

# 眾安在綫財產保險股份有限公司

## ZhongAn Online P & C Insurance Co., Ltd.\*

*A joint stock limited company incorporated in the People's Republic of China with limited liability  
And carrying on business in Hong Kong as "ZA Online Fintech P & C"*

(Stock Code : 6060)

## Environmental, Social and Governance Report 2022



\* For identification purposes only

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## About this ESG Report

### About this ESG Report

This environmental, social and governance report (“**ESG Report**”) is prepared by ZhongAn Online P & C Insurance Co., Ltd., to outline the ESG principles and strategy of the Group, with the aim to provide stakeholders with the Group’s environmental, social and governance policies, initiatives and performance in 2022.

### Reporting standards

This report is prepared in accordance with the requirements in the Guide on Environmental, Social and Governance Reporting as set out in Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“**ESG Reporting Guide**”).

### Reporting scope

The organizational scope of the report includes core businesses of ZhongAn and its subsidiaries (hereafter referred to as “**ZhongAn Insurance**”, “**ZhongAn**”, “**the Group**” or “**we**”).

The time frame of this report is from January 1, 2022 to December 31, 2022 (the “**Reporting Period**”).

### Reporting principles

The Group prepares the ESG report based on the following four reporting principles:

- **Importance:** The Group has identified important stakeholders and identified important ESG issues for the year through the stakeholder survey and materiality assessment, which serves as the basis for the disclosure focus of this report.
- **Quantitative:** All data in this report are derived from relevant statistical reports and internal documents, and the relevant criteria and methodologies used in the calculation of key performance indicators have been disclosed. The financial data in this report refers to the Group’s 2022 Annual Report.
- **Balance:** This report follows the principle of balance and presents the Group’s ESG performance in an impartial manner.
- **Consistency:** Unless otherwise stated, the methodologies used to collect and disclose ESG information in this report are consistent with previous ones adopted in the 2021 ESG report.

### Reporting language

This ESG report is published in Traditional Chinese and English. In case of discrepancies, the Traditional Chinese version shall prevail.

### Report Accessibility

This ESG report is released in PDF format on the following websites, in which stakeholders can click on the relevant documents to review this ESG Report:

Hong Kong Exchange and Clearing Limited information release web page ([www.hkexnews.hk](http://www.hkexnews.hk))  
Investor Relations (<https://www.zhongan.com/corporate/announcements/?lang=en>) on the Company’s website ([www.zhongan.com](http://www.zhongan.com))

### Contact information

Your opinions on this ESG Report are very important to us. If you have any enquiries or recommendations, please contact us via e-mail at [dongshihui@zhongan.com](mailto:dongshihui@zhongan.com).





# About ZhongAn Online

## 1. About ZhongAn Online

### 1.1. Company overview

Incorporated on October 9, 2013, and headquartered in Shanghai, ZhongAn was listed on the Main Board of the Hong Kong Stock Exchange on September 28, 2017 (stock code: 6060).

As the first online-only insurance company in China, ZhongAn features a branchless model. The Group is supported by the dual engine of "Insurance + Technology", and uses leading technologies to reform the insurance value chain. We operate our businesses mainly in ecosystems of health, digital lifestyle, consumer finance and auto insurance, providing personalised, customised, and intelligent insurance products and risk management solutions. In July 2016, we incorporated a wholly-owned subsidiary, ZhongAn Information and Technology Services Co., Ltd. (ZhongAn Technology), empowering insurance with technology while sharing the business-proven technology with the whole industry.

As at December 31, 2022, we have served over 500 million customers, issued 51.8 billion insurance policies in total, and worked with over 700 corporate clients and 430 eco-partners around the world, including Japanese P&C insurer Sompo Japan Insurance Inc., leading Southeast Asian O2O platform Grab and Singaporean composite insurer NTUC Income.

Staying true to our mission of "driving financial development through technology and introducing service-oriented insurance products to the market", adhering to the values of "simplicity, speed, innovation, and win-win", the Group will continue to brave the wind and the billows and forge ahead to open up a real new insurance era.

### 1.2. Governance structure

ZhongAn has continuously strengthened its corporate governance capabilities and built a governance structure with clear rights and responsibilities to fully protect the legitimate rights and interests of the enterprise and stakeholders and improve the operational efficiency of the enterprise. The Board of Directors of the Group consists of four special committees: Audit and Consumer Rights Protection Committee, Nomination and Remuneration Committee, Risk Management and Related Transaction Control Committee, and Strategy and Investment Decision Committee. For the responsibility, composition, and members' background of the four Committees, please refer to the Group's 2022 Annual Report.

The Group attaches great importance to the diversity and independence of the Board of Directors and believes that enhancing the diversity of the Board is a key element to enhance the competitive advantage of the enterprise. The Nomination and Remuneration Committee reviews the structure, size, and composition of the Board annually and seeks diversity at all levels, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, location, and industry experience. During the Reporting Period, the Board of Directors of the Group consisted of 11 members, including 2 female Directors and 4 independent non-executive Directors.



