regions and municipalities directly under the Central Government. The categories covered include livestock, poultry, agricultural and sideline products, and cash crops.



Cotton price insurance in Kalpin County, Aksu, Xinjiang Autonomous Region

Qilang, a town of Kalpin county, located in the Aksu region of the Xinjiang Autonomous Region, is in a deeply-impooverished area in China. Cotton industry is the leading local industry for Qilang, but due to natural disasters and other reasons, cotton prices continue to fluctuate, and cotton farmers face the risk of falling cotton prices, thus unable to guarantee their income. Since 2017, CPIC and Zheshang Futures Co., Ltd have been jointly running the "insurance + futures" cotton prices insurance project, and the pilot project obtained support from the Zhengzhou Commodity Exchange.

The project is based on the target price of the cotton futures contract in the Zhengzhou Commodity Exchange. Once the cotton price is lower than the target price, cotton farmers will receive insurance payments; and when the price rises, the cotton farmers will sell their cotton at market prices to obtain profit. The project provided a total risk protection of RMB 100 million, benefiting 1217 households (including 215 registered poverty-stricken households) of cotton farmers in Qilang. The volume of cotton traded through the futures market reached 5,000 tons. This "insurance + futures" project has been extended to cover a number of counties and towns in Aksu and Kashgar.



Targeted Poverty-Alleviation Fight Poverty the CPIC Way

Fight Poverty with Innovation

Focusing on key poverty-stricken areas and targeting villages, towns and schools, we innovated means of poverty alleviation, developed a poverty alleviation-oriented e-commerce platform, and explored and established long-term anti-poverty assistance mechanisms.

Paired help for the "2 towns and 3 villages"

In October 2018, CPIC established a 3-year paired help relationship with two towns in Inner Mongolia's and three villages in Yunnan Province, striving to complete the poverty alleviation tasks for the above places through insurance.

In 2018, CPIC signed an agreement with one of the "2 towns" in Inner Mongolia for exclusive sales (from 2018 through 2020) of the local agricultural and sideline products of this town, while CPIC P/C dispatched employees to this town to serve temporary posts there, donated coal for winter heating to a primary school in this town, held training courses for local financial cadres, submitted application for setting up local branches, and promoted Fang Pin Bao there.



The party secretary and chairman of the Group, Kong Qingwei, talks to villagers in Zhuopan Village, Yongping County, Dali, Yunnan Province.

Fight poverty through financial aids to schools and students in the "3 regions and 3 prefectures"

In 2018, CPIC established school-enterprise cooperation demonstration bases with local vocational colleges in the "3 regions and 3 prefectures" area. Total donation reached RMB1.3 million in the first year. And through scholarships and grants, CPIC helped 645 poverty-stricken students. We also helped local schools to set up all-round development courses, and offered internship opportunities and employment presentations for outstanding students. In the future, we will work hard to help those poverty stricken students of relevant majors with their employment.

At the same time, CPIC pays great attention to the education and growth of children in poverty-stricken areas. In 2018, it donated a total of RMB 880,000 to a school in Nujiang prefecture, Yunnan Province to set up the first Project Hope primary school in the "3 regions and 3 prefectures" area, while conducting various education-supporting public welfare activities.

CPIC also held two training courses for outstanding young financial cadres in the "3 regions and 3 prefectures" to enhance their professional ability in poverty alleviation. More than 70 young professionals from local government departments, finance institutions and poverty alleviation organizations participated in the training.

"10,000 employees for 10,000 households" Program

In 2018, CPIC launched the "10,000 employees for 10,000 households" program, building a platform for one-on-one pairing of employees with poor households. 10,000 employees from more than 40 CPIC branches paired with 10,000 poverty stricken households in the "3 regions and 3 prefectures" and "2 towns and 3 villages". CPIC helped poverty stricken households with targeted donations to schools and students, donating daily necessities and insurance products.

In September, CPIC held a launching ceremony of the program in Shanghai, pledging donations of about RMB130,000 to 242 poor households in the "3 regions and 3 prefectures", covering their needs such as daily necessities, procurement of agricultural materials and equipment, schooling expenses, and renovation of dilapidated houses.

Rainbow Platform

In 2017, CPIC launched the "Rainbow Platform", an e-commerce platform for targeted poverty alleviation, to help registered poverty-stricken farmers sell their agricultural and sideline products, and build a long-term assistance mechanism for CPIC employees and poor households. By the end of 2018, many kinds of products have been launched on the platform, and the amount of assistance reached nearly RMB 5.2 million through online sales, benefiting 2,767 registered poverty stricken households.

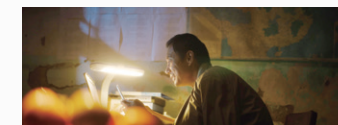


People scan QR code to buy Rainbow Platform products at the "Tai Ai Pao" event.

Station employees in poor villages to fight poverty

In recent years, CPIC has been sending employees to poor villages to better help the development of local industries and alleviate poverty. By the end of 2018, 223 CPIC employees had been stationed in poverty-stricken villages in 25 provinces, municipalities and autonomous regions, of which 49 served as the first secretary of the village where they stayed.

In the meantime, CPIC strengthened the internal and external publicity of poverty alleviation done by employees stationed in the villages, showing highlights of their work, and creating a good atmosphere of public opinions for poverty alleviation. The H5 A Village Secretary from CPIC: Road of Poverty Alleviation was selected as one of the "Top 10 New Media Work of the Insurance Industry 2018" by the China Insurance Association. CPIC-made micro-movie My Alumni Association, based on the real experience of CPIC's employees stationed in villages, and CPIC's poverty alleviation-themed documentary films received a lot of public attention.



My Alumni Association, a micro-movie based on the real experience of Hu Shangrong, a village-stationed CPIC employee.

The first snow since I came to the village

On the morning of December 9th, I went straight to the matsutake test field immediately after I got up. Since the trench wasn't deep enough, a lot of water accumulated in the field. I rushed to find Lu and went back to the field with pickaxes and shovels. We were digging the trench in the rain. The test plot wasn't large. But the villagers attached a lot of hope to it. Once the test succeeds, they would start planting matsutake. So I must take good care of the test plot. We kept digging until about 9:30 am that day. Watching the water in the field flowing to the pond through the deepened and broadened trench, I felt warmed at heart though I was all wet in the rain. But my relief didn't last long. I noticed that on a nearby hillside a lot of thick bamboo was overwhelmed by the snow and I could even hear the squeaking sound of the broken bamboo. I felt very sad because the bamboo was the property of the villagers. In the face of natural disasters, there was not much they could do.

Lu and I went home to put on some dry clothes and drove to the villagers' committee office to find the party secretary of the village to discuss with him the work of clearing roads and visiting poor villagers. We didn't drive far before we met the secretary on the way. He was on his motorcycle and his face was red with cold. He was going to the villagers' committee office too, for the same purpose as ours. Later, the village leaders and work team, divided into 4 groups, rushed to the hard-hit areas of village with tools for disaster relief...

——Yan Baihong (an employee from CPIC Life Hunan Branch, stationed in Jiaolin Village, Dongkou County, Hunan Province)



Yan Bohong, a village-stationed CPIC employee, plants rice seedlings in the field, and helps villagers sell their homemade tea products.



Technology Empowerment Make insurance more considerate



New technologies represented by big data and artificial intelligence have profoundly impacted the insurance industry. Technology is an important pillar of CPIC's Transformation 2.0, and the Company has increased its R&D investment in basic and key technologies through technological innovation, providing customers with one-stop service and consistent experience.

The Company ranked first in the annual informationization evaluation of the Shanghai SASAC, and became the first company in the country to pass the TMMi Level-5 certification.

More integrated insurance account

For a long time, the insurance industry has been largely based on policy management, lacking customer-based insurance accounts. CPIC has built a full-data, real-time, structured insurance account platform capable of processing hundreds of millions of customers that covers the entire product chain and 9 key customer journeys such as insurance application, case reporting, claims-settlement, and payment.

Exclusive private insurance accounts for 126 million customers
CPIC has developed a customer-focused big data platform for 126 million in-force customers, which also includes the data of our 619 million historical customers, being the first in the industry to launch exclusive private insurance accounts for customers.



APP



Smarter insurance consultant

In 2018, introducing a number of latest artificial intelligence technologies, CPIC iteratively optimized the "Alpha Insurance" products in the hope of helping Chinese families better understand their risk tolerance and insurance needs and obtain professional insurance advice, and facilitating insurance consumer education.

AlphaInsurance 3.0

AlphaInsurance 3.0 was launched in August 2018. Adopting artificial intelligence natural language processing and multi-round interaction technologies, it can automatically identify the insurance problems raised by users, establish robot dialogues based on contextual understanding, analyze user profile features, and provide more personalized insurance advice. Users can use a WeChat mini program to ask AlphaInsurance questions about insurance issues by speaking or texting, and get insurance planning advice, as well as CPIC product recommendations made according to their needs. In 2018, AlphaInsurance provided insurance advice for 6.5 million people, and its insurance consumption education function became more powerful.



3.0

More powerful insurance platform

The Digital Agency app, a one-stop mobile application platform of CPIC Life, is the main tool to assist business development and enhance the self-management capability of life agents. In order to bring a better experience to auto insurance customers, CPIC P/C integrated the "cross-selling module" into Digital Agency, realizing functions such as auto insurance quotes, claims information push, renewal list allocation, red dot task tracking, etc. , thus improving the efficiency of the life agents cross-selling auto insurance, and increasing their opportunities for contacting and serving customers. Since the national roll out in early September 2018, a total of 92,105 auto policies have been issued through the cross-selling by life agents, with total premiums of RMB 123.49 million.



Digital Individual Insurance for cross-selling of auto insurance by life agents.

AI facilitates life underwriting

CPIC Life launched an artificial intelligence underwriting project, He Dong Li. Based on the analysis and annotation of massive historical data, we constructed and optimized the AI underwriting model using intelligent algorithm models such as feature decomposition, machine learning, collaborative training and network search, to ensure the accuracy and interpretability of the model. According to the operation verification, when compared with experienced underwriters, the concordance rate of model was as high as 95%, and the model can replace 15% of the work of underwriters and provide high-accuracy AI underwriting operation support 365 days*24 hours, a start for AI robots to replace manual underwriting operation.

Technology Empowerment Make insurance more considerate

Improving claims settlement service

Claims settlement is a key journey for customers to experience the services of an insurance company. In 2018, with the upgraded Tai Hao Pei 3.0, we applied the latest technology to claims settlement to support "one-click claim-application and on-site payment", and "one-click loss assessment and quick payment".

CPIC Life launched Tai Hui Pei, a smart claims solution with functions including direct data connection, deployment of intelligent robots, advance medical payment, medical guidance and health management. Through the three core technologies of OCR technology, interface configuration, and automatic adjustment rules and intelligent verification, Tai Hui Pei realized full digital collection of customer claims information and fast and convenient claims settlement service that requires no trips, no documents and no waiting.

Fully customized "smart robots"

On August 1, 2018, the Lingxi I intelligent robots made their appearance in Shanghai No.1 Maternal and Child Health Hospital.

With audio guidance of Lingxi I, a customer completed all the procedures for reimbursement of outpatient and medical expenses, and received payment within 12 minutes. That was the first case of Lingxi-assisted on-site claim settlement.

As the industry's first fully customized smart service robot introduced in hospitals, Lingxi I is based on artificial intelligence technologies including voice interaction, biometric authentication, and image recognition, etc. In addition to providing customers with medical consultation, appointment making, in-hospital navigation, and on-line queuing, it can guide customers by voice through the claims settlement procedures, and provide them with the quick payment service for outpatient or hospitalization expenses under RMB 3000.

In November, the Lingxi II intelligent robot completed its first test in a service center of CPIC Life's Shenzhen branch, officially launching its counter service.



The Lingxi II intelligent robot completed the first test in a service center of CPIC Life's Shenzhen branch.

Smarter risk control

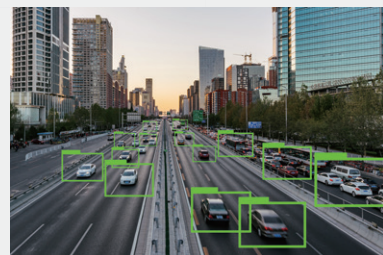
CPIC applies advanced scientific and technological means to enhance its ability to prevent and manage risks, improve safety management, and reduce accident rates and the incidence of large claims.

Tai Hao Bao risk control project for commercial lines auto insurance

Reducing loss with technology, CPIC leverages technologies such as bio-technology, image recognition, artificial intelligence, and big data to intelligently capture driver's unsafe driving behaviors, to provide the most valuable information for enterprises, and effectively strengthen accountability for safety supervision.

The project has been piloted in the Shenzhen branch of CPIC P/C with initial success. More than 10,000 devices have been installed on vehicles of corporate fleets. The accident rate of vehicles equipped with the device dropped by 17.8%, and the death and human injuries rate fell by 47%. The number of death-involving cases for every 10,000 vehicles dropped from 46 to 5, a fall of 89%. The direct economic loss of RMB 73.5 million was saved.

The project won the highest award of the Shenzhen Financial Innovation Awards and CPIC was the only insurance company among the first prize winners.



Discerner detects insurance frauds

When dealing with a collision accident, an auto insurance surveyor of CPIC P/C Sichuan Branch, Neijiang Key Sub-branch, received a judgment prompt from *Discerner*. Through on-site investigation and evidence collection, the surveyor helped CPIC detect a fraud and refuse to pay compensation of RMB 20,000. This was the first fraud case that the sub-branch detected with the speech emotion recognition system.

Discerner is an artificial intelligence product developed by CPIC P/C to detect fraud in auto insurance, using speech emotion recognition technology. It contains a model for matching the emotional features of delight, anger, sadness, depression, being shocked, fear, and disgust to auto insurance fraud scenarios such as "drunk-driving scapegoat, hit-and-run, and back-dated policy." It can calculate the fraud index, and immediately send the questionable points and suggestions for on-site investigation to the surveyor. *Discerner* proved to be an effective tool for cracking down upon insurance fraud.



The 2018 World Artificial Intelligence Conference was held in Shanghai. *AlphaInsurance* and *Discerner* were exhibited in the AI+ Financial Application Experience Area of the Conference.

E- Agricultural Insurance for new needs

To follow the development of agricultural insurance in the new era, CPIC issued "E-Agricultural Insurance" 4.0 to apply new technologies to all processes of agricultural insurance under modern agricultural scenarios.

Deep sea cage culture insurance IoT technology

CPIC built a comprehensive platform for deep-sea cage culture insurance with functions including satellite remote sensing, water quality data collection, real-time monitoring, multi-level data statistics, and analysis and decision support.

Pheasant farming insurance IoT technology

CPIC realized full process control of poultry farming insurance through "digital" management, establishing an "ID" system for insurance subjects.

Biometric identification platform

It can effectively confirm the subject of farming insurance, and greatly improve the efficiency of underwriting and claims survey. At present, the platform applies to species such as pigs, cows, beef cattle, yaks and pet fish.

For example, the "Yak Counting" technology can do the counting of yaks by first taking photos of the yaks through drones, and then counting them through the graph calculation. Traditionally, the counting was done manually when underwriting farming insurance for highland yak farmers. This technology greatly improves insurance efficiency and saves labor costs.

In November 2018, the CPIC Agricultural Insurance Research Institute was officially established in Beijing. It's the first professional open agricultural insurance research platform in China initiated mainly by an insurance company.



Insurance centers on protection serving national economy and people's livelihood



To support national development strategy, we keep innovating our product supply and service mechanism, and expand our business to all levels of economic and social development to serve the real economy and people's livelihood.

Serve the "One Belt, One Road" Initiative

With the advancement of the "One Belt, One Road" initiative, CPIC P/C has established an overseas business department to provide a multi-channel, multi-level and multi-dimensional package of risk management services and insurance products for Chinese customers to "go international", providing risk protection of more than RMB 550 billion. The Company's overseas business covered 112 countries, doubling the figure of 2017. It provides integrated risk management and insurance protection service in areas such as construction project, cargo transportation, project management, personnel accident, overseas anti-terrorism and kidnapping salvation to enterprises "going international". In 2018, it released exclusive products for the safety and security of overseas personnel.



CPIC's insurance services add to Import Expo's success

As the only P/C insurance sponsor of the first China International Import Expo, CPIC played its home court advantage by providing protection against personal safety, property and liability risks with the total sum assured of RMB 35 billion.

For this "unusual" Expo, CPIC provided "unusual" insurance service experience - unusual service system, unusual insurance coverage, and unusual service initiatives. CPIC set up a special fund of RMB 100 million for claims settlement, opened the 24-hour 95500 bilingual service hotline, established professional risk control and rescue teams of volunteers, pooling the best resources and professional teams in the system to serve the Expo. The Expo had a large exhibiting area, rich exhibits, and a great number of exhibitors from all over the world. CPIC ensured that all the exhibits, from high-precision instruments and intelligent equipment to small chips, were fully protected by insurance.



CPIC was the only P/C insurance sponsor of the first Import Expo.



CPIC staff answered customers' questions at the entrance of the Expo.

Medical health protection project for "One Belt, One Road" overseas personnel launched

On November 30, 2018, the Health Development Research Center of the National Health and Family Planning Commission, CPIC Life and China Life Reinsurance jointly signed a Memorandum of Understanding on Strategic Cooperation on Health Protection for the "Belt and Road" Overseas Personnel, and agreed to establish a long-term multi-level and multi-field strategic partnership to jointly carry out medical health protection project for the "One Belt, One Road" overseas personnel.

Based on analysis of medical and health care needs of the "Belt and Road" overseas personnel and the supply capacity for related service (i.e. the project feasibility study), the country-specific pilot plans for the project, and the implementation and tracking of the pilot plans, the project aimed to explore and build a health protection system for all types of overseas personnel, and provide comprehensive health services for the promotion of the "Belt and Road" Initiative.



Seminar on medical and health protection for "One Belt, One Road" overseas personnel.

