

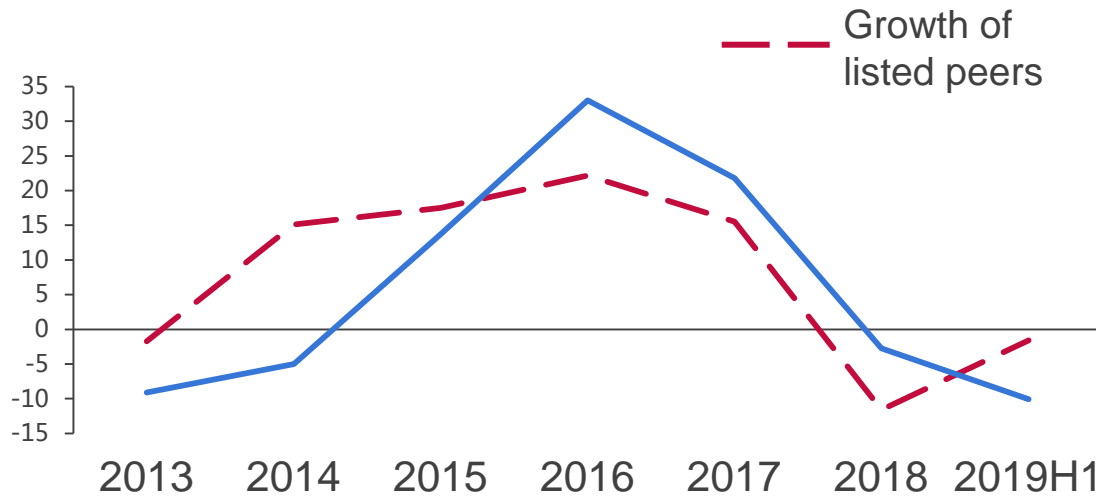
New Cycle, New Momentum, New Benchmark

2019.10.31

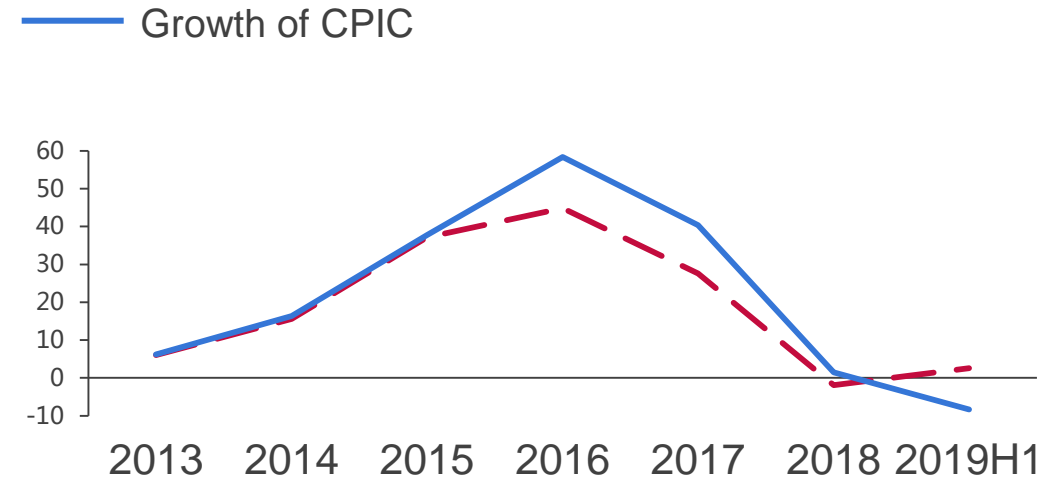
On top of success driven by previous transformation, CPIC faces a new cycle of development

- By pursuing transformation and sustainable value growth, and implementing “dual-focus” strategy, CPIC Life achieved great results in the last development cycle. Profound changes of the environment mark the beginning of a new development cycle for CPIC Life.

New business premium growth of CPIC and listed peers (%)



New business value growth of CPIC and listed peers (%)



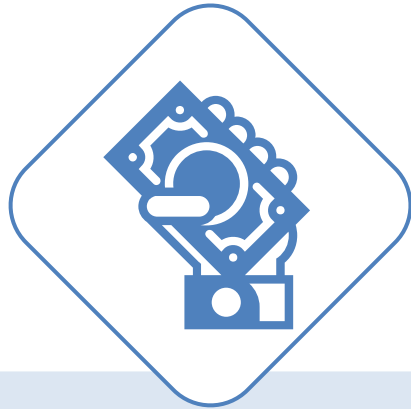
High quality growth has become the industry consensus

- As life insurance market matures, and customers become more sophisticated, the industry enters a new cycle marked by high-quality development, with profound impact on demand, supply and operation.



Demand side: rise of 3 customer segments

- The accumulation of social wealth and demographic changes have driven the evolution of market demand. In the future, High-net-worth customers, potential silver-haired consumers, and the Z-generation will emerge as important customers, generating new demand, with changing consumer behaviors and habits.