CPIC & Mitsui Sumitomo Insurance (China) Company, Ltd. participated in first Sino-Japanese Forum on Third-Party Market Cooperation

On October 26, 2018, the first Sino-Japanese Forum on Third-Party Market Cooperation, jointly hosted by China's Ministry of Commerce, China's National Development and Reform Commission, Japan's Ministry of Economy, Trade and Industry and Japan's Ministry of Foreign Affairs, was held in Beijing. CPIC and the Mitsui Sumitomo Insurance (China) Company, Ltd. jointly proposed and signed the Comprehensive Cooperation Project for the Risk Prevention and Management for International Chinese Projects, proposing specific cooperation plans and arrangements for issues such as serving the Chinese enterprises going international, expanding overseas insurance markets, and promoting the economic development of China, Japan and third countries.

Innovating insurance products and services for the elderly

Population aging has been accelerating in China, bringing severe challenges to the development of China's "multi-tier and mixed" elderly care system. CPIC innovated its products and investment in elderly care industry to promote the development of a multi-tier elderly care system to meet people's diversified needs and improve protection.

Expanding tax-deferred pension insurance

The tax-deferred pension insurance is positioned as quasi-public products. For the insured, the insurance expenditure can be listed as pre-tax expenditure, and the tax for it can be deferred. This insurance encourages individuals to purchase commercial pension insurance with tax incentives, which can enhance the public's old-age security awareness and improve old-age security level.

CPIC was one of the first insurers in China to participate in the research projects on tax-deferred pension insurance. It was also among the first in the industry to pass the on-site inspection and acceptance of the regulators. On April 28th, CPIC issued a comprehensive solution for tax-deferred pension insurance, which, in addition to providing customers with all the protection as stipulated in the model clauses formulated by the Banking and Insurance Regulatory Commission, provides special services in combination with health management products. The Company also optimized customer experience, streamlined the operational processes, and provided customers with swift one-stop service experience through application of innovative technologies like mobile internet, face recognition, and deferred tax calculator. It not only issued the first tax-deferred pension insurance policy in China, but also achieved biggest customer base and highest premium share in the pilot region in 2018.



The press conference for the launch of CPIC's tax-deferred pension insurance solutions.

New breakthroughs in elderly care industry

In July 2018, CPIC SLIM released its development plan for the elderly care industry, with clearly defined development strategy combining high-end elderly-care community and professional elderly care services. CPIC developed three types of community for people of different age groups: suburban elderly-care community, recreational elderly-care community, and urban elderly-care community, while actively developing the CPIC Home. CPIC Life and the world-famous pension and elderly-care group - ORPEA Group, entered into strategic cooperation to set up a joint venture to develop comprehensive pension industry operation and management platform.

On December 27th, the CPIC Home Chengdu International Elderly Care Community Project started construction, marking the start of CPIC's development plan for the elderly-care industry. In the meantime, CPIC was actively developing many of its intentional projects in Shanghai, Hangzhou, Wuhan and Yunnan.



The CPIC Home Chengdu International Elderly Care Community Project started construction.

Participation in developing medical insurance system

In response to the "Healthy China" strategy, CPIC underwrote 177 government-insurance company cooperation projects in urban and rural serious disease insurance, supplementary medical insurance, and long-term care, covering 95 million people in 473 districts and counties in 22 provinces (autonomous regions and municipalities directly under the central government). And the tax-deferred health insurance covered a total of 95,000 people.

At the same time, the managed medical care system began to take shape. Focusing on government medical insurance management support and personal health management services, CPIC refined managed medical care products from perspectives of product function, technology, intellectual property rights and implementation, and finally formed the nine product systems of managed medical care.

"Healthy Huanghua" model for family doctor service

On December 22, 2018, the country's National Health Commission held a special press conference on the typical experience of medical reform in Beijing. In the meeting, CPIC Life introduced its medical reform experience and practices related to the "Healthy Huanghua" project it participated in. Before that, at the 29th executive meeting of the State Council, the "Healthy Huanghua" project was endorsed and designated as a demonstration project to be expanded. Centering on improving grassroots health management, the "Healthy Huanghua" project aims to deepen the reform of the grassroots medical and health care system, and to explore and establish a health service system based on disease screening and prevention service and accurate referral service provided by family doctors for contracted residents, and supported by the collaborated diagnosis and treatment of multi-level medical institutions. Giving full play to its advantages, and based on the adoption of family doctors, CPIC strives to gradually build a prevention-oriented health service system that integrates disease prevention with disease treatment. In actual practice, the "Healthy Huanghua" model gives full play to the role of family doctors as the gatekeeper for health, letting them assume the dual roles of both "health manager" and "expense manager", and improving "health management" through "expense management". The model aims to achieve the new goals of health management: residents can get services such as health assessment, disease prevention guidance, proper treatment of illness, treatment supervision, and medical expense control, thus improving people's access to medical treatment. The "Healthy Huanghua" model has achieved initial results so far.



the "Healthy Huanghua" model received a lot of media coverage.

Insurance centers on protection, serving national economy and people's livelihood

"One-stop" medical insurance settlement platform in Hubei Province

CPIC Life Insurance and the Medical Insurance Bureau of Yiyang City, Hubei Province jointly launched a four-in-one one-stop settlement platform that covers "basic medical insurance + serious disease insurance + civil relief + supplementary medical insurance" in Yichang City. With this platform, patients don't have to pay medical bills first and get reimbursement later; instead, they can use the balance of their personal accounts to settle the bill, and finish discharge formalities within 4 minutes the quickest. At present, a total of 164 medical institutions in Yichang have upgraded their systems and interfaces. From the first day of hospitalization, the platform can monitor the patient's condition in real time. By the end of December 2018, nearly 400,000 people had completed medical insurance settlement through the platform, and the total medical expenses reached RMB 1.598 billion.

Supporting construction of major projects

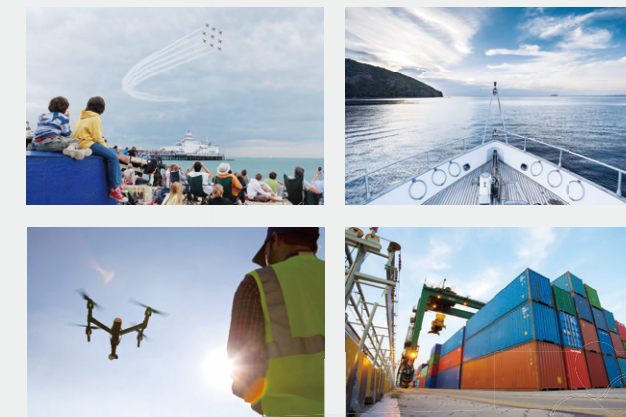
CPIC leverages the role of finance to support the construction of major projects. By the end of 2018, CPIC AMC had initiated a total of 108 asset management plans in infrastructure sector, with a total investment of RMB 181.222 billion, covering sectors such as public works, energy, environmental protection, land reserves, shantytown renovation, water conservancy, and affordable housing. In the central and western regions of Xinjiang, Inner Mongolia, Yunnan, Guizhou, CPIC has invested in more than 30 infrastructure projects in fields of transportation, energy, and outmoded equipment modification, with a cumulative investment of more than RMB 50 billion. In the three provinces and one city of the Yangtze River Delta, in the form of debt financing or equity investment, etc. CPIC has invested in projects in fields such as transportation, energy, public works, and people's livelihood, including the Shanghai World Expo venues, cross-river tunnel of Chongming District, renovation of shanty towns in Hongkou District, Taizhou Yangtze River Bridge, Yangzhou Power Plant, the Youth Olympic Games project in Nanjing, and Suzhou Rail Transit, with total investment reaching RMB 53 billion.

We underwrite major projects in the fields of metro, nuclear power, aerospace, shipping, petrochemical and hydropower, and served over 220,000 SMEs, paying out over RMB 1.2 billion in total.

Safeguarding aviation, aerospace, and marine sectors

In the aerospace field, CPIC actively promoted the development of satellite business and successfully underwrote aerospace insurance projects including an optical satellite project of the China Aero Geophysical Survey & Remote Sensing Center for Land and Resources, the FY-2H satellite of China Meteorological Administration, the HY series satellites of the National Center for Marine Satellites Application, as well as insurance project for drones of Chengdu Aircraft Industrial (Group) Co., Ltd and the China International Aviation and Aerospace Exhibition in Zhuhai.

In the marine field, giving full play to our technological advantages, after underwriting the Xuelong series icebreakers and the Jiaolong series submersibles, we successfully underwrote special vessels such as the "Deep Sea Warrior" manned submersible and the "Song Hang" ocean fishery resource survey vessel. Moreover, we are the exclusive underwriter of the first (set of) critical equipment insurance for the biggest container ship in China and a 400,000-ton bulk ore-carrier.





To Customers

We give full play to our advantages in resource synergy to build up the brand of CPIC Service, in a bid to offer customers the best experience, and enhance their sense of gain, happiness and security

Attentive Insurance Service

AA

Both CPIC P/C and CPIC Life continued to receive AA Ratings in Insurer Service Evaluation
On November 27th, the CBIRC announced the results for the 2018 insurance company service evaluation. With excellent service innovation capability and convenient and efficient service experience, both CPIC P/C and CPIC Life received AA ratings (the highest rating) this year.

1.1 Customer Festival: Creating a service ecosystem

On top of hosting customer service festivals, we explored and build up an insurance service ecosystem that integrates the Company, customers and agents to constantly improve service (content and format) to better meet customer needs.

CPIC P/C Value for Customer Festival 2018

CPIC P/C held the Value for Customer Festival 2018 themed “Create the value you wished”, launched Tai Hao Pei 3.0 and Zhuan Xiang Pei, and carried out the selection of “Hearty service teams” and the online selection of “Quality Service”, promoting its quality service initiatives and tools among customers.



The press conference for the 2018 Customer Festival of CPIC P/C.

Zhuan Xiang Pei service

CPIC P/C built up a non-auto claims culture and formed service support for integrated operation. It created a new ecosystem of customer service through new technologies, new tools and new processes, and launched a claims service system that includes products and services such as Sheng Xin Pei, Zun Xiang Pei, and Xin Xiang Ban. Since 2018, Zhuan Xiang Pei has settled 76,987 claims through Sheng Xin Pei, 5,068 claims through Zun Xiang Pei, and 28,067 claims through Xin Xiang Ban, involving a total amount of RMB 400 million, and enabling more customers to enjoy the convenience of Zhuan Xiang Pei.

Store visit service

CPIC P/C launched the “Your Store, Your Staff” store visit program in more than 2,500 outlets in 300+ cities across the country, inviting customers to visit the workplace, stores, call centers or Tai Hao Pei stores to share information on our innovative service initiatives and tools. It also gets closer to customers through activities such as high-end customer salons, sports competitions, artwork appraisal, and parent-child interactions.

2018 Customer Festival of CPIC Life

CPIC Life released eight service commitments at the 2018 Customer Festival to provide customers with “fast, convenient, hearty, and considerate” service experience. Focusing on health and public welfare, it also carried out online and offline activities participated by agents and customers, such as medical lectures, presentations on claims, beneficiary changes. More than 10,000 events were organized for the festival, covering approximately 1.27 million customer and agents.



Customer Festival of CPIC Life 2018.



The launching ceremony of the Customer Service Festival of CPIC Life 2018.

E-Life Partner Customer Club

CPIC Life's E-Life Partner Customer Club upgraded its membership system, and high-end customers can directly make appointments and enjoy health and travel-related high-end services. More than 300 products were available with member loyalty points. A total of 39 branches of CPIC Life planned and organized 890 events on public welfare and health, participated by nearly 410,000 customers and agents.



Customers inquiring about the content of the “1+2+6+N” activity.

The first customer festival of CPIC Allianz

In 2018, CPIC Allianz held its first customer festival themed “Enjoy the future with good health service”, launched health management products including Tai An Xin, Tai An kang, and Tai An Zhen. At the event, the participating customers experienced intelligent services and witnessed one-stop customer service innovations such as digital interaction app, and U Xiang Pei.

1.2 Enhancing customer's sense of gain with stronger protection

To insure is to protect. To serve people's diversified needs, we base our products and service on protection, and continue to improve the protection function of our products and service to enhance customers' sense of gain and security.

Products offering stronger protection

Based on market realities and customer profiling, we launched a number of very popular protection-type products with higher sum assured, broader coverage, and lower premiums. In 2018, the level of customer protection increased significantly.



Jin You Ren Sheng: comprehensive protection against disease



Chang Xiang Ban: inheritance insurance



An Xing Bao: "Drive, ride, bike, walk" full range of millions of price accident protection



Million-family package: critical illness insurance for the whole family



Xin Man Yi: pension annuity insurance

Services with care

We monitor and analyze key customer journeys such as claims and insurance application, paying attention to every detail, and continue to optimize services, thus removing the pain points in those journeys.

Easy claims at your fingertips

Nearly 10,000 customers use Tai Hao Pei each day on their mobile phones or other mobile terminals to complete auto insurance surveys, loss assessment and claims settlement. Tai Hao Pei can automatically locate and correlate auto insurance report information, and offer one-click claims-making, one-button loss assessment and real-time payout. At present, 41.2% of payments can be completed almost real-time, and the average turnaround is only 28.8 minutes; the average turnaround for claims lower than RMB 10,000 is 9.7 days, which is 10 days shorter than the traditional model, and the customer's experience of insurance services has been enhanced.

Through Tai E Pei, CPIC's mobile self-service claims tool, life customers just need to make claims online, scan and upload some necessary documents, and then receive the payment without leaving their homes. Tai E Pei realized a convenient, fast and full paper-less process for small claims settlement of medical insurance. The interval between case-reporting and document-submitting was shortened by 15.72 days averagely, 77.36% faster than before. For the fastest case, it only took 7 minutes to complete claims settlement from claim application to payment.



Self-service claims interface



Customers using Tai E Pei for claims.

Paper document-free medical claims settlement

CPIC Life, through smart medical dispatching platform, connected to the platforms of hospitals and third-parties, realized real-time end to end transmission of the customer's medical treatment data from hospitals to the company, and could thus collect customer's diagnosis and treatment information real time. It also explored a new instant claims service mode that requires no physical materials, no scanning or picture-taking, and no waiting. In August 2018, the first claim of the interactive medical data project was processed online in the company's Hubei Branch, and the family members of the customer of the claim felt very good about the service and bought additional insurance of RMB 300,000 yuan on the spot. This project has now interfaced with 212 hospitals on five platforms, and is adding more hospitals to lay down a solid basis for launching an extended health ecosystem and value-added claims services in the future.

Extended professional service line-up

We have extended the customer service line-up and incorporated the concept of risk management and health management into our services to avoid problems. The professional and thoughtful service has been well received by our customers.

Prevention is better than cure. Good driving habits are beneficial to the safety of the customer and help reduce claim numbers. CPIC P/C launched the "China's Car Owners Growth Plan" and built a platform based on the good driving habits of car owners. Using car owner behavior data collected online and CPIC's internal insurance data, the platform can identify customers' driving risks through big data technology, and gain insight into customer's insurance needs and preferences. This platform provides incentives for customers to form good driving habits. The platform has received more than 4.73 million visits within 4 months of its launch, and nearly 1.1 million car owners joined the "Car Owners Growth Plan", while nearly 200,000 of them fully participated in the interaction and obtained the safe driving reports.

Take the initiative to relieve customers of worries. The fast-responding and professional road rescue service provided by CPIC P/C is very popular among customers. In 2018, the road rescue service covered 19.05 million auto customers and passengers, with 1.1 million times of service performed. Many customers say that "If you run into any difficulty on road, just call 95500".

CPIC Life provides customers with big data and typical cases for health claims, as well as health and protection plan recommendations; provides on-site policy inspection, rights explanations and payment collection services for customers who have due but unpaid benefits; and seeks owners for forgotten policies. CPIC Allianz provides customers with many health services such as medical check-up and counseling based on different customer groups such as the healthy, sub-healthy, chronic disease-bearing, or serious illness-bearing.



CPIC survey personnel rescuing flooded vehicles.

1.3 Further improving service system for customers

Focusing on long-term service, we carefully analyzed customer needs and established systematic service standards to deliver good customer experience and develop CPIC service brand. CPIC P/C established a full life cycle management system for quality customers. Focusing on the six customer experience contact points of "insurance purchasing, customer acquisition, receiving benefits, claims experience, customer interaction, and renewal upon expiry" and the four key customer journeys of "customer acquisition, customer contact, customer retention, and customer renewal", we built up three operational management supports of "operational structure, system tools and performance system" to form customer management thinking and establish a good customer management system. At the same time, leveraging the opportunities brought by the implementation of the Shen Ma Project, we continue to improve customer loyalty and retention for the strategic shift from policy operation to customer operation.

Focusing on agents, the key customer contact point, CPIC Life continued to improve service quality, and built up an insurance service credibility system based on the "Credibility Passport" app, the first mobile app in the industry for the construction of the credit system. The app integrates "quality management" and "integrity management" modules, and has functions such as full-process quality management, credit evaluation inquiry, and passport and honor visa issuing, etc. With this app, the company makes agent credibility management transparent to the agents themselves, enhancing the credibility of agents in business development; while preventing mis-selling, continuously improving business quality, and protecting the legitimate rights and interests of the policyholder and the insured, the company continues to promote the development of the credibility system of the insurance industry.



The credibility ambassador of CPIC Life Shanghai Branch showcasing the credibility passport.

White Paper on China's Commercial Health Insurance

CPIC Allianz and Ernst & Young jointly released a White Paper on China's Commercial Health Insurance. The paper pointed out that health insurance will gradually move towards family-based closed-loop service catering to individual customers; health insurance will be more ecological and intelligent; efficient cooperation between the payer and the service provider is key to promoting the formation of closed-loop health insurance service; the combination of commercial insurance and medical insurance according to local conditions is the key to achieving mutual benefit and win-win; and cooperation and participation in medical reform is an effective way for insurers to deepen their service.

CPIC strove to improve the customer service system by publishing white papers. It strengthened efforts to better understand customer habits and needs in security and health so as to on the one hand provide customers and society with professional advice and guidance, and on the other hand, improve the content, form and process of product design and service in the hope of providing customers with higher-quality service.

White Paper on China's Car Owner Growth

In October 2018, CPIC P/C released the White Paper on China's Car Owner Growth to the Public for the first time. Through in-depth understanding and analysis of driving behaviors, the paper guides car owners of different driving habits in developing safe and civilized driving habits, and help them establish safe driving awareness and reduce the risk of travel. Here are some of the study results:


Result 1: Are female drivers "killers on the road"? The answer is negative. In terms of driving habits, male drivers tend to be more aggressive when driving. For example, male drivers show greater propensity in high-risk behaviors such as speeding, overtaking on the wrong side, and drunk driving. Therefore, women drivers are considered safer and better than male ones.

Result 2: Drivers from the North have higher driving risks? The answer is yes. High-risk behaviors such as speeding, overtaking on the wrong side, and drunk driving are more commonly seen among drivers from the North, especially the northeast and northwest regions, than those in the central and southern regions. In addition, drivers in the coastal regions have a higher awareness of staying away from drunk driving, and traffic supervision in those regions is stronger. Therefore, car owners in the South and Midwest are considered to be safer drivers than those in the North.





To Employees



Passion, creativity and responsibility are highly valued in our talent cultivation. Adhering to the principle of meritocracy, we strive to build a team of high-quality professionals who are diligent, practical and performing, as well as an enabling environment for talent growth.

Environment
for talent cultivation

2.1 Platform for career development

We have built a platform for talent growth, continue to improve the education and training system, enhance the training ability of lecturers, explore comprehensive and scientific curriculum system and develop convenient online learning platform, laying down a foundation for developing a learning organization and improving the efficacy of employee training.

Improving education and training system

Curriculum development: we upgraded the courses for junior managers, completed qualification training of our lecturers, expanded the team of lecturers, and updated our course series based on the Company strategy.

Faculty development: we conducted annual evaluation for 197 internal trainers based on the four dimensions of lecturing hours, course assessment, curriculum development and participation in teaching and research activities, and designated junior, medium, and senior-level trainers. We also set up our first team of internal party building trainers of the Party School.

Online training promotion: We organized annual training for more than 4,000 employees from the headquarters of the Group and its subsidiaries, offering 60-80 optional general courses to them; more than 200 new employees participated in training and examinations; we also introduced over 50 party-building courses, and 100-plus general courses.

In addition, according to different training needs, we developed course-ware for over 80 subjects, and organized various learning competitions such as micro-course competition, party building knowledge contests, and others.



Online learning activities "Top student contest" and "Limited offer"

Taixue Special Training Camp: Enhance ability of sub-branch managers

To improve management efficiency of sub-branches, CPIC P/C set up the Taixue Special Training Camp for their managers. In 2018, a total of five training sessions were held to cover 500 sub-branches.

As per sub-branch ranking, the trainees were divided into three groups, among which, the top 100 trainees will go to Peking University for training. The participants will be trained in real practices and action taking, and are required to deliver a operation performance improvement plan for his/her sub-branch at the end of the training. The participants need to design and deliver the plan in four steps: in-group presentation, in-group selection, cross-group presentation, and class-wide selection. At the same time, flipped classroom will be adopted so that all the trainees of the class can share their plans and training experience and results.



CPIC holds the Taixue Special Training Camp for sub-branch managers at Peking University.

Building new platform for employee growth

Cooperation with universities: building a talent base

In December 2018, CPIC signed school-enterprise cooperation agreements with Southwest University of Finance and Economics, Zhongnan University of Economics and Law, and Hunan University.

The Company will deepen cooperation with universities in fields such as student practice bases, recruitment of new graduates, and reciprocal engagement of teachers, employee training, and industry-university-research collaboration.



CPIC signs a school-enterprise cooperation agreement with Zhongnan University of Economics and Law.

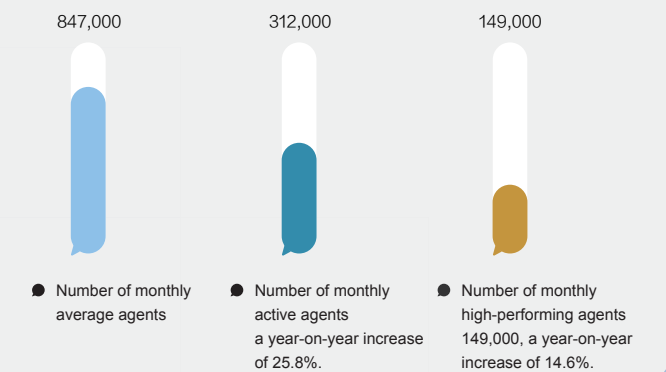
CPIC youth commandos: boost growth with projects

In 2018, CPIC P/C set up a youth commando team to summon young employees and send them to places where they are most needed by local CPIC branches to take up the most challenging positions and undertake urgent, difficult, heavy and new transformation tasks, providing a stage for outstanding young people to display their talents, challenge themselves and grow fast. The company launched the commando project for its business lines one after another. The commandos helped sorting out the weak links in the renewal business of the branches. The non-auto standard operation platform targeted 10 branches and set up a project liaison team for each of them and carried out themed training; the agricultural insurance commando team will deploy drones to assist target branches in verification of insurance subjects and business promotion; and the financial commando team has headed to the Qinghai-Tibet Plateau to help local branches improve financial management.

2.2 Multi-dimensional support to agents

We have a huge number of agents and we help them improve their professional capabilities through multi-dimensional support and technological innovation, and created a platform to support their marketing efforts to boosting stability and retention for agents.

Data on CPIC agents for 2018:



Multi-dimensional support for agent marketing

Being customer-oriented, we enriched management system for our regular, quasi-regular customers through platform-building and upgrading customer management technology platform. In the meantime, we clarified roles and responsibilities the branches, key sub-branches, sub-branches and sales service centers.

Focusing on products, we continued to build a product system based on customer segmentation, develop exclusive products for new customers and high-end customers, products to attract new customers, and products for up-selling, and strengthened product diversification and development.

Emphasizing training, we conducted differentiated training for our new recruits and continued to train agent leaders, so they can deliver high performance, quality recruitment and good team performance.

Putting performance first, we improved our performance honor system. To boost performance, we build up the Blue Whale Association and upgraded the MDRT and the Top Agent Leader Club.

New technological tools: effective tools for business development

CPIC's Digital Agency app integrates over 30 functional modules in four categories: "BD Assistant", "Service Manager", "Smart Secretary" and "Super Think Tank". Over 90% of our agents have installed this app, and the ratio of monthly active users was nearly 70%. During work days, a daily average of 200,000 agents uses this app.

The app can be customized to improve user experience by configuring functional modules according to the attributes of agents. In addition, with the app's functional module "Zhang Shang Da Shi", agents can do and share calculation of premiums and insurance plans, and the in-app functions of "Yi Jian Tong" and "CPIC You Bu" are further expanded. Smart tools such as "Yang Yang Customer Service" are embedded to enhance the app's capacity for customization. With the support of middle and back office big data, agents can get a more comprehensive understanding of the customer's situation through the "Zhi Ke" function of the app; at the same time, back office staff can use the "big data platform" and the "Cloud-Listening" probe to analyze agents' app-using behavior. In 2018, we embedded Digital Agency Plus into the cross-selling module to improve cross-selling efficiency of life agents. Digital Agency Plus covers all car models and can make fast quotes and issue policies.



Life agents use Digital Agency to develop business.



Convention of Top Agents: Hall of Fame for sharing success experience

In May 2018, the 22nd Convention of Top Agents of CPIC Life was held in Chengdu, Sichuan Province. Nearly 300 CPIC business elites from all over the country received commendation at the event, and 300,000 agents participated in the event via video connection. This year's event had 6,988 finalists. The FYP generated during the appraisal period of the event reached RMB 1.38 billion, with the per capita FYP of RMB 431,000, 10 times that of agents average.

The Convention of Top Agents is not only for commendation, but also for sharing and common growth. Liu Yin, senior sales director at CPIC Life Shenzhen Branch, shared her experience about new team cultivation in four aspects: life insurance functions + products, new recruits classification, joint visits, and customer service; Meng Xiandong, senior director at Tianjin Branch, shared his secret in setting a new industry record. He had been selling at least one policy every day for more than 1,000 consecutive days. He said his secret was simple: explaining to customers what insurance is about, helping them fully understand the terms and clauses and raising insurance awareness.



CPIC Life elite receiving commendation.



CPIC Life's 22nd Convention of Top Agents.

2.3 Diversified activities for employee engagement

We organized a variety of cultural and sports activities as well as health and safety training for our employees, such as jogging, first aid training, parent-child activities, baking and art lessons, qi-pao shows, mental health lectures, etc., to create a positive atmosphere so that employees can enjoy life after work.

CPR emergency training

In 2018, CPIC organized two first-aid training sessions on cardiopulmonary resuscitation. 40 people from the Group Headquarters and subsidiary headquarters attended the training and obtained the American Heart Association's Heart Saver International First Aid Certificate. Since 2014, 202 people have participated in first aid training or recurrent training at CPIC headquarters. The CPIC First Aid Volunteer Team provided support services to the contestants at the events such as climbing competition and employee sports meeting.

CPIC Orchid Qi-Pao Association

In 2018, 85 female employees from Group headquarters, subsidiary headquarters and Shanghai branch initiated the CPIC Orchid Qi-Pao Association to showcase the beauty of CPIC female employees and enrich their life outside work. The Association also joined the Shanghai Style Qi-Pao Culture Promotion Association as a group member.



CPIC Orchid Qi-Pao Show showcasing the beauty of employees.

CPIC Run: love tomorrow, run towards the future

CPIC Run is the self-owned brand running activity created by CPIC. In 2018, CPIC held the CPIC Run in Shenzhen and Kunming. More than 5,000 runners, including employees, agents and customers, participated in the events. Under the concept of "care for employees, care for customers, and be committed to public welfare", CPIC Run helped to spread corporate culture, promote public welfare and poverty alleviation, boost brand image, and received extensive attention and support from employees and customers.

At the event in Shenzhen, CPIC donated RMB 300,000 including the registration fee collected from the event participants to the Shenzhen Autism Research Association and the Shenzhen Association for Mentally Handicapped Family to cover the care services for 40 autism-affected families throughout the year, as well as the rehabilitation training courses and insurance expenses for 400 autistic children.

At the Yunnan event, CPIC donated RMB 300,000 including the registration fee collected from the participants of the event to the Yunnan Education Foundation and the Yunnan Provincial Ethnic and Religious Affairs Committee to help 100 newly enrolled poor college students from ethnic groups.



The event scene of CPIC Run.



To Shareholders

Facing complicated and ever-changing external business environment, we continued to pursue high-quality development, improved corporate governance structure, and achieved continuous value growth and growing comprehensive strength.

Sustainable Value Growth

3.1 Optimize corporate governance for more efficient governance system

We have established a sophisticated corporate governance structure, with the board of directors at the core of corporate governance. We continued to optimize the board structure to expand the role of the directors in major strategic decisions, risk control, and supervise the management, fulfilling their fiduciary duties to all shareholders.

2018 was the first year for the new board of directors. The new board, consisting of members from various backgrounds, has a deep understanding and accurate judgments of the Company's business and development strategies. It fully integrated the Party's leadership with corporate governance, clarified the Company's strategic positioning, intensified integrated corporate control, and established and improved the high-standard governance system with sound accountability, clear responsibility, effective coordination, and checks and balances. Centering on "talent, digital, synergy, control, and business expansion", it actively promoted the Company's transformation by take measures to improve core business, new business expansions, organizational health, etc.

In 2018, the Company held 1 shareholders meeting, 8 board meetings, and 6 board of supervisors meetings. All directors and supervisors performed their duties and participated in various meetings. They made decisions based on in-depth understanding of the proposals, safeguarding the interests of the Company and all shareholders.

Under the board of directors, there are four sub-committees: the Strategy and Investment Decision Committee, the Audit Committee, the Nomination and Remuneration Committee, and the Risk Management Committee. These committees conduct in-depth research on professional issues and make recommendations to the Board.

In 2018, the Strategy and Investment Decision Committee held 4 meetings; the Audit Committee held 6 meetings; the Nomination and Remuneration Committee held 7 meetings; and the Risk Management Committee held 7 meetings.

At those meetings, the directors performed their duties with due diligence and conducted in-depth research and active discussion on issues such as the Company's development plan implementation and major capital operations, internal audit and external audit, performance appraisal and appointment of senior management personnel, risk control and related-party transactions. They also participated in decision-making and made professional recommendations for decision making of the Board. The Audit Committee and the Company's independent directors also conduct annual report communication meetings as per requirements of the annual report, maintain full and timely communication with the external auditor, and issue relevant opinions.

Corporate governance won endorsement

The CPIC Board and its chairman Kong Qingwei won the "2018 Outstanding Board Award" and the "2018 Outstanding Director Award" issued by Hong Kong Institute of Directors respectively for their outstanding performance in corporate governance. The judging panel believed that the new board of directors of CPIC possess diverse background and professional experience, and has an in-depth understanding on the Company's business and development strategies; and unanimously affirmed the outstanding leadership and excellent communication skills of chairman Kong Qingwei, who is committed to building a high-standard corporate governance system for CPIC and strives for industry leadership in healthy and stable development.

In December 2018, the Banking and Insurance Regulatory Commission released the results of the 2018 annual insurance company governance evaluation. Among the 100 Chinese insurance corporations participating in the evaluation, CPIC achieved outstanding results.

The above awards reflect the endorsement of the regulators, capital markets and domestic and foreign professional organizations on CPIC's new board in adhering to high-level corporate governance and achieving high-quality growth.



The Hong Kong Institute of Directors issuing the 2018 Outstanding Board Award and the Outstanding Director Award.

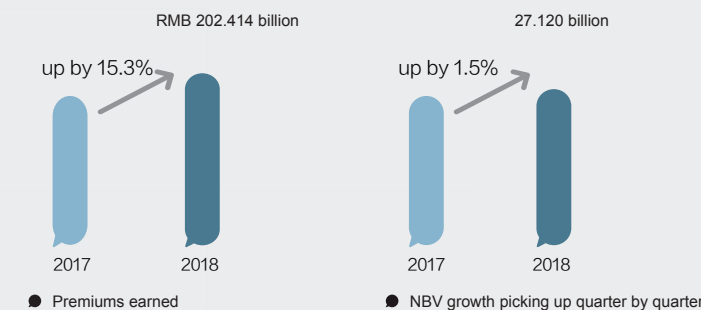
3.2 Pursuing sustainable value creation through high-quality growth

In 2018, being customer-oriented, CPIC focused on improving its main business of insurance to promote high-quality development with good performance and improved value creation.

Sustainable value-creation

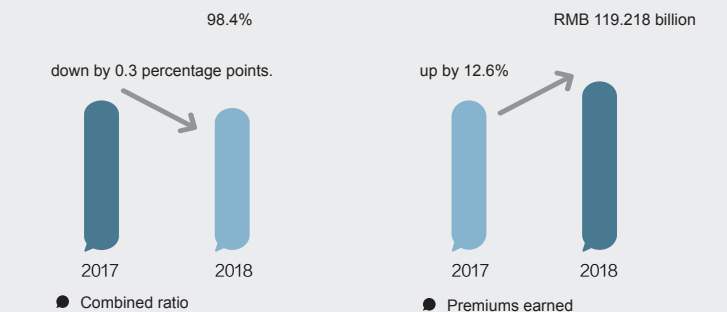
Life Business

Life business NBV recorded positive growth for 2018 with optimized business mix.



P/C Business

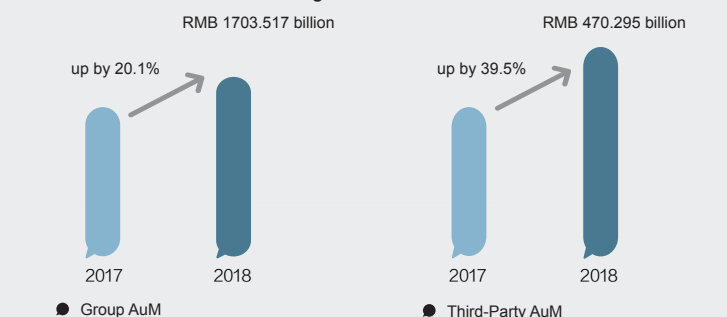
Improving combined ratio and accelerating business growth



Asset Management Business

Asset configuration based on insurance liability profile.

Net value of AuM saw stable growth.



Strengthening strategic cooperation

In 2018, we signed strategic cooperation agreements with nearly 20 provincial governments and large enterprise groups, setting good examples for integrated solutions. We signed comprehensive strategic cooperation agreements with major central and local SOEs such as JuneYao Group, China Shipbuilding Industry Group, Huafa Group, Bank of Communications, Shanghai East Best Lansheng International (Group) Co., and Oriental International (Holding) Co., Ltd., as well as Guangdong and Hunan provincial governments to serve the real economy and people's livelihood.



CPIC signs a strategic cooperation agreement with China Shipbuilding Industry Group.



CPIC signs a strategic agreement with Oriental International (Holding) Co., Ltd.

3.3 Best risk control through long-lasting mechanism

Developing “the best risk control capability” was our goal of risk management in 2018. Focusing on solvency, we continued to improve governance structure and risk awareness among employees to strengthen integrated strategic control with ever-improving long-term mechanisms. With innovative digital tools, we strictly guarded against systemic risks, continued to promote the full integration of risk management into business operation to build an efficient, agile and intelligent risk management system.

Improving risk management system

We deepened the coordination of the three lines of defense. Where there is business, there is risk. The first line of defense takes primary responsibility for risk management; the second defense line focus on improving our ability to organize, coordinate and lead risk management to ensure that all types of risks are well managed, with in-depth investigation and control of key risks; the third defense line focuses on supervision and disclosure, as well as supervision and independent audit of the risk management system. We strengthened the division of responsibility and cooperation between the Company's units at all levels. The Group undertakes the responsibility to strategically lead risk management, improve long-term mechanism, and track the Group-specific risks, as well as overlapping and systematic risks. Attaching importance to both business performance and risk management, headquarters of CPIC subsidiaries assume the responsibility of the Company's operational risk management, implement the requirements for the Group's integrated management and control, and improve the comprehensive risk management system in line with C-ROSS rules, so as to achieve better SARMRA and IRR evaluation results. CPIC branches strengthen their sense of risk responsibility, as well as risk identification and reporting, and fully implement risk management in such areas as underwriting, claims and customer service.