HNW customers

Pursuing wealth
preservation



Potential silver-haired consumers

Upgrading protection demand

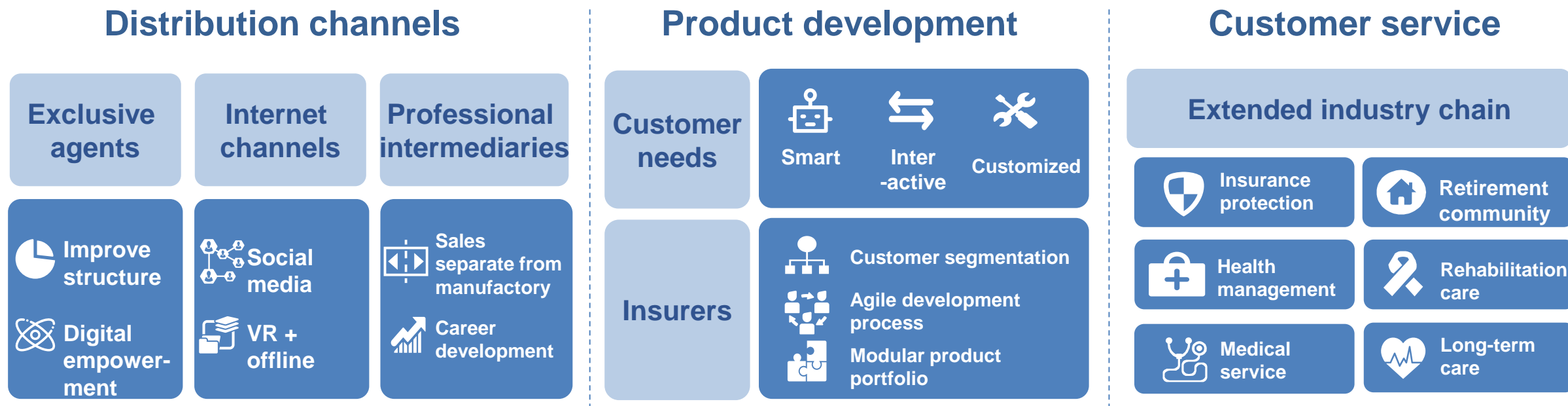


Z-Generation

Showing new consumer
behaviors

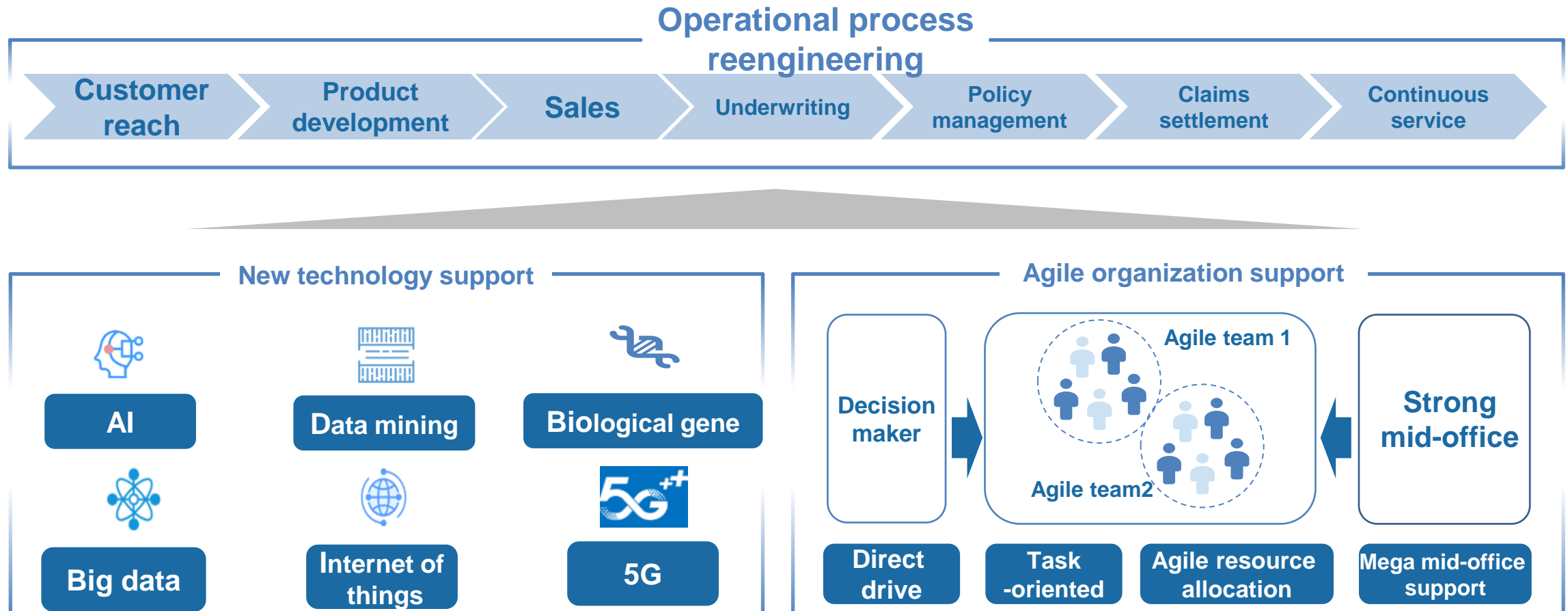
Supply side: more diversified distribution channels, more agile product development, all-scenario customer service

- Distribution will still be dominated by exclusive agents, but will become more diversified with the Internet and professional intermediaries enjoying big room for development. Life insurers need more agile product development and the integration of upstream and downstream industry chains to enrich service offerings

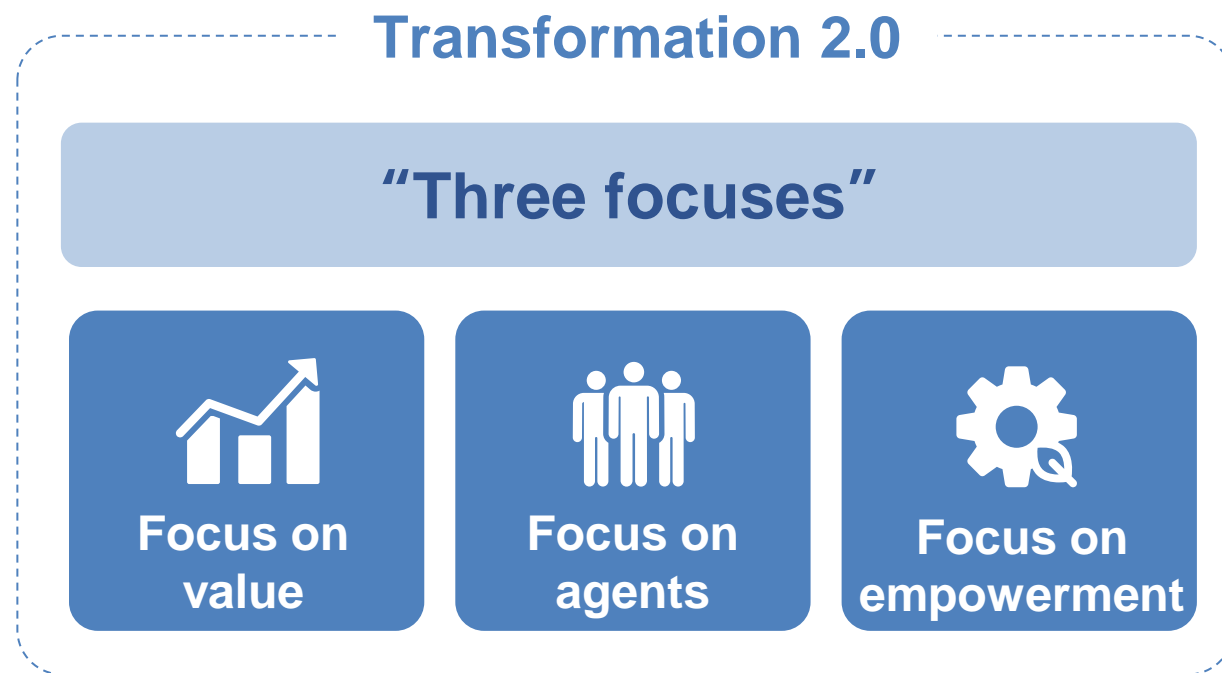
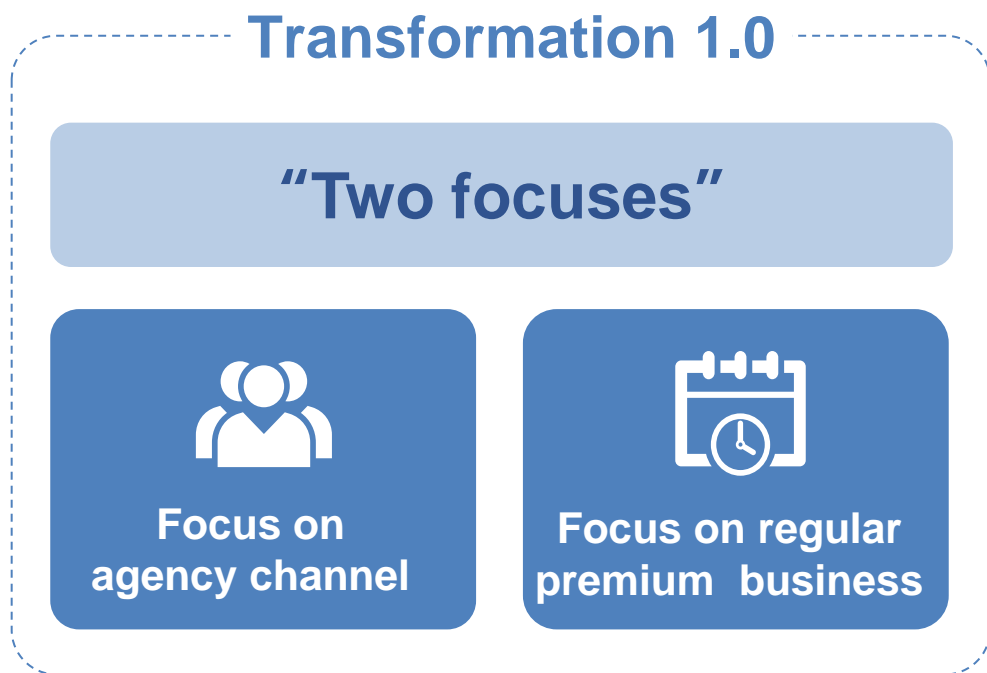


Operational side: Smart operation grows in popularity, and agile architecture industry trend

- Promote operational process reengineering based on the use of new technologies, and with an agile organizational structure as an effective support, quickly gain insight into customer needs, seize market opportunities, improve operational efficiency, and enhance customer experience