Upgrading risk management information system. We will expand the depth and breadth of risk data, increase the frequency of data interface; optimize risk management information system risk models and indicators to improve system intelligence; we will strive to visualize and automate risk reporting for important statements and reports.

Implementing long-term management of internal control

CPIC continued to optimize internal control management methods and tools, and formed a set of internal control management methods, tools and standards that meet international advanced standards, including a comprehensive internal control self-check (RCSA) process that fully mobilizes an active line of defense, an online “Internal Control Manual” with internal control requirements embedded in the operational process, risk assessment standards to assess the risk level of internal control, a monitoring platform for monitoring key risks, an institutional library to promote the implementation of regulatory policies and learning regulatory requirements for all employees, defect rectification processes and retrospective review and optimization platform. CPIC has built a rule-based internal control structure with emphasis on self-examination and supervision and culture.

Fostering a culture of compliance

In 2018, under the theme of “national security in new era”, CPIC organized various forms of national security publicity and educational activities within the Company. On top of regular promotion of laws and regulation and compliance culture, CPIC launched various specific law-enforcement educational activities to enhance employees' awareness of compliance – “zero tolerance for non-compliance”, “everyone bears responsibility for compliance”, and “compliance creates value”.



CPIC participates in the Shanghai Corporate Legal Skills Competition.



Anti-money laundering propaganda.

To Society

Giving full play to insurance's role as a "cushion" of economic shocks and a social "stabilizer", CPIC proactively shoulders responsibility in the face of disasters - promoting public good, supporting the development of culture and sports, and striving to meet people's needs for a better life.

“筑梦未来，因AI无限”2018太平洋保险责任照亮未来支教活动

Heavier social responsibility

4.1 Coming to your rescue in the face of disasters

In the past 10 years, CPIC's payout to customers increased year by year and reach RMB 560 billion in total. In 2018, the total disaster relief workload of CPIC doubled compared to 2017. CPIC's rescue team innovated its rescue methods to improve customer experience and reduce claims. The quick response rate of the disaster relief rose from 78.48% in 2017 to 96.21% in 2018 and the disaster relief complaint rate dropped from 6.5% to 0.37%.

2018 was a year of frequent natural disasters. Typhoons Ewinar, Jongdari, Rumbia and Mangkhut devastated the eastern coastal areas of China. All local CPIC branches launched pre-disaster response, with all disaster relief backlog cases settled within three days.



CPIC claims staff rescuing the disaster-affected vehicles and carrying out survey.

Coordinated rescue and claim service

Large part of Fengqiao Town of Jiaxing, Zhejiang Province, was hit by storm brought by Typhoon Jongdari. A Mr. Ma called CPIC when he saw his Buick submerged by flood. It only took local CPIC surveyor 5 minutes to locate his car and reach the scene. Under fast claims arrangement, payment was made within 22 minutes.

Rushing to remote rescue sites

Affected by Typhoon Rumbia, regional heavy rainfall occurred in Xuzhou, Jiangsu Province. The disaster caused flooding in many road sections in the city. Many cars were flooded, public facilities damaged, and crops ruined, even causing some casualties. CPIC urgently mobilized 7 special trailers from the nearby cities of Wuxi and Suzhou, and arranged claim personnel to rush to Xuzhou overnight. Against heavy rain and possible landslides on the way, they rushed to the hardest-hit area in the trailers, and played an important role in claims settlement and loss reduction, and thus won praises and trust from customers.

Advance preparation and speedy service

Before the arrival of Typhoon Jongdari, based on previous rescue experience and forecast for Typhoon Jongdari, CPIC Shanghai Branch allocated enough trailers for relevant regions. On August 3, a Mr. Wang's car was damaged by flood. After receiving rescue instruction, CPIC immediately contacted and confirmed with the customer about his requirement, and dispatched a rescue trailer to the site. The trailer arrived at the scene within 30 minutes. The water was deep at the scene, and the rescuers rolled up their pants and waded through dirty water to tow the car away. The customer was very happy with the swift rescue service.



CPIC providing customers with fast and warm-hearted claims and rescue services.

RMB 40 million paid for catastrophe index insurance in Qingyuan, Guangdong

After heavy rain occurred in Qingyuan, Guangdong in June due to Typhoon Ewinar, CPIC immediately activated emergency mechanism, opened a green channel for claims, and paid RMB 40 million of catastrophe index insurance compensation to the Qingyuan Municipal Finance Bureau. It was used for disaster relief and restoring production. This was the largest single insurance compensation in Qingyuan.

Compensation for landslide-incurred accident in Chongqing completed in 36 hours

In June 2018, due to heavy rain, a serious landslide occurred in Mocao Bay, Wulong District of Chongqing, killing five people and injuring one. CPIC immediately set up an accident handling team to send survey personnel to the scene to do the survey and brief the Wulong District People's Government. A green channel was opened to speed up claims settlement, and a payment of RMB 510,000 was completed within 36 hours of accident occurrence.

4.2 Building the future with love

We have long been concerned about children's education and health issues, and have been carrying out various forms of public welfare projects such as "Illuminate the Future with Responsibility" and "Love for Children's Welfare Center", benefiting more than 60,000 children.

We have donated funds to help build more than 60 Hope Primary Schools across the country. In 2008, we launched the "Illuminate the Future with Responsibility" project, our education-supporting program. Moreover, in the past three years, we further implemented the "Building the Future with Dreams" public welfare plan, helping the children of Hope Primary Schools pursue their music dreams. Over the past 10 years, a total of more than 1,000 CPIC volunteers have participated in education-supporting activities in more than 30 Hope Primary Schools.

Pursuing dreams for the future with AI technology

The "Illuminate the Future with Responsibility" activities featuring AI technology were carried out in the Xinzhai Hope Primary School in Nujiang, Yunnan Province from November 25 to November 30, 2018, bringing various interesting courses to the students there.

Xinzhai Hope Primary School, located in the Nujiang Autonomous Prefecture, a state-level designated poverty alleviation region in Yunnan Province, is a school that received CPIC's donation of funds as part of the Company's efforts to fight poverty by supporting education. The Company donated funds to help improve the school's facilities such as playgrounds, toilets, bathrooms, audio-visual classrooms and library rooms. This time, donations like AI equipment, school supplies, musical instruments and sports equipment were brought to the school, which greatly improved the school's hardware.

There are over 190 students in Xinzhai Hope Primary School. As a school in remote mountainous region of the country, it lacks professional teachers such as those of music or art. CPIC carefully selected volunteers, who received training in the East China Normal University and taught science, music, art, English, safety, reading, and PE in the school. They not only introduced AI knowledge to the students, but also organized activities like drum band, ocarina team, English songs chorus, and poetry recita for the children, encouraging them to dream about their future. As a result, the students became more enthusiastic about their ideals. Some said they wanted to become a teacher in the future, some said musician, while others said doctor, painter, and the list went on. A new world opened in front of them, and the seeds of dreams began to take root.



CPIC volunteers teaching various courses at the school and opening a door to the outside world for the students.

CPIC has been carrying out charity activities for the Shanghai Children's Welfare Institute for 23 consecutive years, and has donated more than RMB 4 million to it. In 2018, before the coming company celebration, CPIC volunteers came to the Shanghai Children's Welfare Institute and held family day activities for the children at the institute's Children's Amusement Park. They interacted with children in activities like role-playing, ball games, and birthday party, etc.

In 2018, CPIC Life's E-Life Partner customer club organized a crowd-funding project and encouraged its members to donate their club credit points to support CPIC's public welfare efforts. The credit points were converted into funds that were donated to four CPIC hope primary schools in Maoshan, Dingjiagou, Gongzhuling, and Dehui respectively to help purchase online courses for students. In Shandong Province, we launched a public welfare campaign for children with hearing impairment, donating RMB 950,000 to the Shandong Disabled Persons Welfare Foundation, and provided financial assistance for the treatment and rehabilitation of 300 hearing-impaired children in 16 cities across the province. We also launched poverty alleviation and education-supporting activities in Shangdong, making donations to 29 library rooms, providing financial aids to 290 impoverished primary school students, and offering 4-year long financial help to a total of 1,000 qualified poverty-stricken college entrance exam-taking students in the province.



CPIC volunteers interacting with children at the Shanghai Children's Welfare Institute.

4.3 Supporting cultural and sports activities

We have always been an active supporter of cultural and sports undertakings, and through brand alliance, passed forward positive values to promote brand image among our employees, customers and the public.

Emulating the spirit of Chinese women's volleyball team

In September 2018, CPIC became an official partner of the Chinese women's volleyball team. The team competed in the Women's Volleyball World Championship of 2018, wearing uniforms with CPIC logo. The girls fought hard and won a bronze medal, which made the whole country once again excited about the spirit of the Chinese women's volleyball team.

The Chinese women's volleyball team participated in 13 competitions in this World Championship. With media coverage on mainstream platforms such as CCTV and Tencent, the spirit of the Chinese women's volleyball team, embodying courage, hard work, persistence and teamwork, once again charmed the whole country. CPIC has established initial brand alliance with the team, improved its brand image and accumulated more high-quality brand assets. The brand cooperation with the Chinese women's volleyball team is well received by the public, customers and employees.



The Chinese women's volleyball team competing in the 2018 World Championship, winning the third place.

Implementing national fitness strategy by partnering with Shanghai Games

In order to implement China's national fitness strategy and promote sports, CPIC was the title sponsor of the 16th Shanghai Games and provided insurance and on-site services for the event.



Safeguarding the 16th Shanghai Games.

Providing artistic exchange opportunities for college students

The Shanghai International Arts Festival recruits a group of college students and high school students with literary and artistic interests and art literacy every year to observe various performances of the festival, and participate in art festival exhibitions, art education and other activities, enhancing artistic appreciation of college students and creating a "Best Program" recommendation index for young people.

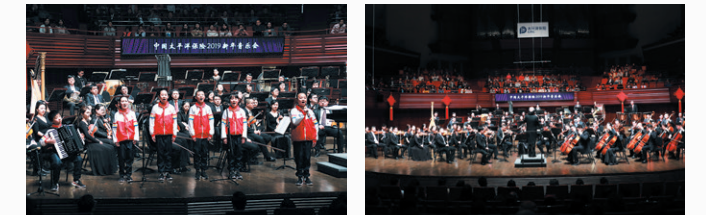
As an honorary partner of the China Shanghai International Arts Festival, CPIC gives all-round support to the viewing group regarding the recruitment of students, launching ceremony and training, salons, and awards ceremony, etc., to enhance the appeal and influence of art among the public. This also helps boost the awareness of insurance and popularity of CPIC among colleges, as well as attracting more talent and cultivating potential customers.



The students viewing group holding activities at East China Normal University and New York University Shanghai.

Further promoting "Travel the World with Music" program

CPIC has held "Travel the World with Music" symphony tours for 10 consecutive years. It has traveled to 32 cities in China and presented wonderful performances to more than 50,000 customers. In 2018, the program adopted the mode of "symphony tour + poverty alleviation + public welfare", and held events in Yinchuan, Wuhan, Shijiazhuang and other places, bringing wonderful feasts to the ears for local customers. At the same time, through this program, CPIC brought opportunities for the local primary school students in the poverty-stricken areas to perform on stage.



Students singing on the stage of "Travel the World with Music".

"Travel the World with Music" bringing feasts to the ears to customers.


Facilitating targeted poverty-alleviation with music

A group of special performance guests - the student chorus from the No.1 Primary School of Xiji were invited to participate in the "Travel the World with Music" event in Yinchuan, capital city of Ningxia. Xiji County, located in the south of Ningxia, is an impoverished county and a birthplace of the Chinese revolution. In 2017, both CPIC Life Ningxia Branch and CPIC P/C Ningxia Branch signed a poverty-alleviation cooperation agreement with Xiji County for targeted poverty-alleviation. Singing the song "The Liupanshan Mountain is so high, and the Yellow River is so wide", the chorus children expressed their musical dreams and gratitude to the society in their crisp young voice, winning the warmest applause from the audience. At the entrance of the Ningxia Grand Theatre, the special product booth of Xiji County was set up for showcasing local specialty products. Ke Qiang, a poverty alleviation cadre from CPIC P/C Ningxia Branch stationed in Xiji, introduced high-quality local agricultural and sideline products to the audience on site, such as artemisia products and potato biscuits.



To Environment

Well-protected green ecology



People and nature share an interdependent community of life. CPIC is always committed to promoting the mutualism between economic and social development and ecological environmental protection, actively participates in environmental risk management, adheres to green operations, and strives to reduce environmental footprints and help create a beautiful ecological environment.



5.1 Promoting green insurance to tackle environmental risk

Actively responding to climate change, we kept improving our ability to prevent disasters and reduce damage, innovated weather index insurance and provided risk protection services in environmental pollution, clean energy, and protection of wildlife, effectively transferring risks and reducing economic and social losses.

Innovating weather index insurance

Extreme weather events often cause huge losses to agricultural production. In 2018, we developed a total of 27 meteorological index insurance products such as snowfall meteorological index insurance for Tibetan antelopes and yaks farming and the meteorological index insurance for South American white prawn farming, and promoted green agricultural insurance products such as the arable land fertility index insurance and income insurance for high-quality rice planting. We also made rapid compensations for the weather index insurance for low-temperature tea planting and the weather index insurance for red baby-berry planting, providing timely support for farmers to resume production.



Providing environmental liability insurance

For environmental pollution liability insurance, we closely followed relevant national mandatory policies and the progress of the local blanket insurance projects around the country, tried hard to obtain qualifications for pilot insurance projects and strengthened development of special technologies, and effectively reduced the hidden dangers in environment and public health.

CPIC P/C Zhejiang Branch signed a cooperation agreement with the Zhejiang Academy of Environmental Sciences to provide value-added services such as risk assessment, accident survey and corporate environmental protection technology training for environmental pollution-causing enterprises. CPIC P/C Shenzhen Branch cooperated with the local government in formulating risk assessment criteria for environmental risks, organizing environmental assessment agencies and ecological environmental damage assessment agencies to establish an environmental assessment expert database, as well as in leading the establishment of an "environmental liability insurance information platform", which integrates such functions as data reporting, recording, analysis, and release with interface with the local insurance regulatory bureau, market supervision commission, the Shenzhen Municipal Finance Office, and the environment and water resources bureau of each district of the city.

By the end of 2018, most of China's provinces, autonomous regions and municipalities directly under the Central Government had adopted environmental liability insurance. CPIC provided 3,695 companies with environmental liability insurance products covering industries such as chemical raw materials and products, chemical industry, power generation industry, textile industry, and metal products industry, etc., with a total sum assured amounting to RMB 4.652 billion. CPIC also provided ship pollution liability insurance with sum assured of RMB 9.6 billion, to support marine environmental protection of the country.



Donating insurance to Sanjiangyuan National Park

In October 2018, CPIC donated accidental injury insurance to over 17,000 ecological rangers in Sanjiangyuan National Park, China's first national park, with total insurance coverage of RMB 5.508 billion. Sanjiangyuan National Park is of strategic significance to the development of China's ecological economy. It is also one of the most impoverished areas in Qinghai Province. The Park Administration had appointed more than 17,000 people from registered poverty-stricken households in villages and townships in the park area as ecological rangers of the park, and directly and indirectly, lift more than 60,000 people out of poverty. This insurance program of CPIC provided insurance and quick claims services covering "accident injury + emergency rescue" to those rangers. Next, CPIC will customize ecological insurance projects for the park and carry out comprehensive and sustainable insurance cooperation with the park in areas of ecological protection, wildlife protection, park liability and property loss.



CPIC donating insurance to the ecological rangers of Sanjiangyuan National Park.

Boosting new energy industry development

Focusing on energy optimization, CPIC has been committed to providing reliable risk protection for the operation of nuclear power plants in China and the management of nuclear power facilities, and actively participates in providing insurance for nuclear power projects. In 2018, it won the bid for Hainan Nuclear Power's 2018-2021 operating insurance program.

Further exploring catastrophe insurance

CPIC actively explored the practice of catastrophe insurance and is one of the founders of the National Earthquake Community of Urban and Rural Residents. CPIC was the leading underwriter of catastrophe insurance projects such as Ningbo Highway catastrophe insurance, catastrophe insurance for small and micro enterprises in Ningbo, catastrophe insurance for Huangpu District of Shanghai, and catastrophe insurance for Beipai District of Chongqing. Moreover, it led a number of catastrophe insurance research projects such as the Ningbo Catastrophe Insurance for Small and Micro Enterprises, Shanghai Urban Catastrophe Risk Management, and Shanghai Road-Bridge-Tunnel Catastrophe Insurance. It also independently developed catastrophe risk management tools such as "risk radar", and adopted tools such as "catastrophe model" through technology introduction.

Protecting endangered wildlife

CPIC cooperated with "Wild China" to advocate wildlife protection and provided insurance to Wild China's Public Welfare Training Camp in Gaoligong Mountain, Yunnan Province.



CPIC providing accident insurance for "Wild China" photographers.



5.2 Promoting green operation by reducing carbon emissions

We continued to promote paperless operation and reduce carbon emissions, and have made good progress in paperless office, and paperless insurance policies and invoices.

Promoting paperless operation with "Digital CPIC"

After 18-month implementation, "Digital CPIC" achieved initial results in paperless operation. Seven strategic-level digital projects have been successfully launched, including the digital accounting files, CPIC Life's CPIC E-Family (a self-service policy-signing platform for agents), paperless POS, paperless underwriting, the electronic long-term life insurance policy project, Digital Underwriting, and Paperless Anxin. The Company has so far saved 370 million sheets of paper, equivalent to more than 6,000 tons of carbon emissions, or RMB 60 million of cost reduction.

Digital Underwriting - CPIC's integrated cloud platform for policy-issuing

Digital Underwriting is an integrated cloud platform for policy-issuing of CPIC P/C, capable of handling 100 billion in business volume. With it, the whole process of insurance buying can be done online, the agent can make quotes on mobile devices, quotation information can be displayed on mobile terminal in real time, and the quotation results can be sent via SMS or WeChat in text or image, thereby reducing the amount of printed quotation paper. It has helped CPIC save 46.37 million sheets of paper.