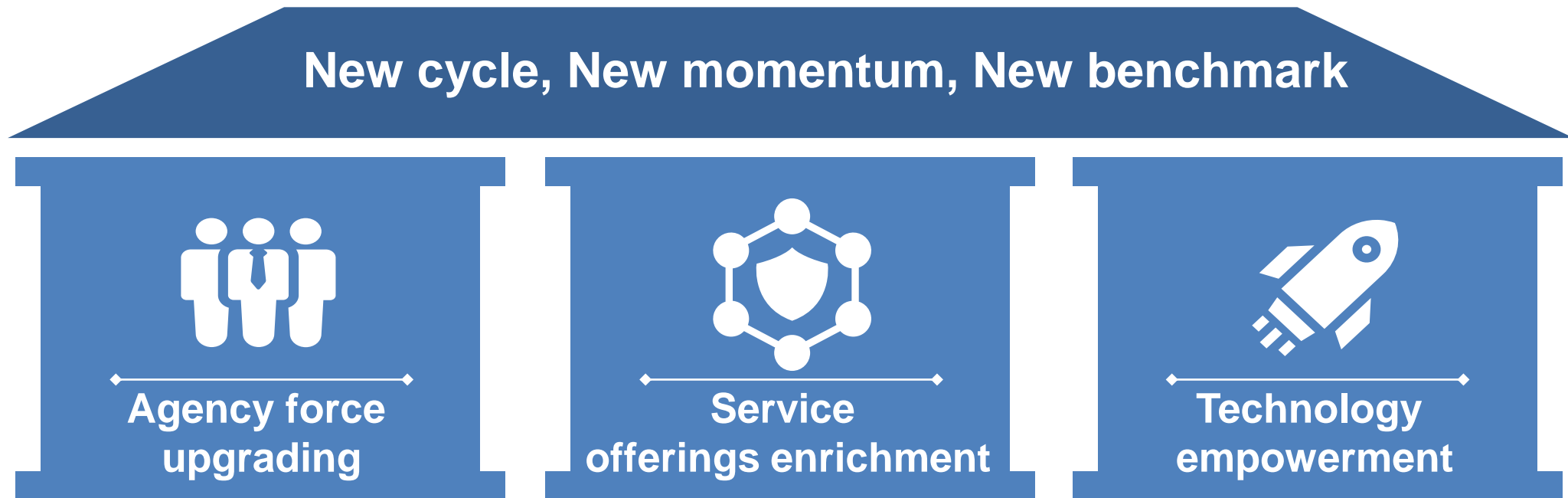


CPIC Life seeks to become a benchmark of transformation in the new cycle



Under transformation 2.0, the company will implement agency force upgrading, service enhancement and technology empowerment to create new development momentum for the new cycle.

- CPIC Life will enhance the upgrading of the agency force, promote value-added services, strengthen technology empowerment across the entire process, and accelerate the high-quality development in an all-round manner.



Maintain size and enhance quality, build up key manpower and promote agency force upgrading

- Promote differentiated management of agency force based on profiling, build up three key teams, expand core agents, develop more top performers, cultivate new generation agents, and continue to optimize agency structure



Maintain size and enhance quality, build up key manpower and promote agency force upgrading

Agency force faces challenges

Fast-changing environment

v.s.

Slowly-adapting teams

Pressure on size expansion

v.s.

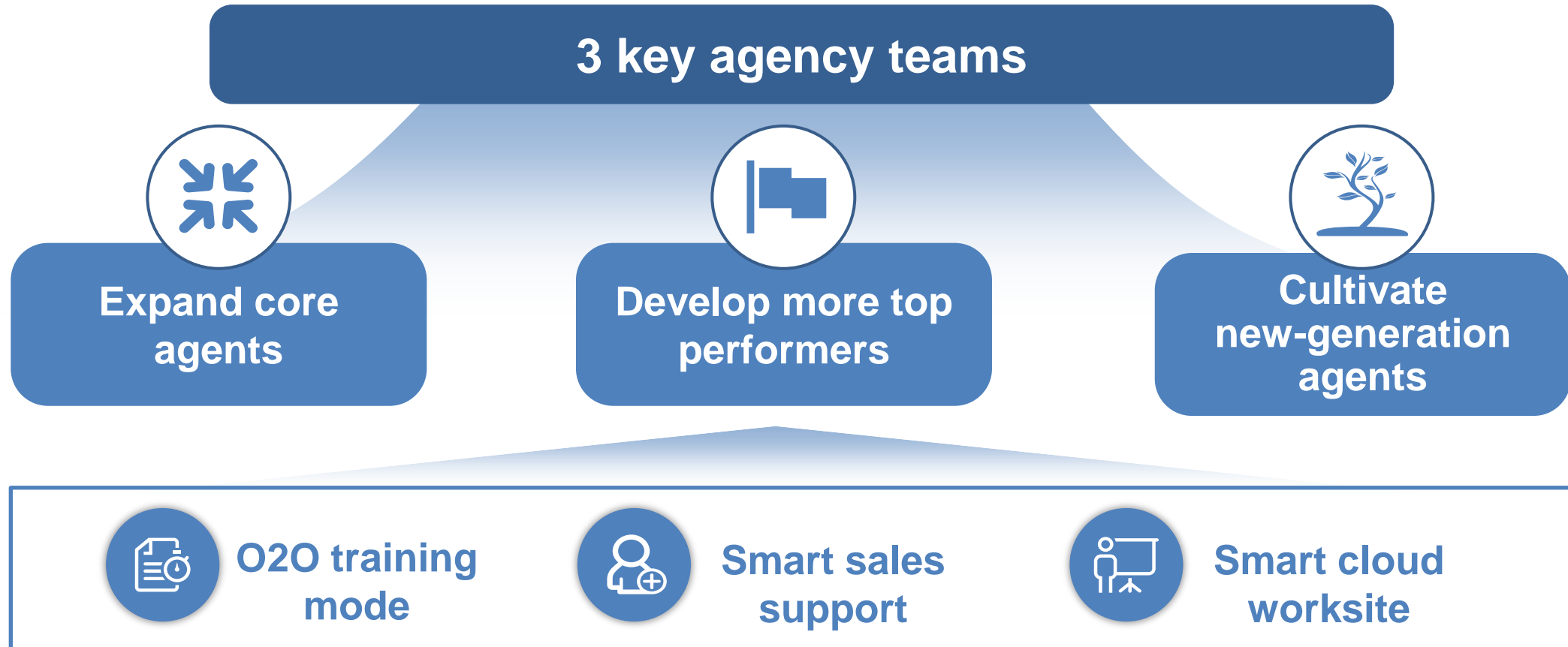
Room for quality improvement

Basics remain unchanged

v.s.

Implementation needs
upgrading

Foster 3 key teams and promote agency force upgrading through systemic approaches



Strengthen core manpower to increase its size and proportion



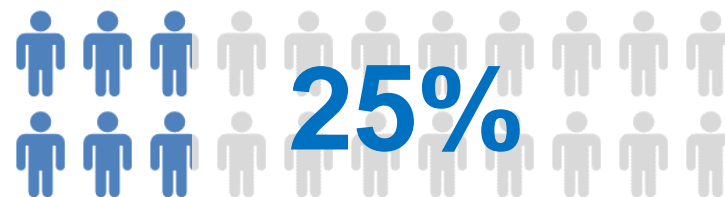
Core agent profile

- Full-time agents seeking career development
- Possess certain management or sales skills
- Want to work in the industry for a long time
- Enjoy steadily growing income

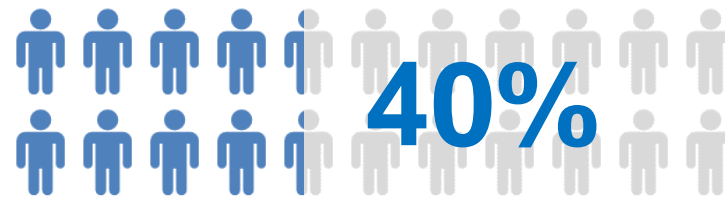


Future development goal

Present



In 3 years



Develop more top performers to lead by example



Top performer profile

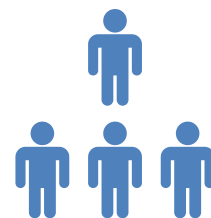
- Serve mainly HNW customers
- Expertise to customize integrated solutions for HNW customers
- Good reputation and high social status
- Industry-recognized professional qualifications



Future development goal

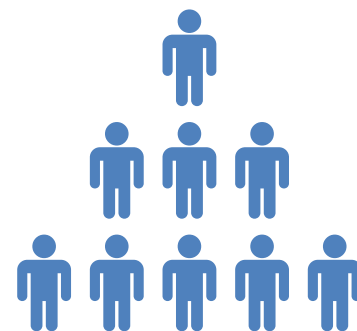
Number of top performers

600



Present

2000+



In 3 years

Cultivate new-generation agents for future-oriented competitiveness



New-generation agent profile

- More attuned to new generation customer needs
- More adapted to the digital sales service model
- More creative and better at learning
- Achieve personal value through multiple channels

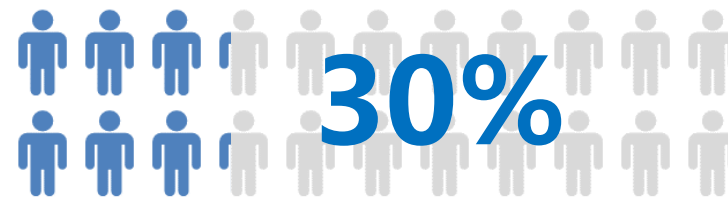


Future development goal

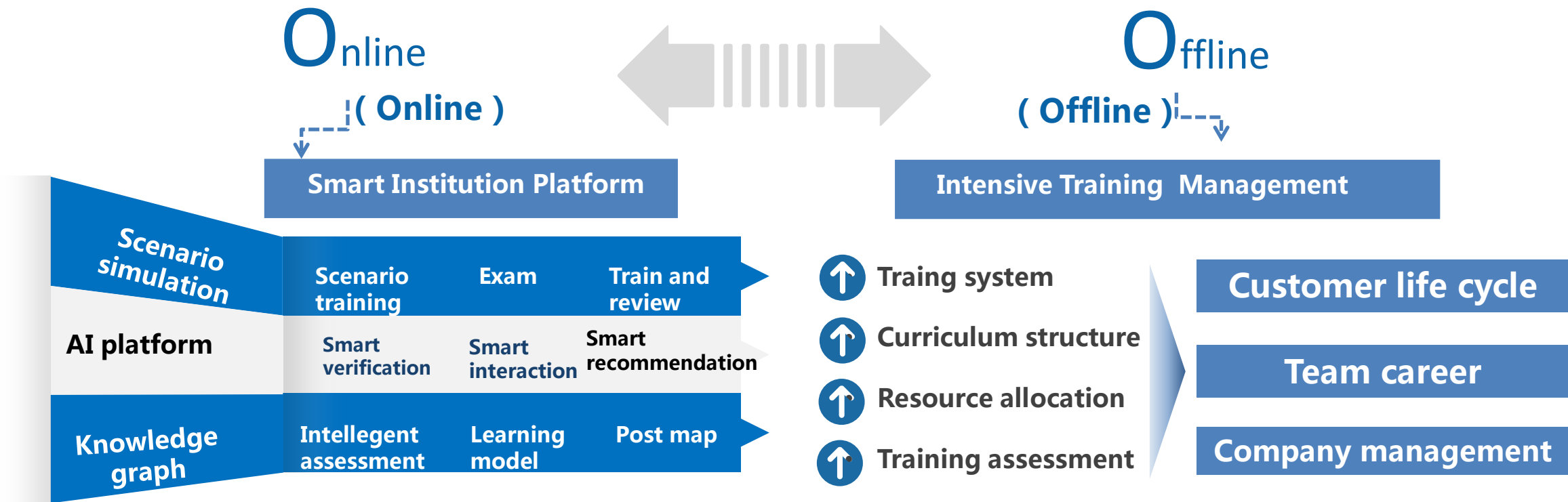
Present



In 3 years



Reconstruct training system and create O2O training model



Strengthen intelligent sales support and enhance team sales ability

Smart BD Support



AI policy manager



Apps on phone



E think tank



Smart visit

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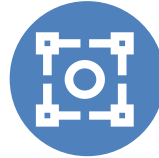
Smart Recruitment Support



One-click



Smart eye test



AI recruitment helper



AI aptitude evaluation

.....