Whole-process online operation of electronic long-term insurance policy

CPIC Life pioneered electronic long-term insurance policy and simplified the 11 steps of the traditional paper-based procedures (from customer's application to policy sign-off) to 4 steps, and shortened the turnaround time from 15 days to 6 minutes at the quickest, enabling whole-process on-line operation covering customer's application, policy issuance, electronic policy formulation and sending, customer sign-off and new technology-enabled welcome calls. Electronic policies resolved the so-called "the last mile" problem in life customer's key journey of purchasing insurance. Up to now, CPIC has issued 575,600 electronic policies, saving 30.92 million sheets of paper. For the new agents of CPIC Life, 99.99% of the policies were signed through CPIC E-Family. It only takes the agent half an hour to fill in the applicant's information on E-Family, and agent leaders can review the information on his/her iPad, and if it passes the review, a task number will be issued right away, and fingerprints will be collected and contract signed in two hours. If everything goes smoothly, the policy can be issued the same day. Thanks to CPIC E-Family, 61.268 million sheets of paper have been saved.

Block chain-enabled electronic VAT invoice

On 17 August 2018, CPIC and JD.com jointly announced the launch online block chain-enabled electronic VAT invoices, first of its kind in the industry, and piloted it on CPIC's Internet Procurement (E-Procurement) Platform.

In addition to connecting the procurement, financial and reimbursement systems with the Internet Procurement (E-Procurement) Platform, CPIC further explored and implemented application of block chain technology in the digitalization of VAT invoices. The block chain technology has unique technical characteristics such as distributed decentralization, being impossible to be tampered with, and complete traceability. Thus it can be applied to the digital VAT invoices, which can help both the tax administration and enterprise to reduce cost and improve efficiency in invoice management.



CPIC and JD.com jointly launching the first block chain-enabled electronic invoice electronic project in China.

Advocating low carbon life

We actively participated in activities such as Earth Hour, Arbor Day, World Earth Day, and clean-up of seaside garbage, and called on our employees and customers to practice low-carbon travel, low-carbon life, use of clean energy, so as to build a green homeland for all people in the world.

Constructing small photovoltaic power plant

CPIC Life Suizhou Key Sub-branch co-invested in the construction of a small photovoltaic power plant in Quhe Village, Yindian Township, Sui County, Hubei Province. A total of RMB 350,000 was invested in this village photovoltaic power plant. The power station is operating normally. An average of 200 kilowatt hours of power per day is incorporated into the national grid at the price of RMB 0.8 per kilowatt hour.



Small photovoltaic power plants put into operation.

Promoting afforestation

On April 21st, on the occasion of the 49th Earth Day, CPIC Life Wuxi Branch organized more than 1,000 employees and customers to carry out a large-scale environmental protection-themed public welfare hiking activities entitled "Protect our homeland with afforestation". The public welfare hiking activities covered a distance of 6.6 kilometers. The hikers took the initiative to pick up the roadside garbage and adopted and planted over 300 cerasus tree seedlings along the way, naming it CPIC Cherry Forest.




Advocating paperless operation

CPIC Life Changzhou Branch launched the "Thanksgiving Season" innovative customer experience activities to promote paperless operation among customers. In the lobby of the workplace, CPIC staff arranged a Thanksgiving event corner, and introduced innovative services such as the CPIC Life App, WeChat customer certification (face recognition), online POS, and paperless counter, etc.





To the industry



Striving for “industry leadership in healthy and stable development”, we constantly improve our professional expertise, share benefits from our growth, and advocate insurance culture, so as to contribute to the healthy development of the industry.

Cooperation for
common development



6.1 Stepping up joint efforts for industry progress

We continued to deepen cooperation with our partners, and carried out research in the frontier areas with a number of industry-leading achievements in property insurance, life insurance, asset management and pension. We also supported various forums on hot topics, participated in developing industry standards, and promoted industry reforms to enhance the development of the industry.



Participating in industry standard setting

CPIC participated in the formulation of the “Cloud Computing Standards for Insurance Industry”. The research on the standards was jointly carried out by the China Academy of Information and Communications Technology (CAICT) and the Insurance Institute of China. CPIC also won the “2017-2018 Trusted Cloud User Award”. Trusted Cloud was established in 2013 by the Ministry of Industry and Information Technology, and is the only official certification authority in the field of cloud computing in China. The award-winners are those who have made remarkable achievements in practical application of cloud computing during the year of the award.



CPIC compiled and published a book titled Research on Anti-Insurance Fraud Theory and Practice, establishing an anti-insurance fraud theoretical system with Chinese characteristics for the first time in the history of China’s insurance industry. The book was the result of the “anti-insurance fraud” research project jointly organized by the former China Insurance Regulatory Commission and the Insurance Institute of China. The project aimed to establish a theoretical system and practice standards with Chinese characteristics for fighting insurance fraud, guide anti-insurance fraud practice, make breakthroughs in insurance fraud supervision, and give a greater say to China in the international community in the field of insurance supervision.



CPIC and the Shanghai Quality Association held a seminar on the construction of insurance service standards system, and carried out in-depth discussion on topics such as the top-level design of the customer-centered service standards for insurance companies, digital insurance, basic service standards, service provision standards, and service evaluation standards. The seminar strengthened cooperation in the construction of insurance service standards system, shared existing achievements, and jointly promoted the standardization of insurance services.

Promoting industry exchanges

Briefings on the research project results of CPIC Huawei Strategic Cooperation. On July 25th, CPIC and Huawei organized the Briefings on the research project results of CPIC Huawei Strategic Cooperation, which demonstrated the results of research projects such as “Data Center and Corporate Cloud”, “Big Data and Artificial Intelligence” and “Digital Security”. Experts believed that all the results were based on the insurance industry, addressed the pain points of the whole industry, and reflected the advanced experience and collective wisdom of both parties in insurance technology. Based on sufficient market research and proof of concept, they are of considerable demonstration significance and worthy of wider promotion and application.

The 9th High-level Strategic Summit of CPIC and Mistui Sumitomo Insurance (China) Company. On November 13, CPIC and Mistui Sumitomo Insurance (China) Company held their 9th high-level strategic summit, at which they exchanged ideas on the development trend of the insurance market in China and Japan, auto insurance underwriting and claims, food safety liability insurance, water insurance freight claims agents, non-auto insurance, and reinsurance.



The 9th high-level strategic summit of CPIC and Mistui Sumitomo Insurance (China) Company.

The Third Risk Management Forum of Property Insurance Companies. The forum was hosted by CPIC P/C, participated by experts, chief risk officers, and heads of risk management from the accounting department of China Banking and Insurance Regulatory Commission, Shanghai Insurance Association, Shanghai Insurance Institute, and major domestic insurance companies and reinsurance companies, as well as responsible persons of the lead units of C-ROSS phase II project. Based on the SARMRA inspection and evaluation in 2018, At the event, the participants studied the latest ideas of risk management supervision, and held in-depth discussions on the following six topics: the C-ROSS phase II project, quantitative management of catastrophe risks in property insurance, risk management information system construction, construction of system integrating risk control and front-end business, risk management of credit insurance in property insurance, and the risk management construction and new business risk assessment under C-Ross, which further clarified the thinking of joint industry efforts against key risks in the future.

Industry Seminar on “Application of Block Chain Technology in Annuity Operations Management”. Changjiang Pension and the Insurance Asset Management Association of China jointly held an Industry Seminar on “Application of Block Chain Technology in Annuity Operations Management”, leveraging the advantages of the Shanghai Stock Exchange to jointly promote the practical application of block chain technology with peer companies. Changjiang Pension also, in conjunction with Asia Asset Management, held the 13th China Round Table Meeting with the theme “Long-term pension management for sustainable development”



Industry Seminar on “Application of Block Chain Technology in Annuity Operations Management” .



The meeting series on strategy in asset management

CPIC AMC held a meeting series on strategy in asset management in Shanghai, Shenzhen and Beijing to provide institutional investors with a platform for information gathering, idea exchanging and sharing.



CPIC's strategy sharing meeting

Credit Risk Seminar. CPIC Euler Hermes held a credit risk seminar to discuss the impact of global risks on enterprises, and the forms and methods for financing corporate receivables.

CPIC Life promoted industry exchanges through project cooperation and participation in international annual meetings. The School of Insurance of Southwestern University of Finance and Economics released the Study on the Demand Gap of Life Insurance and Customer Service Expectations of Urban and Rural Residents in Sichuan (Chengdu) and held a seminar to discuss the development of life insurance industry in the new era, which reflected the joint participation of both the industry and the academia in the Western Financial Center Action Plan of Chengdu, capital city of Sichuan Province.

145 CPIC Life agents participated in the 2018 International Dragon Awards IDA Annual Meeting and the 3rd Directors Forum, and more than 200 insurance institutions and 8,000-plus insurance elites from 17 countries and regions gathered in Kunming (also known as "city of spring", capital of Yunnan Province) to discuss the future development direction and trend of China's insurance industry.

6.2 Spreading insurance awareness for a better world

To better spread the concept of "insurance makes life better", we carry out various forms of insurance educational activities throughout the country, making full use of the "8th of July" Insurance Publicity Day and the "15th of March" International Consumer Rights Day.



Each branch of CPIC life launched a variety of insurance publicity activities.

Conducting public awareness campaigns

For the "8th of July" Insurance Publicity Day, under the theme "Safeguard your beautiful life with insurance" we held a series of themed activities such as "Public welfare walk", "Finger dance", "Stories behind insurance", "Insurance integrity promotion ambassadors", and "Insurance in community", showcasing the charm of insurance, boosting the insurance awareness of the public, and providing an "umbrella of protection" for a better life. In 2018, CPIC was awarded the Best Activity Award of China Insurance Association.

During the "15th of March" International Consumer Rights Day in 2018, the branches of CPIC P/C and CPIC Life held a variety of activities under the theme "Honest operation, quality service", including "Principal Customer Service Manager Reception Day", "Warm your heart with insurance", "Insurance on college campus", and "Insurance in community". These activities help CPIC gaining more insights into customer needs and answer customer's doubts and questions about insurance.

Advocating on insurance values

"By injecting a drop of water each day, you'll receive an ocean of help in hard times" is not only a brand slogan for CPIC, but also for the industry. This well-worded slogan helps numerous people better understand the protective value of insurance. In 2018, CPIC developed a new interpretation of this slogan. We used vivid and rich language to reveal the essence of insurance through new media, highlighting the meaning and role of insurance, and enabling the audience to form closer and more direct association with the brand image. The slogan won the 2018 Golden Promise Brand Award - the annual insurance brand slogan.



Advertisement with the theme "By injecting a drop of water each day, you'll receive an ocean of help in hard times". The ad digs deep into the six concept scenes including environment, agriculture, humanities, and major projects, and creatively conceives a story of water drop to create a "professional, dedicated and warm-hearted" brand image.

To further showcase the protection and caring of CPIC symbolized by the "drop of water" campaign, CPIC launched a micro-movie "Love deserves to be loved" – depicting how a stray cat was cared for, and how by paying a little bit each day, you will be protected in hard times; just like how CPIC protects its customers. Receiving a lot of attention on new media, the film did a lot in promoting insurance in a way easier for the public to understand.



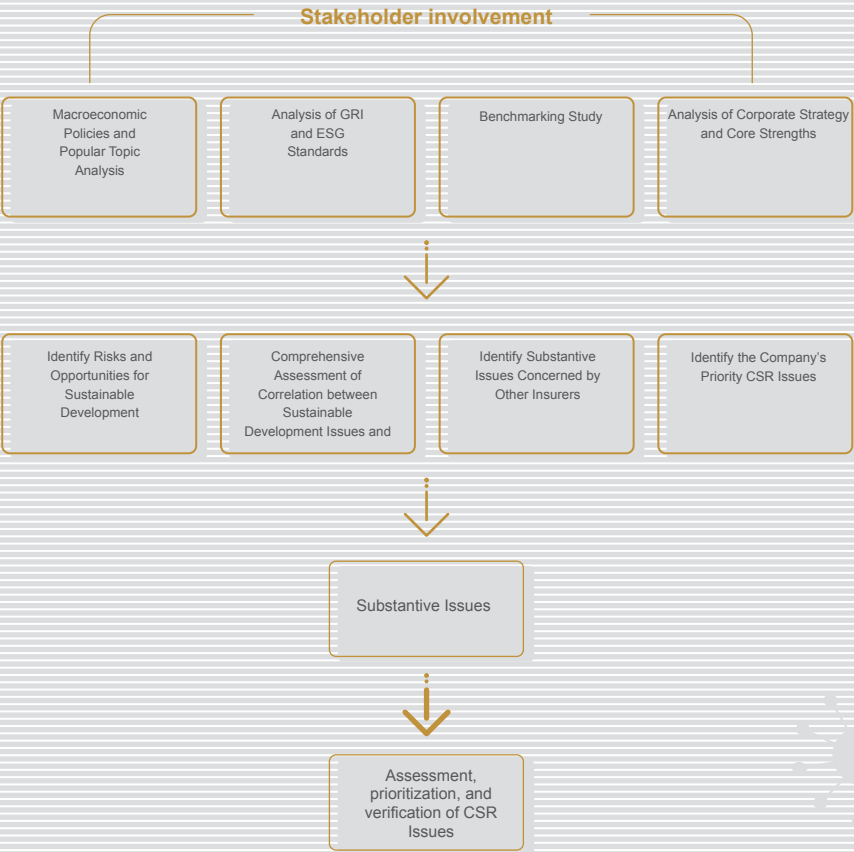
Picture from the micro-movie titled "Love deserves to be loved".

ESG Report

CSR Management

Substantiveness analysis

Based on the existing main stream reporting standards such as HKSE ESG Index (latest version), GRI G4, and the sustainable development goals (SDGs) of the UN, we carried out a large number of preliminary studies to assess the impact of each CSR issue on CPIC and its stakeholders, and thus identified the substantive issues that have a significant impact on the economy, environment and society.



We identified 20 substantive issues that are closely related to CPIC, and invited stakeholders to assess the importance of the issues through an on-line survey questionnaire. After discussion by the Company's decision-makers and external experts, the priorities of the issues were finalized. We matched the identified substantive issues with the compiling criteria for this report to ensure that no important issues are missed. In terms of substantiveness, we carefully divided the corresponding management methods and disclosure indicators into the corresponding departments of the Group and its subsidiaries, and collected as much information as possible.

high	Impact of products and services on society and the environment	Creation of economic value; Products and service innovation
	Community Construction and Poverty Alleviation	Corporate governance; Protection of customer rights
	Win-win cooperation	Business integrity; Employee health and rights
	Responsible investment	Digital capacity building; Employee vocational training and development
	Popularization and dissemination of financial knowledge	Coping with disasters and catastrophic events
low	Supply chain management; Waste management	Party construction innovation
	Management of water resources; Low carbon operation management	Internet security
	Importance to CPIC -->	

Substantive issues and boundary

Substantive issues	ESG related	GRI Standard	Internal boundary	External boundary		
				Customers	Suppliers	Communities
Economy						
Economic value creation		Economic performance; market performance	●			
Community Construction and Poverty Alleviation	Community investment	Indirect economic impact; local community	●			●
Environment						
Low carbon operation management	Emissions	Emissions , energy	●		●	
Waste management	Emissions	Materials ; sewage and waste	●		●	●
Water resources management	Resources utilization	Water resources	●			
Society						
Coping with disasters and catastrophic events		Local communities	●		●	
Employee vocational training and development	Development and training	Training and education	●			
Employee health and rights	Health and Safety;	Occupational Health and Safety; Employment; Labour Relations; Diversity and equal opportunity; non-discrimination	●			
Protection of customer rights	Product liability	Customer health and safety ; marketing and marking; Customer privacy; social and economic compliance	●		●	
Popularization and dissemination of financial knowledge		Local community	●		●	
Party-building innovation	Anti-corruption	Anti-corruption	●			
Others						
Product and Service Innovation			●		●	
Internet security	Product Liability	Customer Privacy	●		●	
Digital capacity building			●			
Impact of products and services on society and the environment		Local community	●			●
Responsible investment		Human rights assessment; local communities	●			●
Corporate governance	Anti-corruption	Governance; Anti-corruption; Improper competition	●			
Business Integrity	Anti-corruption	Ethics and integrity; anti-corruption; Marketing and marking.	●			
Win-win cooperation		Procurement behavior	●			●
Supply Chain Management	Supply Chain Management	environmental assessment of supplier; freedom of association and collective bargaining ; Child labor ; Forced and compulsory labor; social assessment of supplier	●			●

Stakeholder Involvement

We carried out a stakeholder identification program by inviting representatives from important functional departments and the front-line and external experts to identify the internal and external stakeholders of the Company and determine how stakeholders and the Company's sustainable development influence each other. In addition, through various interactions with our stakeholders, we made sure that their voices and expectations could reach us quickly so we can continuously improve our CSR management and practices.

Stakeholder	Stakeholder expectation	Communication channel
Government and regulators	Development with compliance and integrity. Provide services to enhance people's livelihood. Boost social-economic development. Disaster response.	Daily report and communication. Approval and supervision of products and services. Meetings on the cooperation between government and insurance companies. Participation in investigations and research work.
Employees and agents	Open channels of communication. Ever improving remuneration and benefits. Bright career development prospects. Healthy and safe working environment. Achieve work-life balance. Disaster response.	Workers Congress. OA and instant messaging platform. "Golden idea" activity for exchange and communication. Business supervision, training, and technical support. Recreational activities for employees. research work.
Customers	Needs-based products and services. Good products and service experience. Rights and privacy protection.	Customer needs survey Customer satisfaction survey 95500 Customer Service Hot-line Customer service and care activities Insurance awareness activities Social media
Shareholders	Robust business performance. Sophisticated corporate governance mechanism. Continuously strengthen risk management. Transparent information disclosure.	Shareholders' Meeting Regular reports and information bulletins Roadshow and Reverse Roadshow Capital Markets Open Day Social media
Partners	Win-win cooperation Leading industry innovation	Exchange and sharing of practical experience Participate in the industry policy study Extensive within-industry and cross-industry cooperation
Communities	Popularize the concept of finance and insurance Public welfare cause Respond to hot spot issues of society Environmental protection	Popularize insurance concept and knowledge. Communicate with the local governments and non-governmental organizations on actual development needs. Carry out volunteer and public welfare service programs. Carry out targeted poverty alleviation programs. Media communication. Provide environmentally friendly products and services.