Smart Service Support



Performance display



Cloud library



Info dashboard



Dingdong assistant

.....

Build a smart cloud workplace and improve team management capabilities

Cloud Marketing Workplace



- Smart reminder
- Smart document
- Instant messaging
- Group broadcast
- Multiple group broadcast
- Data sharing
- Dedicated line
- Smart meeting room
- Digital connections

SmartCloud Workplace



Institutional Marketing Workplace



- Attendance
- Log
- Schedule
- Adress book
- Teleconference
- Video conference
- Smart report
- Intellegent HR
- Approval

Team member management



Smart marketing solution

Real-time visit tracking

Remote joint visit

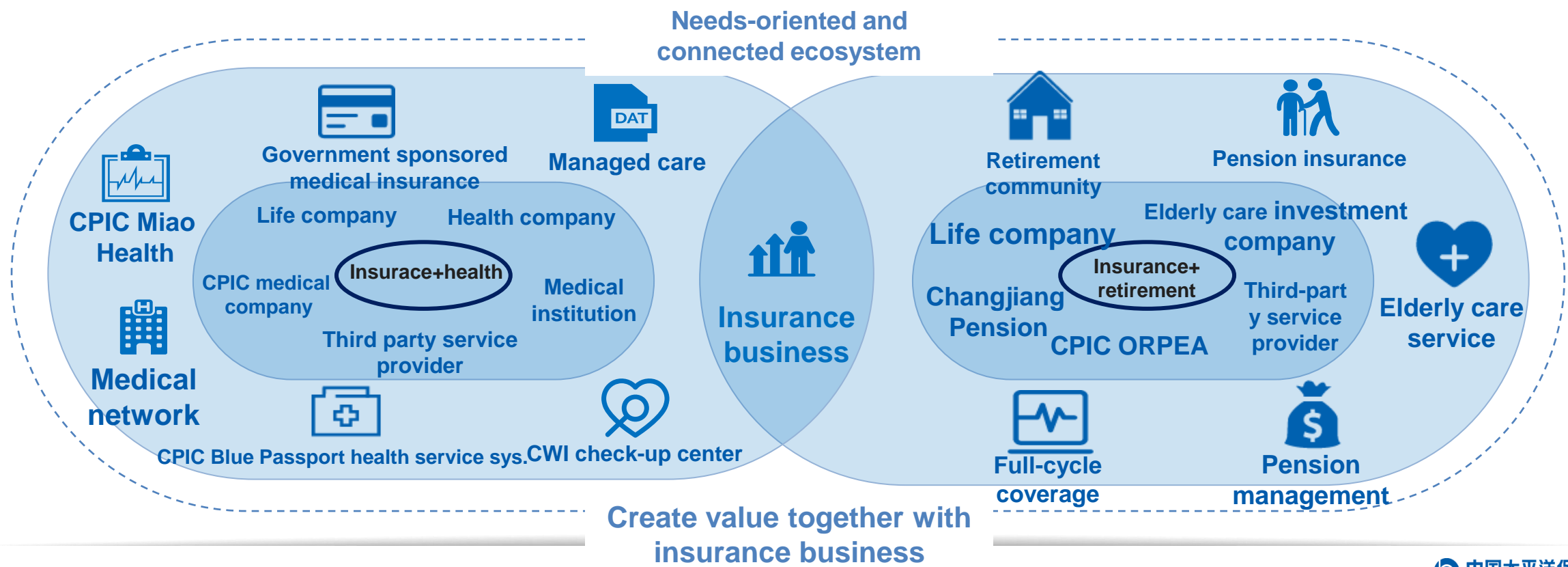
Team development planning

Information monitoring



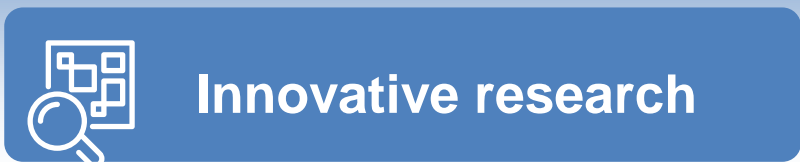
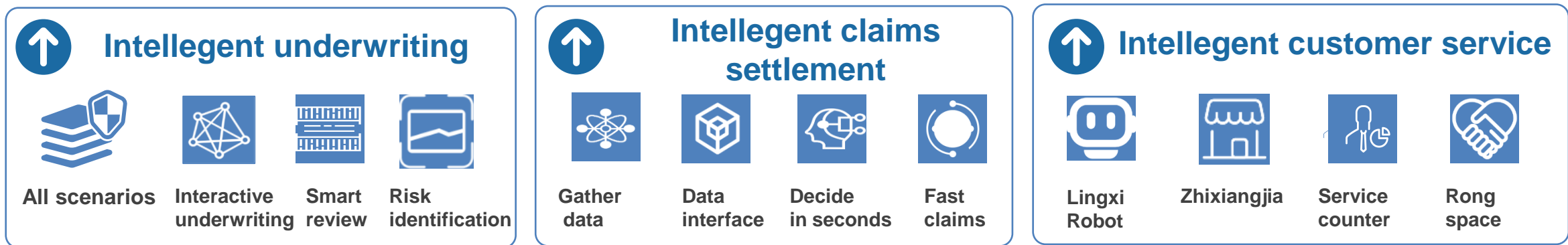
Enrich service offerings and build “insurance + health + retirement” ecosystem

- To enhance “CPIC Service” branding, under “CPIC Home” , deepen business development in the field of health and elderly care, offering customers comprehensive services of “insurance + health” and “insurance + retirement” to the whole life cycle, and explore new growth opportunities alongside insurance business



Strengthen technology empowerment, improve service experience and operational effectiveness

- Leverage artificial intelligence and big data to upgrade the entire operation process including underwriting, claims settlement, and customer service, accelerate the development of digital capabilities and application of new technologies to enhance customer service experience and operational efficiency.



Empower “CPIC service” with technology
to improve “experience” and “value”

Promote “CPIC Service” brand to enhance service efficiency, customer experience and service value

Promote “CPIC Service” brand



**Fast & efficient smart
service**



**Leading customer
experience**



**Increasing
service value**

Smart service enhances efficiency: new underwriting service model



**Underwriting
model**

24*7 AI
underwriting model,
producing results
within seconds

**To
customer**

Cover full scenarios
**Accurate underwriting
Q&A**
**Gather info of internal
and external customers**

**To
company**

7*24 support
**Smart assistance for
decision making**
**Predictive UW for
risk alarm**

95 % model
consistency

162 interactive UW
questions

100 chronic diseases

510 thousand AI model
transfer UW tasks


**lexical
understanding**


**OCR image
recognition**


**Machine
learning**


**Voice
recognition**


**Algorithm
modeling**


**Knowledge
graph**

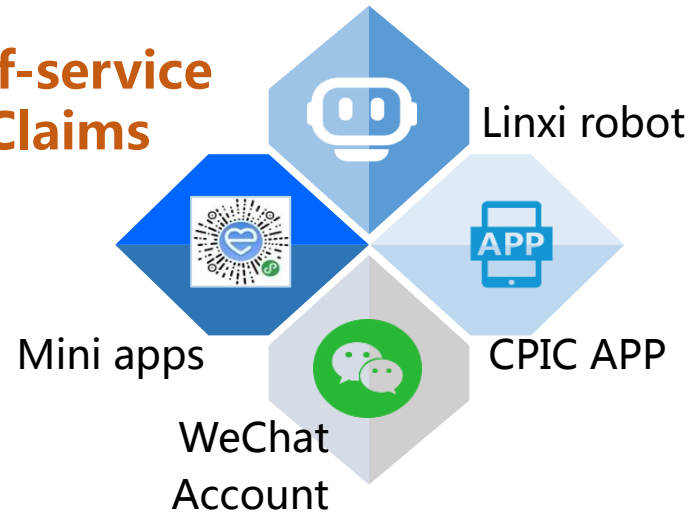
Smart service enhances efficiency: upgrade “Tai Hui Pei” to build full-cycle claims service system

Tai Hui Pei

Fast, simple,
convenient



Self-service Claims



Medical Data Interface



Fast claims new service model



Effective IOCR structured data collection



AI claims model producing results in seconds



Profiling of chronic illnesses to enrich health service system

Self-service claims

85%

Completion in 5 hours

90%

Quickest claims

26 seconds

Covered hospitals

1000

IOCR image recognition

85%

Average time of AI claims decision

3.74 seconds

No. of chronic illnesses profiled

100



Big data



IOCR image recognition



Artificial intelligence



Data modelling

Market-leading customer experience: upgrade customer service model to boost sales and create integration



Scenario application

- ✓ Remote counter support
- ✓ High-end physical check
- ✓ Private space service
- ✓ Smart services
- ✓ Customized activities
- ✓ Immersion scenario experience

Achieve

- ➔ Upgrade service standard
- ➔ Increase customer contact points
- ➔ Optimize service scenario

📍 **First Zhixiangjia ISC"**
opened in Shenzhen

🤝 Served **3.3 million**
customers

👉 **Processed**
160k tasks

+ Upsold to
7680 customers

💰 Upselling premiums
of **25.5 million**



AI



OCR



Human
verification



Knowledge
graph



Internet of
things



Big data

Service value continues to increase: develop “insurance + health” ecosystem to create more value for customers



CPIC Blue Passport

- 4 dread disease fast track services include expert appointment, treatment support, surgery
- 9 VIP medical services include health counseling, overseas treatment, MDT

CPIC Miao Jiankang

- Personalized interactive health plan
- “insurance + behavior + incentive” solution
- “Online + Offline” comprehensive health protection management
- Piloted in 30 branches



CWI Experience Center

- Customizable health tests
- Interactive wearable devices
- Remote health guidance
- Personalized life style
- One on one health manager