Linkage to the United Nations Sustainable Development Goals

In September 2015, the United Nations formally adopted the “2030 Agenda for Sustainable Development”, and proposed 17 Sustainable Development Goals (SDGs) to mobilize global forces to achieve a series of common goals. In order to facilitate the implementation of the Agenda in China, the Chinese government issued the "Plan for Implementation of the 2030 Sustainable Development Agenda" in September 2016. In 2018, we bench-marked the 17 goals and their importance to the Company's operations and related projects, further clarified the relationship between company development and sustainable development, and provided a directional reference for future corporate social responsibility work.

SDG

SDG Targets Our action

- 1 无贫穷

Focusing on the main business of insurance, we continue to increase, expand and upgrade our poverty alleviation projects to provide various types of protection for the poor. Focusing on those badly impoverished areas, we try to establish a long-term mechanism for targeted poverty alleviation with CPIC characteristics.
- 3 良好健康与福祉

We continue to explore and innovate in areas such as critical illness insurance, long-term care, and elderly care and protection, and have accumulated a wealth of experience in products and services. We devote ourselves to creating a healthy and safe working environment for our employees through extensive activities and training.
- 8 体面工作和经济增长

We strictly abide by laws and regulations, and besides safeguarding employee rights and interests, constantly improve welfare benefits, vocational training systems, and career promotion channels to enable employees to benefit from corporate development; we improved agent retention through technology support, training programs, and benefit packages.
- 11 可持续城市和社区

We closely follow the needs of the country's social development, and actively carry out product and service innovation in the field of property insurance, personal insurance, and insurance funds, to serve the real economy and sustainable urban development.
- 2 零饥饿

We have developed a number of innovative agricultural insurance products such as insurance + futures, supplementary catastrophe insurance, income insurance, and weather index insurance, and upgraded the "e-agricultural insurance" to provide risk protection for agricultural production and promote the establishment of a sustainable food production system.
- 9 产业、创新和基础设施

We continued to innovate products and services in the field of aerospace, shipbuilding, new materials, life sciences, and the first (set) major technical equipment to help the upgrading of domestic industries. We also eased the financing problems of SMEs through a variety of innovative products.

SDG Targets Our action

- 16 和平、正义与强大机构

We strive to eliminate all forms of corruption and bribery, established an effective, responsible, and transparent corporate governance structure, actively carry out Party-building innovations, and maintain a high degree of sense of responsibility and mission to ensure that the Company gives back to its stakeholders while achieving stable and sustainable value growth.
- 4 优质教育

We have always paid attention to children's education. We have donated more than 60 Hope Primary Schools throughout the country, and regularly organized employee volunteers to support rural education and helped impoverished schools improve their teaching conditions; we also actively promote the cooperation between industry and research institutes and universities, and participate in the education and training of financial and insurance professionals.
- 13 气候行动

We developed a number of weather index insurance and catastrophe insurance products to help mitigate disaster risks related to climate vulnerability. We also undertook clean energy projects such as wind power and nuclear power projects to promote low-carbon operation; we strengthened the energy management of our real estate investments, and continued to reduce our carbon footprint.
- 12 负责任消费和生产

We actively use new technologies, develop digital products, and promote paperless operations in various business lines. At the same time, we have facilitated the convenience and transparency of processes like sales, insurance application, and claims settlement, providing great sales help to our agents.
- 7 经济适用的清洁能源

We have long paid attention to the field of energy optimization and contributed to an environmentally friendly ecological society by underwriting and investing in the clean energy industry and innovating products related to clean energy.
- 15 陆地生物

We have developed products such as public liability insurance for wild animals, forest insurance and other products. While reducing social risks, we have also promoted biodiversity conservation.
- 17 促进目标实现的伙伴关系

We actively expand strategic cooperation with governments and enterprises, respond to the national "Belt and Road" initiative, provide comprehensive risk protection and services for economic development and people's livelihood, participate in industry development, share the results of corporate development, and commit ourselves to becoming a leader in the healthy and stable development of the industry.

Environment

(The data in this chapter are from the headquarters of the Group and its subsidiaries unless otherwise specified)

Energy consumption and emissions

Our energy consumption mainly comes from the electricity consumption of office and data centers and canteen's use of gas. Pollutant emissions mainly come from the emission of nitrogen oxides, sulfur dioxide and particulate matter generated by employees' vehicles. Responding to the national call for energy-saving and emission reduction, we carried out industry benchmarking, formed policies for energy-saving and emission-reduction, stipulated that in winter the set-up temperature of heating in office should not exceed 20°C, and the cooling set-up temperature should not fall below 26°C in summer; we optimized the lighting in corridors, stairwells, foyers and other public places by using energy-saving and environmentally-friendly products, and making full use of natural lighting; we advocate environmental protection by employees, such as reducing the brightness of computer screens, reducing use of indoor lights, and turning off electric equipment in a timely manner.

We actively promote green travel and minimize travel emissions. In 2015, the "Measures for the Administration of Company Vehicles (Provisional)" was drafted. It is proposed that in principle, company vehicles must not be used when public transport is available. We also actively encourage the convening of video conferences to lower conference fees and travel budgets.

Data Center PUE*

Data Center PUE	2018	2017	2016
Tianlin Road Data Center	1.73	1.75	1.78
Chengdu Data Center	1.99	2.03	2.28

* PUE = total energy consumption of data center/energy consumption of IT equipment

Data center power consumption (10,000 KWHs))

Data Center PUE	2018	2017	2016
Tianlin Road Data Center	3,038	2,450	2,450
Chengdu Data Center	2,652	2,247	1,850

(In 2018, after modification, two computer rooms on the second and fourth floors of the Tianlin Data Center were re-introduced , increasing the density of the cabinets and the power consumption of a single cabinet.)

Office buildings electricity consumption

Data Center PUE	2018	2017	2016
CPIC Group (KWHs)	3,847,520	3,977,622	4,055,106
CPIC Life (KWHs)	1,292,307	1,305,779	1,931,107

CPIC P&C (KWHs)	1,015,228	130,197	33,675,982
CPIC AMC (KWHs)	2,986,682	3,091,390	3,202,260
CPIC HK (KWHs)	36,744	35,873	33,492

CPIC Allianz (KWHs)	196,642	130,000	96,128
Changjiang Pension (KWHs)	661,197	834,616	867,428
Anxin Agricultural Insurance(KWHs)	1,159,499	1,073,610	985,799

Electricity consumption per square meter

Data Center PUE	2018	2017	2016
CPIC Group (KWHs/square meter)	106	110	112
CPIC Life (KWHs/square meter)	126	127	238

CPIC P&C (KWHs/square meter)	35	4.49	—
CPIC AMC (KWHs/square meter)	258	879	911
CPIC HK (KWHs/square meter)	80	79	74

CPIC Allianz (KWHs/square meter)	38	32	—
Changjiang Pension (KWHs/square meter)	89	137	142
Anxin Agricultural Insurance (KWHs/square meter)	132	122	112

Natural gas consumption of office buildings

Data Center PUE	2018	2017	2016
CPIC Group (cubic meters)	149,043	124,587	252,679
CPIC Life (cubic meters)	59,296	51,221	12,991

CPIC P&C (cubic meters)	87,360	98,644	23,302
CPIC Allianz (cubic meters)	—	—	17,000
Anxin Agricultural Insurance (cubic meters)	—	—	2,936

Greenhouse gas emission

Data Center PUE	2018	2017	2016
Direct greenhouse emission (tonnes of CO2 equivalent)	647.29	600.78	679.09
Indirect greenhouse emission (tonnes of CO2 equivalent)	56,740.65	57,376.44	44,667.57

Other indirect greenhouse emission (tonnes of CO2 equivalent)	3,492.03	4,903.51	2,974.13
---	----------	----------	----------

(Combined data for Headquarters of the Group and its subsidiaries)

Pollutant emissions

Data Center PUE	2018	2017	2016
NOx emissions(grams)	591,228.20	783,503.48	578,138.84
SO2 emissions(grams)	7,285.59	7,854.51	3,079.51

Particle emissions (grams)	53,378.85	82,181.81	50,606.47
----------------------------	-----------	-----------	-----------

(Combined data for Headquarters of the Group and its subsidiaries)

Conference call and video conference

Data Center PUE	2018	2017	2016
Conference call (times)	871	2,533	2,916
Video conference (times)	14,836	3,396	1,718

(Combined data for Headquarters of the Group and its subsidiaries)

Paper consumption and paper-saving performance

We continued to promote electronic insurance policies and green office to reduce paper consumption.

Office paper usage

Data Center PUE	2018	2017	2016
CPIC Group (Kilos)	5,797	5,736	5,525
CPIC Life (Kilos)	2,960	3,162	3,120

CPIC P&C (Kilos)	5,560	4,871	4,806
CPIC AMC (Kilos)	2,000	2,300	2,100
CPIC HK (Kilos)	4,125	4,500	4,500

CPIC Allianz(Kilos)	992	982	930
CPIC SLIM(Kilos)	660	513	600
Changjiang Pension(Kilos)	3,688	3,175	2,957

Anxin Agricultural Insurance(Kilos)	2,318	1,965	2,560
-------------------------------------	-------	-------	-------

Paper-saving performance

Data Center PUE	2018	2017	2016
Annual number of e-policies (10000)	12,175.31	7,794.07	6,808.09
Mobile POS of Life business (%)	71	63	58

Electronic invoice (100,00)	4,172.10	2,441.47	372.00
Policies obtained through from smart phones (100,00)	2,401.16	1,473.86	1,390.01
Electronic issuing (100,00)	2,878.14	1,374.00	379.18

Electronic mails (100,00)	1,416.00	673.89	40.94
SMS notice (100,00)	58,485.85	45,478.58	43,354.32
Electronic signatures(100,00)	10,585.35	8,967.34	4,569.18

Mobile claims settlement(100,00 times)	532.00	548.00	23.81
--	--------	--------	-------

Water consumption

The consumption of water by insurance companies mainly comes from daily office water consumption.

Water consumption of office buildings				
Data Center PUE	2018	2017	2016	
CPIC Group (ton)	48,572	41,289	48,465	
CPIC Life (ton)	28,586	33,051	17,454	
CPIC P&C (ton)	44,019	40,480	26,427	
CPIC AMC (ton)	6,204	6,073	5,292	
CPIC HK(ton)	3	2,099	2,099	
CPIC Allianz(ton)	2,585	1,992	1,600	
Anxin Agricultural Insurance(ton)	5,149	5,619	6,483	

Water consumption per capita				
Data Center PUE	2018	2017	2016	
CPIC Group (ton)	37.9	32.3	37.8	
CPIC P&C(ton)	22	22.4	37.8	
CPIC AMC (ton)	25	24.5	25	
CPIC HK(ton)*	0.07	52	52	
CPIC Allianz (ton)	11	11	11	
Anxin Agricultural Insurance (ton)	24	26	30	

* The annual data on the water consumption of CPIC HK has changed significantly because the management office of Central Plaza where the company is located has completely renovated the water supply system, and the cost of water for all tenants is already included in the rent, there is no longer a separate water meter for each tenant, thus the specific water consumption for each tenant can't be obtained, and the tenant can only count the condensed water consumption in the computer room.

Waste

We systematically manage and statistically collect office equipment that is included in the management of fixed assets, conduct regular and irregular inspections and inventory, evaluate the use of equipment, and encourage the reuse of waste materials.

Unlike ordinary garbage, used electronic equipment and devices need special treatment to prevent environmental pollution. We have three ways of disposing used electronic equipment. Firstly, we use them for development testing, which improves the utilization efficiency. Secondly, we entrust a third party to auction them off. Thirdly, we donate them.

Waste disposal				
Data Center PUE	2018	2017	2016	
*Recovery of used UPS battery(headquarters) (ton)	0	2.40	34.80	
*Auction of electronic waste (pcs)	1,335	1,115	1,301	

Environmental compliance

We have developed systematic environmental performance indicators and regularly track and collect data. The Company is not in a highly polluting industry. In 2018, we did not suffer any penalties for environmental violations or received any environmental complaints.

Society

(The data in this chapter are all data of the Company unless otherwise specified)

Employment and Labor Relation

Safeguarding the legitimate rights and interests of employees

We are committed to safeguarding the legitimate rights and interests of employees and creating a harmonious and stable labor relationship. According to the relevant laws and regulations such as the Labor Law, the Contract Law, the Trade Union Law, the Collective Contract Regulations, as well as the Company's actual conditions, we negotiate with all the employees on an equal basis and sign collective contract; we also adhere to principles of equality between men and women, equal pay for equal work, anti-discrimination, refusal to employ child labor, and fight against forced and compulsory labor.

When formulating, modifying, and finalizing rules and regulations or major issues that directly involve the rights and interests of the workers, the Company will hold the workers' representative meeting or general assembly of employees for discussion, proposals and opinions. Decisions will be made only after negotiation with the trade union or employee representatives on an equal basis. Regarding the major business changes of the Company, we will communicate with employees at least one month in advance. In 2018, we did not receive complaints about labor issues, nor did we have any labor disputes. In 2018, we revised the "Administrative Measures on Labor Dispute Mediation" to further standardize the Company's labor dispute negotiation and mediation behavior and promote harmonious labor relations.

We provide employees with various benefits according to law such as social insurance and housing fund, commercial insurance, corporate annuity, supplementary provident fund, and high temperature subsidy. To promote the stable development of our sales force, we continued to optimize the welfare system for agents, providing them with benefits like death/disability by accident insurance, death by illness, accident medical treatment, and in-patient medical insurance, and group annuity insurance.

And we expanded the age limit for medical insurance and in-patient protection from 65 to 80 and 70 respectively.

Create a smooth career path

We provide dual-career promotion channels (administrative and business direction) for employees and formulated various training, rotation, and assignment training policies to improve the management of employee career development. In addition, we set up a talent cultivation principle of "Make sure diligence and performance is duly appreciated and rewarded."

Number of employees by type of employment

Starting salary of employees (yuan)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	5,850	5,250	5,250
CPIC Life (headquarters)	5,475	5,475	5,424
CPIC P&C (headquarters)	4,585	4,460	4,120
CPIC AMC	3,000	3,000	3,000
CPIC HK *	9,500	9,000	9,000
CPIC Allianz	5,300	5,300	5,300
CPIC SLIM	2,600	2,600	2,280
Changjiang Pension	2,825	2,675	2,583
Anxin Agricultural Insurance	3,500	3,500	3,500

* The starting salary of CPIC HK was calculated in HK dollar.

Labor-contract workers

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	1,966	1,672	1,507
CPIC Life	41,667	40,292	38,936
CPIC P&C	51,916	49,069	47,766
CPIC AMC	248	231	212
CPIC Allianz	345	274	227
CPIC SLIM	53	22	33
Changjiang Pension	395	351	300
Anxin Agricultural Insurance	339	352	337

Re-employed after retirement

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	4	0	0
CPIC Life	237	246	267
CPIC P&C	154	219	310
CPIC AMC	0	0	0
CPIC Allianz	0	0	0
CPIC SLIM	0	0	0
Changjiang Pension	5	6	6
Anxin Agricultural Insurance	4	16	23

Number of employees

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	2,092	1,815	1,629
CPIC Life	43,076	41,650	40,343
CPIC P&C	57,794	53,892	51,665
CPIC AMC	250	235	217
CPIC HK	44	40	40
CPIC Allianz	348	277	230
CPIC SLIM	56	23	34
Changjiang Pension	414	370	326
Anxin Agricultural Insurance	384	420	440

Dispatched laborers

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	122	143	122
CPIC Life	1,172	1,112	1,140
CPIC P&C	5,724	4,604	3,589
CPIC AMC	2	4	5
CPIC Allianz	3	3	3
CPIC SLIM	3	1	1
Changjiang Pension	14	13	20
Anxin Agricultural Insurance	41	52	80

Number of new employees

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	511	363	330
CPIC Life	1,508	1,307	1,283
CPIC P&C	8,920	4,803	3,259
CPIC AMC	33	35	46
CPIC HK	20	6	19
CPIC Allianz	113	80	136
CPIC SLIM	33	0	1
Changjiang Pension	69	85	88
Anxin Agricultural Insurance	15	49	-87

Staff turnover

Resigned

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	211	197	159
CPIC Life	3,062	3,052	3,620
CPIC P&C	8,193	2,576	1,959
CPIC AMC	16	13	14
CPIC HK	17	10	18
CPIC Allianz	42	31	25
CPIC SLIM	5	11	4
Changjiang Pension	22	34	35
Anxin Agricultural Insurance	33	29	33

The number of female employees who resigned

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	88	79	59
CPIC Life	1,659	1,629	2,045
CPIC P&C	3,357	1,281	969
CPIC AMC	6	7	3
CPIC HK	10	10	11
CPIC Allianz	22	19	15
CPIC SLIM	2	4	3
Changjiang Pension	8	7	21
Anxin Agricultural Insurance	16	8	11

The number of male employees who resigned

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	123	118	100
CPIC Life	1,403	1,423	1,575
CPIC P&C	4,836	1,295	990
CPIC AMC	10	6	11
CPIC HK	7	0	7
CPIC Allianz	20	12	10
CPIC SLIM	3	7	1
Changjiang Pension	14	27	14
Anxin Agricultural Insurance	17	21	22

Retired

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	6	10	7
CPIC Life	285	304	175
CPIC P&C	574	154	139
CPIC AMC	0	2	0
CPIC HK	0	0	2
CPIC Allianz	0	0	0
CPIC SLIM	0	0	1
Changjiang Pension	1	0	0
Anxin Agricultural Insurance	9	3	4

Number of employees who returned to work from maternity leave/paternity leave

(The 2016 and 2017 data of CPIC P/C and CPIC Life are for their headquarters)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	55	45	29
CPIC Life	1,222	21	24
CPIC P&C	1,312	13	15
CPIC AMC	7	7	7
CPIC HK	0	0	0
CPIC Allianz	7	6	4
CPIC SLIM	0	0	0
Changjiang Pension	12	5	8
Anxin Agricultural Insurance	14	15	25

Number of male employees who took paternity leave

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	46	46	33
CPIC Life	292	5	3
CPIC P&C	604	10	2
CPIC AMC	5	1	7
CPIC HK	1	1	1
CPIC Allianz	9	4	4
CPIC SLIM	0	0	2
Changjiang Pension	9	6	7
Anxin Agricultural Insurance	4	4	6

Dismissed

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	1	1	0
CPIC Life	0	0	1
CPIC P&C	19	0	0
CPIC AMC	1	0	1
CPIC HK	1	0	0
CPIC Allianz	0	2	0
CPIC SLIM	0	0	0
Changjiang Pension	1	0	0
Anxin Agricultural Insurance	7	10	81

(The 2016 and 2017 data of CPIC P/C and CPIC Life are for their headquarters)

The number of female employees who were dismissed

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	0	0	0
CPIC Life	0	0	0
CPIC P&C	5	0	0
CPIC AMC	1	0	1
CPIC HK	0	0	0
CPIC Allianz	0	0	0
CPIC SLIM	0	0	0
Changjiang Pension	0	0	0
Anxin Agricultural Insurance	4	7	38

(The 2016 and 2017 data of CPIC P/C and CPIC Life are for their headquarters)

The number of male employees who were dismissed

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	1	1	0
CPIC Life	0	0	1
CPIC P&C	14	0	0
CPIC AMC	0	0	0
CPIC HK	1	0	0
CPIC Allianz	0	2	0
CPIC SLIM	0	0	0
Changjiang Pension	1	0	0
Anxin Agricultural Insurance	3	3	43

(The 2016 and 2017 data of CPIC P/C and CPIC Life are for their headquarters)

Number of female employees who returned to work from maternity leave

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	53	45	29
CPIC Life	1,042	21	24
CPIC P&C	1,091	12	13
CPIC AMC	7	5	5
CPIC HK	0	0	0
CPIC Allianz	5	4	1
CPIC SLIM	0	—	—
Changjiang Pension	12	5	8
Anxin Agricultural Insurance	8	11	13

Number of male employees who returned to work from paternity leave

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	46	46	33
CPIC Life	292	5	3
CPIC P&C	587	10	2
CPIC AMC	5	1	7
CPIC HK	1	1	1
CPIC Allianz	9	4	4
CPIC SLIM	0	—	2
Changjiang Pension	9	6	7
Anxin Agricultural Insurance	4	4	6

Occupational Health and safety

We are committed to creating a healthy and safe working environment for our employees through measures such as health talks, first aid training, fire safety drills, and psychological counseling. According to laws and regulations such as the Women's Rights Protection Law and the Special Regulations for the Labor Protection of Women Workers, we established the "Collective Contract of Special Protection for Women Workers" in October 2016 to provide special protection for female employees to ensure that they receive safety and health protection during periods like marriage, pregnancy, maternity leave, breast-feeding, and daily work. In 2018, we formulated the "Production Safety Management Measures" to ensure that no major production safety accidents occur in the whole Group, as well as the "Overall Emergency Response Plan" to ensure the response to major emergencies can be carried out in an orderly manner.

Occupational injury, missed working hours statistics

Occupational injury (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	2	0	0
CPIC Life	0	1	1
CPIC P&C	0	0	0
CPIC AMC	1	0	0
CPIC HK	0	0	0
CPIC Allianz	0	0	0
CPIC SLIM	0	0	0
Changjiang Pension	0	1	0
Anxin Agricultural Insurance	0	1	1

Demised (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	1	0	0
CPIC Life	0	1	0
CPIC P&C	0	0	0
CPIC AMC	0	0	0
CPIC HK	0	0	0
CPIC Allianz	0	0	0
CPIC SLIM	0	0	0
Changjiang Pension	0	0	0
Anxin Agricultural Insurance	0	0	0

Training and education

(The 2016 and 2017 data of CPIC P/C and CPIC Life are for their headquarters)

Total expenditure for staff training (10,000 yuan)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	648	822	732
CPIC Life	7,683	3,200	2,352
CPIC P&C	5,629	790	668
CPIC AMC	49	37	59
CPIC HK	4.1	3.7	2.3
CPIC Allianz	68	52	60
CPIC SLIM	4.9	0	10
Changjiang Pension	113	54	83
Anxin Agricultural Insurance	36	23	29

Average time of staff training (middle management)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	13.40	48	94
CPIC Life	55	42	41
CPIC P&C	11.3	24	24
CPIC AMC	31	34	32
CPIC HK	12	29	0
CPIC Allianz	71	61	76
CPIC SLIM	30	30	30
Changjiang Pension	74	60	19
Anxin Agricultural Insurance	32	32	31

Average time of staff training (senior management)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	10.72	11.39	131.6
CPIC Life	67	56	33.4
CPIC P&C	10.6	24	24
CPIC AMC	101.5	32	30
CPIC HK	20	40	0
CPIC Allianz	140	117	106
CPIC SLIM	30	20	30
Changjiang Pension	136	103.7	102.32
Anxin Agricultural Insurance	30	23	28

Average time of staff training (female employees)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	29.18	—	—
CPIC Life	59.2	61.2	60.7
CPIC P&C	16.4	62.8	81
CPIC AMC	34.3	72	78
CPIC HK	9.3	41.1	0.9
CPIC Allianz	30	24	82
CPIC SLIM	30	40	60
Changjiang Pension	28.5	28.5	32
Anxin Agricultural Insurance	17	15	16

Loss of working days due to occupational injury (days)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	69	0	0
CPIC Life	0	0	0
CPIC P&C	0	0	0
CPIC AMC	63	0	0
CPIC HK	0	0	0
CPIC Allianz	0	0	0
CPIC SLIM	0	0	0
Changjiang Pension	0	15	0
Anxin Agricultural Insurance	0	154	110

Average time of staff training (staff member)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	40.73	64.5	49.7
CPIC Life	47.9	61	60.8
CPIC P&C	11.29	62.8	81
CPIC AMC	30.7	35	34
CPIC HK	8	6.1	1.2
CPIC Allianz	28	22	83
CPIC SLIM	60	40	40
Changjiang Pension	28.5	73.8	6.3
Anxin Agricultural Insurance	13	12	13

Average time of staff training (male employees)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	28.28	—	—
CPIC Life	53	61	61
CPIC P&C	16	62.8	81
CPIC AMC	32	51	54
CPIC HK	9.3	33.6	0.9
CPIC Allianz	47	26	78
CPIC SLIM	40	30	40
Changjiang Pension	28.5	39	30
Anxin Agricultural Insurance	17	15	16

Total number of trainees

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	72,524	63,593	36,439
CPIC Life	81,442	6,828	4,035
CPIC P&C	83,200	690	644
CPIC AMC	250	235	217
CPIC HK	19	21	15
CPIC Allianz	781	1,022	1,951
CPIC SLIM	200	100	120
Changjiang Pension	1803	1,322	727
Anxin Agricultural Insurance	384	420	440

Number of trainees (senior management)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	11	79	474
CPIC Life	7,296	192	188
CPIC P&C	459	28	31
CPIC AMC	8	6	6
CPIC HK	1	1	0
CPIC Allianz	143	128	378
CPIC SLIM	30	15	20
Changjiang Pension	128	70	58
Anxin Agricultural Insurance	8	8	8

Number of trainees (mid-management)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	1320	2,156	1,015
CPIC Life	25,363	3,450	1,124
CPIC P&C	1,266	85	55
CPIC AMC	17	19	17
CPIC HK	7	6	0
CPIC Allianz	114	150	350
CPIC SLIM	60	20	30
Changjiang Pension	682	455	271
Anxin Agricultural Insurance	77	77	78

Number of trainees (general employees)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	71,193	61,358	34,950
CPIC Life	48,005	3,186	2,723
CPIC P&C	81,475	592	558
CPIC AMC	225	211	194
CPIC HK	11	14	15
CPIC Allianz	524	744	1,223
CPIC SLIM	200	60	70
Changjiang Pension	993	797	398
Anxin Agricultural Insurance	299	335	354

Diversity and equal opportunities

We strictly follow the "Labor Law" and other laws and regulations. We strictly ensure employment equality, with no discrimination against "gender, ethnicity, marital status and child bearing, religion, and hepatitis B virus carriers". We insist on providing equal opportunities for career development for everyone. The percentage of employees receiving regular performance assessment at all levels is 100%.

We have stipulated in the “Collective Contract for Special Protection of Female Employees” that, in hiring or setting up positions, except for those types of job or position that is not suitable for female employees, female employees may not be refused or excluded from competition on the grounds of gender. And the employment or competition criteria may not be tightened for female employees.

The number of employees (31-40 years old)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	804	772	613
CPIC Life	16,180	14,924	14,323
CPIC P&C	22,566	288	267
CPIC AMC	130	116	108
CPIC HK	12	9	8
CPIC Allianz	197	156	125
CPIC SLIM	24	11	16
Changjiang Pension	188	176	127
Anxin Agricultural Insurance	161	153	154

The number of employees (41-50 years old)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	223	262	178
CPIC Life	9,091	8,871	8,740
CPIC P&C	10,406	205	155
CPIC AMC	56	45	44
CPIC HK	14	18	20
CPIC Allianz	44	33	26
CPIC SLIM	18	5	8
Changjiang Pension	69	76	56
Anxin Agricultural Insurance	84	91	95

The number of employees (51 years old or above)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	79	83	64
CPIC Life	2,325	2,292	2,315
CPIC P&C	2,566	66	59
CPIC AMC	9	6	8
CPIC HK	8	4	5
CPIC Allianz	7	7	2
CPIC SLIM	3	2	2
Changjiang Pension	11	13	6
Anxin Agricultural Insurance	66	75	80

Number of trainees (female employees)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	19,887	—	—
CPIC Life	47,945	3,696	2,219
CPIC P&C	40,768	311	258
CPIC AMC	103	97	89
CPIC HK	8	12	12
CPIC Allianz	378	527	1,171
CPIC SLIM	23	60	70
Changjiang Pension	739	545	299
Anxin Agricultural Insurance	184	204	216

Number of trainees (male employees)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	22,912	—	—
CPIC Life	30,171	3,132	1,816
CPIC P&C	42,432	376	386
CPIC AMC	147	138	128
CPIC HK	11	9	3
CPIC Allianz	403	496	780
CPIC SLIM	33	50	50
Changjiang Pension	1064	777	428
Anxin Agricultural Insurance	200	216	224

The number of employees (30 years old or under)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	860	591	652
CPIC Life	15,480	15,563	14,965
CPIC P&C	22,256	139	118
CPIC AMC	55	68	57
CPIC HK	10	9	7
CPIC Allianz	100	81	77
CPIC SLIM	11	5	8
Changjiang Pension	127	86	111
Anxin Agricultural Insurance	73	101	111

Employee ethnic composition

(The 2016 and 2017 data of CPIC P/C are for its headquarters)

Ethnic Han (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	1,921	1,649	1,476
CPIC Life	40,652	39,229	38,281
CPIC P&C	54,951	652	593
CPIC AMC	243	227	211
CPIC Allianz	337	267	221
CPIC SLIM	55	22	33
Changjiang Pension	382	339	293
Anxin Agricultural Insurance	381	417	437

Ethnic minority (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	45	23	31
CPIC Life	2,424	2,421	2,062
CPIC P&C	2,843	46	6
CPIC AMC	7	8	6
CPIC Allianz	11	10	9
CPIC SLIM	1	1	1
Changjiang Pension	13	12	7
Anxin Agricultural Insurance	3	3	3

Gender composition of staff - all employees

Female (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	784	770	659
CPIC Life	26,125	25,354	24,670
CPIC P&C	27,953	26,439	25,727
CPIC AMC	103	97	89
CPIC HK	21	22	26
CPIC Allianz	211	160	137
CPIC SLIM	23	11	15
Changjiang Pension	191	167	133
Anxin Agricultural Insurance	184	204	216

Male (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	1,298	1,045	848
CPIC Life	16,951	16,296	15,673
CPIC P&C	29,841	27,449	25,938
CPIC AMC	147	138	128
CPIC HK	23	18	14
CPIC Allianz	137	117	93
CPIC SLIM	33	12	19
Changjiang Pension	223	184	167
Anxin Agricultural Insurance	200	216	224

Gender composition of the management (%)

(The 2016 and 2017 data of CPIC P/C and CPIC Life are for their headquarters)

Male (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	67	60	57
CPIC Life	188	10	14
CPIC P&C	238	67	61
CPIC AMC	22	22	6
CPIC HK	2	1	1
CPIC Allianz	6	9	6
CPIC SLIM	8	0	2
Changjiang Pension	6	7	6
Anxin Agricultural Insurance	57	56	58

Female (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	27	23	22
CPIC Life	51	2	2
CPIC P&C	83	28	36
CPIC AMC	3	3	0
CPIC HK	0	1	1
CPIC Allianz	0	1	0
CPIC SLIM	6	1	2
Changjiang Pension	3	2	1
Anxin Agricultural Insurance	28	29	28

Number of employees with disabilities (persons)

Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	0	0	0
CPIC Life	0	0	0
CPIC P&C	0	0	0
CPIC AMC	0	0	0
CPIC HK	0	0	0
CPIC Allianz	0	0	0
CPIC SLIM	0	1	1
Changjiang Pension	0	0	0
Anxin Agricultural Insurance	1	1	0

Anti-corruption

We conscientiously studied and carried out the country's strategic deployment of Party management and fully implemented the Party's requirements for clean government. We formulated

documents such as the "Measures for Implementing the Responsibility System for Party Members' Work Style" and the "Assessment for the Responsibility System for Party Members' Work Style", and included party-related work performance into the KPI system; we established a regular inspection and evaluation mechanism to review and report existing problems in a timely manner. We also formulated the "Interim Provisions for Conflict of Interest", and carried out incumbent and exit audits for senior executives. We also formulated the "Measures for the Implementation of the Major Decision-Making System (Trial)", continuously improved the corporate governance structure, and effectively strengthened the Company's anti-corruption construction.

Product development liability

We continued to improve our internal product R&D mechanism. Prior to the launch of any product, we would carry out all the necessary processes such as market research, scientific statistical analysis, "brainstorming" of the development team, in-depth investigation by the marketing team, product design, and repeated demonstration and measurement to ensure that the product complies with the relevant policies and regulations.

Product and service provision

Protection of consumer rights is an important basis for the healthy and sustainable development of the insurance industry. We actively respond to the requirements of the CIRC on improving the protection of consumer rights, and continuously optimize the entire process of service management including information acquisition, sales, insurance application, process consulting, claims settlement, and complaints handling, etc. to provide consumers with quality and reliable service. In 2018, we formulated the "Management Measures for Anti-Insurance Fraud" to effectively prevent the risk of insurance fraud and protect the interests of insurance consumers.

CPIC P/C also launched the "National Management System for Property and Casualty Customers Complaints (2.0)", which realized the full-process digital management of consumer complaints. The Company also upgraded the original internal complaint processing standards to the industry complaint management standards to promote the continuous improvement of customer complaint management.

CPIC Life

Key indicators for Call Center services			
Data Center PUE	2018	2017	2016
Call put-through rate (%)	99.46	98.37	97.39
Percentage of calls answered within 20 seconds (%)	99.77	94.59	91.29
Service satisfaction rate for incoming calls (%)*	80.1	99.31	99.17
*Adjusted as per regulatory requirements in 2018 and renamed "service satisfaction rate for incoming calls"			

Complaint handling efficiency			
Data Center PUE	2018	2017	2016
Claims turnaround time (days)	1.15	1.16	1.19
Claims settled within 5 days (%)	99.14	99.11	96.67

Complaint handling efficiency			
Data Center PUE	2018	2017	2016
Closure rate of major complaints (%)	100	100	100
Closure rate of general complaints (%)	100	100	100
Timely closure rate (%)	99.64	99.65	99.76
Average complaint processing time (days)	2.67	2.35	2.36

CPIC P&C

Key indicators for Call Center services			
Data Center PUE	2018	2017	2016
Call put-through rate (%)	98.67	99.99	99.43
IVR satisfaction rate of 95500 call service (%)	99.91	99.84	99.68

Key indicators for claims efficiency			
Data Center PUE	2018	2017	2016
Claims turnaround time (days)	10.86	11.06	15.27
Claims settled within 5 days (%)	9.5	10.83	16.9

Key indicators for complaints processing efficiency			
Data Center PUE	2018	2017	2016
Closure rate of major complaints (%)	100	100	100
Closure rate of general complaints (%)	100	100	100
One-time closure rate (%)	97.44	96.10	96.48

Changjiang Pension

Indicators for customer satisfaction			
Data Center PUE	2018	2017	2016
Satisfaction rate of 400 service hot-line (%)	96.8	96.25	96.5

Penalties due to violation of marketing and underwriting rules

CPIC Life			
Data Center PUE	2018	2017	2016
Number of penalties	11	2	9
Penalty amount (10,000 yuan)	127	48.5	85
Number of warnings	3	1	1

CPIC P&C			
Data Center PUE	2018	2017	2016
Number of penalties	19	6	2
Penalty amount (10000 yuan)	378	81	20
Number of warnings	1	0	0

Data security and privacy protection

Given the increasingly popularity of the Internet, data security has become an important issue for the corporate world. It is not only related to the smooth operation of enterprises, but is also about customer information protection. We have formulated documents such as the "Customer Information Management Measures" and the "Management Measures for External Use of Customer Data" to ensure the availability, confidentiality and completeness of customer information in the process of collection, preservation and use of customer information. The Group's Information Center obtained the upgrade from IS27001 (2005 edition) to ISO27001 (2013 version) in 2015, and its information security management system has met the latest international standards. In 2018, we formulated the "Regulations on the Protection Levels of Information Systems" to further strengthen and standardize the protection and management of the information systems of the Group and its subsidiaries, and to improve the security level of the Company's information systems.

In order to regulate the behaviors of individuals and units at all levels in the Internet business, the Group formulated the "Internet Safety Negative List" in accordance with national laws and industry regulatory requirements, and clarified ten prohibited actions. Subsidiaries at all levels carried out self-examinations and rectifications based on the negative lists.

In this year, there was no case of regulatory punishment against us due to violation of customer information management regulations.

Responsible Investment

We always focus on the main business of insurance, and adhere to the principle of “value investment, long-term investment, and shrewd investment”. We also actively use insurance funds to support the implementation of major national strategies and serve the development of the real economy.