Health management service output



Exclusive service
brand



Exclusive managment
platform



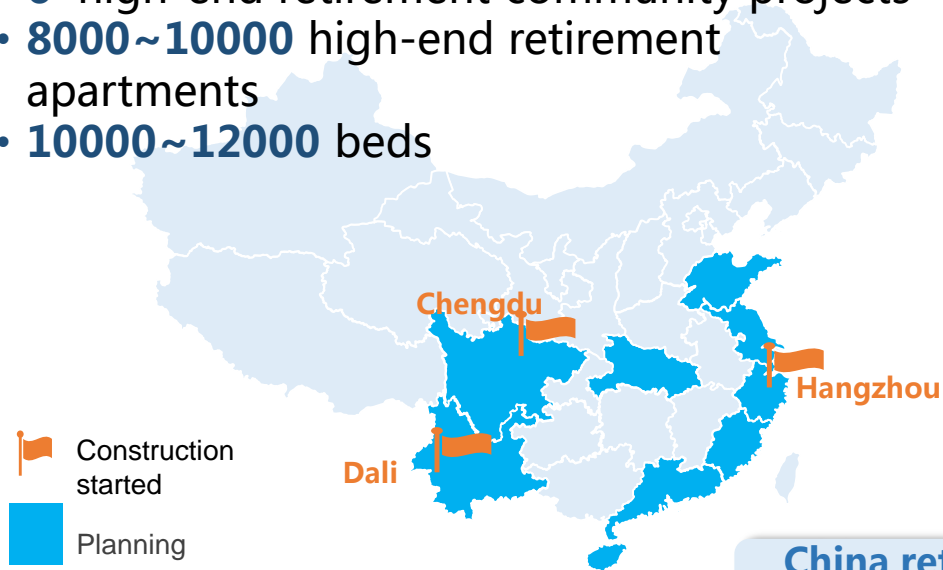
Exclusive service
supply chain

Service value continues to increase: build “insurance + retirement” ecosystem



Planning of “CPIC Home”

- 6 high-end retirement community projects
- 8000~10000 high-end retirement apartments
- 10000~12000 beds



Enhance elderly care operational capability

- Work with **Orpea** to develop world-class operational service system



China retirement community 2.0



smarter



greener



more
caring



healthier

Technological capacity building: leverage agile mechanism to enhance CPIC Life innovative capability

Agile R&D

Open for cooperation



Agile application

Innovative application and model

Smart



Agile delivery

Agile R&D and delivery

Agile



Technological capacity building: leverage agile mechanism to enhance CPIC Life innovative capability

CPIC has developed “mega product line” and “scenario application” in AI and data



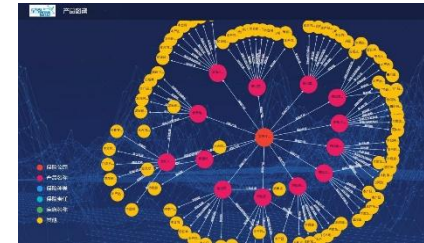
Deployed hospitals= *10*
Deployed
counters> *200*
Manpower
replacement> *158%*



Bio-verification pass rate
95.2%
Medical document iOCR
verification> *85%*



Smart welcome call> *17 rounds*
Daily outbound call
replacement> *32%*
ASR transcript accuracy > *97%*
NLP reply accuracy> *81%*



Insurance expertise map
entities> *110,000*
Insurance knowledge
maps> *3000*



Deployed 5G cloud
counter



Smart robot
application



Smart vision
application



Smart Language
Application



Algorithm engineering
application

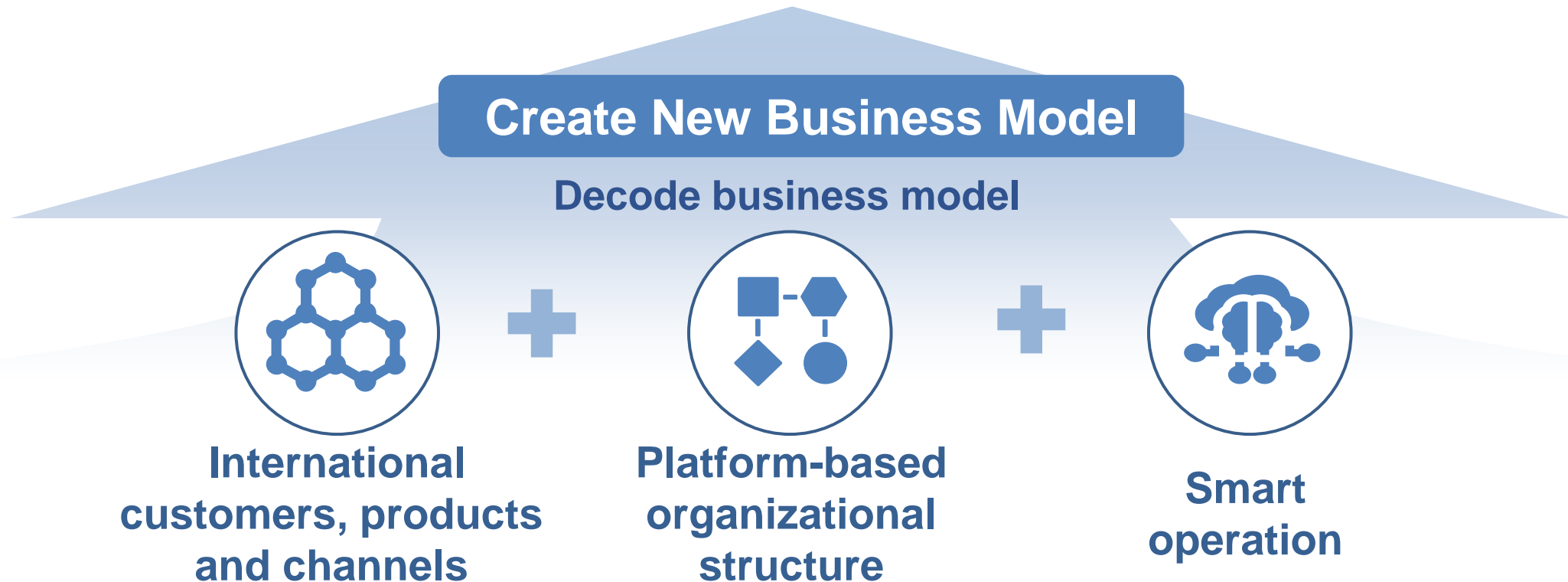


Hi-tech
application



Looking into the future: creating a new business model based on integration platforms and smart operation

- CPIC Life will focus on creating an integrated, information-based and smart new business model to enhance core competitiveness for the future.



Q & A

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