In addition, we established a sophisticated credit risk system and developed policies such as the "Measures for Credit Rating Management" and "Credit Rating Due Diligence System". When doing credit rating, we give full consideration to the external economic environment, industry characteristics, corporate governance and internal management, credit history, and personnel quality of the assessed enterprise, avoiding overcapacity and zombie companies. And we give credit support to those companies who conform to economic and social development, contribute to environmental protection, and who are socially responsible.

We have also established an email reminder system for negative news on bonds to keep our credit raters informed of latest negative news on bond issuers. At the same time, we have increased the frequency of credit tracking. We have set up an on-watch pool, an early warning pool, and a sell pool based on the credit risk of open positions, and established a quick response and handling mechanism.

CPIC AMC				
Data Center PUE	2018	2017	2016	
Number of alternative investment projects	76	69	70	
Number of alternative investment projects with environmental benefits	6	6	6	
Number of alternative investment projects with social benefits	41	36	35	

Changjiang Pension				
Data Center PUE	2018	2017	2016	
Number of alternative investment projects	18	37	18	
Number of alternative investment projects with environmental benefits	2	8	2	
Number of alternative investment projects with social benefits	3	6	3	

Economy

Economic performance

Solvency adequacy ratio				
Data Center PUE	2018	2017	2016	
CPIC Group (%)	301	284	294	
CPIC Life (%)	261	245	257	
CPIC P&C (%)	306	267	296	

CPIC Life key business indicators				
Data Center PUE	2018	2017	2016	
Life insurance premiums (million yuan)	202,414	175,628	137,362	
New business value (million yuan)	27,120	26,723	19,041	

CPIC P&C key business indicators				
Data Center PUE	2018	2017	2016	
P&C insurance premiums (million yuan)	117,808	104,614	96,195	
Combined ratio (%)	98.4	98.8	99.2	

Changjiang Pension key business indicators				
Data Center PUE	2018	2017	2016	
Enterprise annuities entrusted assets (million yuan)	74,501	65,628	57,913	
Enterprise annuities AuM (million yuan)	77,227	71,704	62,259	

Distribution of economic value				
Data Center PUE	2018	2017	2016	
Remuneration and benefits (million yuan)	21,733	19,612	17,414	
Donation and sponsorship (million yuan)	21.54	17	17	
Total tax paid (million yuan)	14,242	10,285	12,167	

Corporate annuity participation rate				
Data Center PUE	2018	2017	2016	
CPIC Group (headquarters) (%)	100	100	100	
CPIC Life (%)	88.6	91.8	100	
CPIC P&C (headquarters) (%)	89.99	100	100	
CPIC AMC (%)	100	100	100	
CPIC Hong Kong (%)	0	0	0	
CPIC Allianz Health (%)	60	66	55	
CPIC SLIM (%)	100	100	100	
Changjiang Pension (%)	100	100	100	
Anxin Agricultural Insurance (%)	67.9	61.2	48.4	

Market Performance

In 2018, we further developed performance-based remuneration scheme to improve the competitiveness of our salary system. At the same time, we formulated and implemented the “Implementation Plan for CPIC Professional Manager Compensation System Reform” based on the “Work Plan (pilot) for Compensation System Reform for Professional Managers of State-owned Enterprise under Municipal Administration”, and stimulated managers' innovation ability and sense of responsibility through the trials of the compensation reforms.

Supply chain management

Our supplier types include IT, equipment and materials, engineering and decoration, service, and other centralized procurement projects based on actual needs. For supplier screening standards, we give full consideration to factors such as the supplier's qualification, reputation, integrity, product and service quality, price, and negative behaviors if any. To ensure transparency and fair competition for procurement, we have developed a series of policy documents such as the "Supplier Management Provisions", the "Centralized Procurement Management Measures", "Management Measures for Centralized Procurement Review Expert Database", “Management Regulations on Centralized Procurement Framework Agreement”, “Management Provisions (trial) for Internet Procurement Platform (CPIC E-Procurement)”, and “Working Rules (trial) for Procurement Management Committee”. We also adopted the principle of transparency, fairness and proximity for procurement. The disciplinary inspection and supervision department of the Company is responsible for supervising the non-compliant behaviors in centralized purchasing activities and handling complaints. In 2018, there was no supplier cooperation was terminated due to a significant negative impact on the economy, society and the environment.

Localization ratio of CPIC HK's employees

Localization ratio of CPIC HK's employees				
Data Center PUE	2018	2017	2016	
Localization ratio of employees (%)	84	95	95	
Proportion of non-local employees (%)	16	5	5	

Localization ratio of CPIC HK's employees (the management) (%)

Data Center PUE	2018	2017	2016	
Localization ratio of employees (%)	0	0	0	
Proportion of non-local employees (%)	100	100	100	

Our minimum wage/ local minimum wage			
Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	226	215	240
CPIC Life	215	238	247
CPIC P&C	168	199	188
CPIC AMC	124	130	137
CPIC HK	160	160	170
CPIC Allianz	219	230	104
CPIC SLIM	107	113	104
Changjiang Pension	117	116	116
Anxin Agricultural Insurance	100	100	120

Number of domestic suppliers			
Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	569	502	535
CPIC Life	44	10	8
CPIC P&C	17	64	85
CPIC AMC	52	58	50
CPIC HK	32	36	36
CPIC Allianz	120	100	65
CPIC SLIM	84	5	5
Changjiang Pension	124	331	295
Anxin Agricultural Insurance	1	0	3

Number of foreign suppliers			
Data Center PUE	2018	2017	2016
CPIC Group (headquarters)	9	6	6
CPIC Life	0	0	0
CPIC P&C	0	0	0
CPIC AMC	0	0	0
CPIC HK	1	1	1
CPIC Allianz	1	1	0
CPIC SLIM	0	0	0
Changjiang Pension	0	0	0
Anxin Agricultural Insurance	0	0	0

HKSE ESG Indexes

Disclosure items

A. Environment	Page
Level A1: Emission	
A1-Standard disclosure	54-55;66-68
A1.1	66-67
A1.2	66-67
A1.3	66-68
A1.4	66-68
A1.5	54-55; 66-68
A1.6	54-55; 66-68
Level A2: Resources utilization	
A2-Standard disclosure	54-55; 66-67
A2.1	66-68
A2.2	68
A2.3	66-68
A2.4	不适用
A2.5	67
Level A3: Environment and natural resources	
A3-Standard disclosure	52-55; 66-68
A3.1	52-55; 66-68

B. Society (Employment & Labor)	Page
Level B1: Employment	
B1-Standard disclosure	34-37; 68-71; 74-76
B1.1	68-71
B1.2	68-71
Level B2: Health and safety	
B1-Standard disclosure	34-37; 71-72
B2.1	71-72
B2.2	71-72
B2.3	34-37; 71-72
Level B3: Development and training	
B3-Standard disclosure	32-33; 72-74
B3.1	72-74
B3.2	72-74
Level B4: Labor standards	
B4-Standard disclosure	68-71
B4.1	68-71
B4.2	68-71

C. Society (Operation practices)	Page
Level B5: Supply chain management	
B5-Standard disclosure	79
B5.1	79
B5.2	79
Level B6: Product liability	
B6-Standard disclosure	12-15; 20-23; 26-27; 76-77
B6.1	76
B6.2	76-77
B6.3	not applicable
B6.4	not applicable
B6.5	77
Level B7: Anti-corruption	
B7-Standard disclosure	38; 41-43; 76
B7.1	76
B7.2	76
B. Society (Community)	Page
B. Society (Community)	
B8-Standard disclosure	47-49
B8.1	47-49
B8.2	47-49; 78

GRI Indexes

Standard disclosure

GRI102:Standard disclosure 2016	Page/URL
Organization profile	
102-1	2;8-9
102-2	2;8-9; 22-25; 18-21
102-3	8-9
102-4	8-9
102-5	8-9
102-6	8-9
102-7	68-71; 78-79
102-8	35-36; 68-76
102-9	79
102-10	8-9;86
102-11	50-55
102-12	14-17; 22-25; 40-41; 55; 58-59; 86
102-13	40-41; 58-59
Strategy	
102-14	6-11; 41-43; 76-77
102-15	6-7; 10-11; 14-31; 41-43; 46; 50-55; 58-59
Business ethics and integrity	
102-16	6-11;41-43;76-77
102-17	41;76

GRI102:Standard disclosure 2016	Page/URL
Governance	
102-18	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx ; 《中国太保2018年年报》-公司治理
102-19	http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-20	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-21	38; 64; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-22	38; 《中国太保2018年年报》-公司治理
102-23	38; 《中国太保2018年年报》-公司治理
102-24	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx ; 《中国太保2018年年报》-公司治理
102-25	38; 41; 《中国太保2018年年报》-公司治理
102-26	6-7; 10-11; 38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-27	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-28	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-29	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-30	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-31	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-32	http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-33	38; http://www.cpic.com.cn/ir/?fr=3w&hit=ShouyeDhTzzgx
102-34	《中国太保2018年年报》-公司治理
102-35	《中国太保2018年年报》-公司治理
102-36	68-71; 79; 《中国太保2018年年报》-公司治理
102-37	68-71; 《中国太保2018年年报》-公司治理

General disclosure

GRI102:Standard disclosure 2016	Page/URL
Stakeholders	
102-40	64
102-41	68-71
102-42	64
102-43	62-64
102-44	64
Strategy	
102-45	2; 8-9; 86
102-46	62-63
102-47	62-63
102-48	66-68; 86
102-49	62-63; 86
102-50	86
102-51	86
102-52	86
102-53	87
102-54	86
102-55	82-85
102-56	Not externally certified

Substantive aspects

Economic performance	Page/URL
GRI103:management method 2016	
103	10-11; 39; 62-63; 65
GRI 201:economic performance 2016	
201-1	8-9; 39; 78
201-2	52-54
201-3	78
Market performance	Page/URL
GRI 103:management method 2016	
103	65; 79
GRI 202: market performance 2016	
201-1	79
201-2	79

Indirect economic impact	Page/URL
GRI 103:management method 2016	
103	12-19; 44-49; 62-63; 65
GRI 203:Indirect economic impact 2016	
201-1	12-19; 78
201-2	12-19; 44-49; 58
Procurement practices	Page/URL
GRI 103:management method 2016	
103	62-63; 79
GRI 204:procurement practices 2016	
204-1	79
Anti-corruption	Page/URL
GRI 103:management method 2016	
103	42-43; 62-63; 65; 76
GRI 205:Anti-corruption 2016	
205-1	76
205-2	42-43; 76
205-3	76

Materials	Page/URL
GRI 103:management method 2016	
103	54-55; 62-63; 65; 67
GRI 301: materials 2016	
301-1	67
301-3	67
Energy	Page/URL
GRI 103:management method 2016	
103	54-55; 62-63; 65; 66-67
GRI 302: energy 2016	
302-1	66-67
Water resources	Page/URL
GRI 103:management method 2016	
103	62-63; 67-68
GRI 303:Water resources 2016	
303-1	67-68
303-2	No water sources that are seriously polluted

Biodiversity	Page/URL
GRI 103:management method 2016	
103	52; 65
GRI 304:biodiversity 2016	
304-3	52
Emissions	Page/URL
GRI 103:management method 2016	
103	62-63; 65; 66-67
GRI 305:Emissions 2016	
305-1	66-67
305-2	66-67
305-3	66-67
305-7	66-67

Sewage and waste	Page/URL
GRI 103:management method 2016	
103	62-63; 68
GRI 306:Sewage and waste 2016	
306-1	不适用
306-2	68
306-3	不适用
306-4	不适用
306-5	不适用
Environmental compliance	Page/URL
GRI 103:management method 2016	
103	62-63; 68
GRI 307:Environmental compliance 2016	
307-1	68

Supplier environmental impact assessment	Page/URL
GRI 103:management method 2016	
103	62-63; 79
GRI 308:Supplier environmental impact assessment 2016	
308-1	79
308-2	79
Employment	Page/URL
GRI 103:management method 2016	
103	62-63; 65; 68-71
GRI 401: employment 2016	
401-1	68-71
401-2	68-72
401-3	71-72
Labor relations	Page/URL
GRI 103:management method 2016	
103	62-63; 65; 68-71; 74-76
GRI 402: labor relations 2016	
402-1	68-71

Occupational health and safety	Page/URL
GRI 103:management method 2016	
103	34-35; 62-63; 65; 71-72
GRI 403: Occupational health and safety 2016	
403-2	71-72
403-3	71-72
403-4	34-35; 71-72
Training and education	Page/URL
GRI 103:management method 2016	
103	32-33; 62-63; 65; 72-74
GRI 404: Training and education 2016	
404-1	72-74
404-2	32-33; 72-74
404-3	72-76

Diversity and equality of opportunity	Page/URL
GRI 103:management method 2016	
103	62-63; 68-71; 74-76
GRI 405: Diversity and equality of opportunity 2016	
405-1	74-76
405-2	68-71
Anti-discrimination	Page/URL
GRI 103:management method 2016	
103	62-63; 68-71; 74-76
GRI 406: Anti-discrimination 2016	
406-1	68-71
Freedom of association and collective bargaining	Page/URL
GRI 103:management method 2016	
103	62-63; 68-71
GRI 407: freedom of association and collective bargaining 2016	
407-1	68-71

Child labor	Page/URL
GRI 103:management method 2016	
103	62-63; 68-71; 78
GRI 408: child labor 2016	
408-1	68-71; 78
Forced and compulsory labor	Page/URL
GRI 103:management method 2016	
103	62-63; 68-71; 78
GRI 409: Forced and compulsory labor 2016	
409-1	68-71; 78
Evaluation of human rights	Page/URL
GRI 103:management method 2016	
103	62-63; 68-71
GRI 412: Evaluation of human rights 2016	
412-1	68-71

Local communities	Page/URL
GRI 103:management method 2016	
103	12-19; 40; 44-49; 60-63; 65
GRI 413: Local communities 2016	
413-1	12-19; 40; 44-49; 60-61
413-2	12-19; 40; 44-49;60-61
Suppliers and society	Page/URL
GRI 103:management method 2016	
103	62-63; 79
GRI 414: Local communities 2016	
414-1	79
414-2	79
Customer health and safety	Page/URL
GRI 103:management method 2016	
103	10-11; 20-23; 26-27; 62-63; 76-77
GRI 416: Customer health and safety 2016	
416-1	76
416-2	76-77

Marketing and identification	Page/URL
GRI 103:management method 2016	
103	20-29; 62-63; 76-77
GRI 417: Marketing and identification 2016	
417-1	20-23
417-2	76-77
417-3	76-77
Customer privacy	Page/URL
GRI 103:management method 2016	
103	62-63; 77
GRI 418: Customer privacy 2016	
418-1	77
Social and economic compliance	Page/URL
GRI 103:management method 2016	
103	62-63; 76-77
GRI 419: Social and economic compliance 2016	
419-1	76-77

About This Report

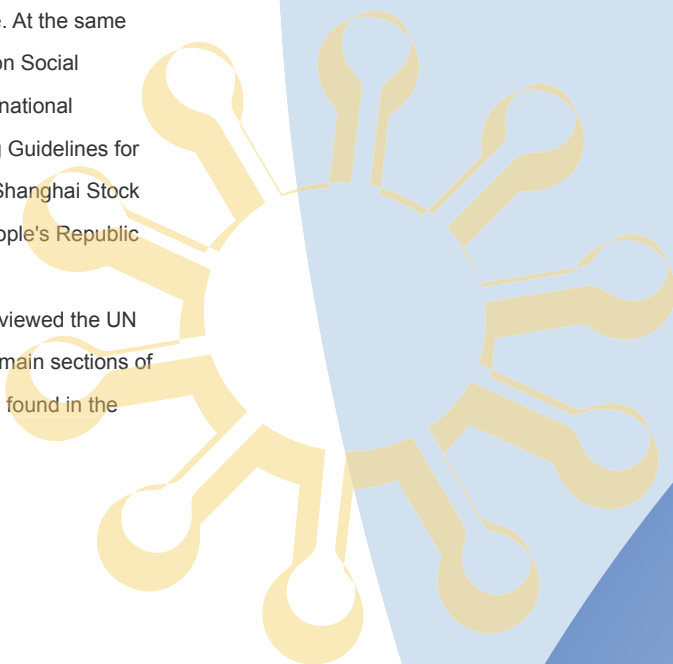
This report is the 11th CSR report released by China Pacific Insurance (Group) Co., Ltd. The report provides a paper version (printed with recycled paper) and online version; you can browse or download this report at www.sse.com.cn or www.cpic.com.cn.

Reporting period

The reporting period is from January 1, 2018 to December 31, 2018. Unless otherwise specified, the data and cases in this report were disclosed from CPIC Group and its wholly-owned subsidiaries, holding subsidiaries, and branch offices.

Compiling criteria

This report adopted the new version of the "Environmental, Social and Governance Reporting Guide" issued by HKSE, and the FSSS of the Global Reporting Initiative (GRI), drawing reference on the "Core Programs" for disclosure. At the same time, this report also referred to the "Guidance on Social Responsibility"(ISO26000) released by the International Organization for Standardization, the "Reporting Guidelines for Corporate Social Responsibility" issued by the Shanghai Stock Exchange, and the National Standard of the People's Republic of China "Guidelines for Social Responsibility" (GB/T36000-2015). In addition, we have also reviewed the UN Sustainable Development Goals and linked the main sections of the report with the specific goals. Details can be found in the "Performance Report" section.



Indicator and information gathering

- Indicators disclosed in this report are highly relevant to corporate social responsibility issues, and the data and cases in this report were collected from the CPIC Group and its subsidiaries and branch offices. These channels include:
- Group's internal data collecting system and related statistical reports
 - CSR best practices gathered on a daily basis
 - Qualitative and quantitative information collection forms based on reporting framework
 - Interviews and field studies conducted inside the Group, its subsidiaries and branch offices during the report preparation
 - Analysis and consolidation of stakeholders' concerns.

Contact us

Dear Reader

Thank you for reading the "CPIC CSR Report 2017". If you have any comment or suggestion, please feel free to contact us. Your feedback will be highly appreciated and help us improve the management of our CSR.

Please contact us at:

Address: Branding Dept., CPIC, 190 Central Yincheng Road, Pudong New District, Shanghai, PRC.
Postal code: 200120
Thank you!



Editorial Team of CPIC CSR Report 2018
March, 2019