## About ZhongAn Online

### 1.3. Honours of the year

In 2022, ZhongAn was recognised for its sound business performance, achievements in the field of product and technological innovation. The following are the honours the Group received during the Reporting Period:

No.	Awards	Organizations
1	Health Insurance Product of the Year	Insurance Today
2	The Best Solution for Internet Health Insurance	CN-Healthcare
3	Excellent Insurance Brand of the Year	Stockstar
4	Typical Case of Financial Consumer Rights Protection	China Banking and Insurance News
5	Made the "Golden Reputation" Medical Insurance Top 30 List	China Banking and Insurance News
6	Creative Marketing Case of Insurance for Breaking Phone Screens	China Banking and Insurance News
7	The Most Rapid-Growing Company among Overseas Listed Companies	National Business Daily
8	Made the Annual Main List of Excellent Property & Casualty Insurance Companies	National Business Daily
9	Made the Annual Value Management Ranking	National Business Daily
10	Excellent Property & Casualty Insurance Company of the Year	National Business Daily
11	Made the Customer Service List of the Year	National Business Daily
12	Leading Case of Digital Transformation of Nancai Financial Institution in 2022	21 Century Business Herald
13	Service Optimization Pioneer Award	Beijing Business Today
14	Trustworthy Internet Insurance Company of the Year	Daily Money
15	2022 Kumquat Award - Technology Empowered Financial Institution	The Time Weekly
16	Made the Top 100 Service Brands in China	Customer Observation
17	Hainuo Award - Listed Company with Most Brand Value in 2022	Organizing Committee of Brand Innovation Development
18	The Best Service Case	Organizing Committee of China Customer Service Festival



# Strengthening ESG Governance

## 2. Strengthening ESG Governance

A robust system of ESG governance is the foundation for the sustainable development of the Group. ZhongAn makes ongoing efforts in improving ESG governance structure and exploring the establishment of a robust ESG working system. A sound management system enables ZhongAn to actively promote the communication and participation of stakeholders, and assess materiality in a scientific and orderly manner, etc., laying a solid foundation for the ESG management practice of the Group.

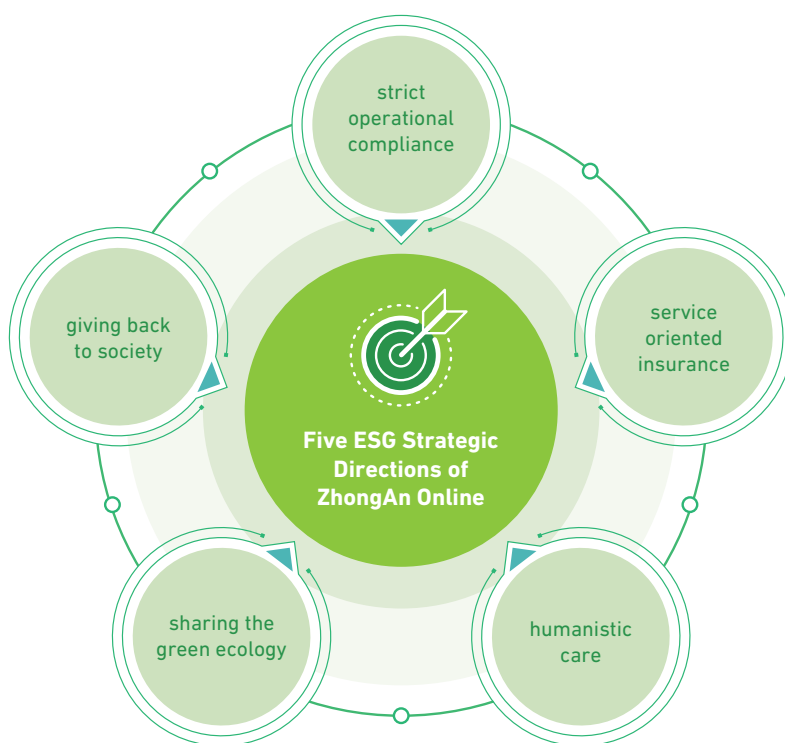
### 2.1. ESG strategy

Practicing the concept of sustainable development is the consensus of the international community. As the Paris Agreement put forward targets for reducing global greenhouse gas emissions and the United Nations has proposed 17 sustainable development goals through the 2030 sustainable development agenda, China has set the goal of carbon peak by 2030 and carbon neutrality by 2060. Regulators such as the China Banking and Insurance Regulatory Commission (hereinafter referred to as "CBIRC") and the Ministry of Ecology and Environment of the People's Republic of China have also accelerated the formulation of relevant regulations to promote the disclosure of ESG-related information by enterprises. As an innovative Internet insurance company with the mission of "practicing national strategies, serving the real economy and creating greater value for society", ZhongAn deeply understands

the insurance industry's multiple roles as a risk manager, a risk taker, and a major investor, perceives the developmental opportunities and challenges faced by the global community, and hopes to promote sustainable development economically, socially and environmentally.

Against this backdrop, ZhongAn combines its developmental concept of "driving financial development through technology and introducing service-oriented insurance products to the market" and corporate operation practices, and regards "strict operational compliance", "service-oriented insurance", "humanistic care", "sharing the green ecology" and "giving back to society" as our five strategic development directions to fulfil environmental and social responsibilities and practice ESG concepts.

Guided by the development directions, we will continue to standardize ESG information disclosure, continuously improve the level of ESG governance, actively improve the performance of various ESG issues in business operations, incorporate social responsibility indicators into the performance appraisal of executive compensation, so as to encourage executives to attach importance to social responsibility and ESG management, and actively create value for shareholders, investors, regulators, customers, employees, business partners, NGOs and other stakeholders, to shape a mutually beneficial and win-win pattern and share development results with society.



## Strengthening ESG Governance

### Strategic Directions



**strict operational  
compliance**

### Key Topics

- Corporate Governance
- Risk Management
- Business Ethics
- Privacy and Data Security
- Supply Chain Management and Responsible Sourcing

### Practice and Targets

ZhongAn has continuously improved its corporate governance system, continued to improve its corporate governance capacity, and is committed to building a compliant, efficient, and stable innovative Internet insurance company, providing long-term returns for shareholders, and working together with all stakeholders to achieve win-win results.

- Strengthen the organizational structure and institutional basis of compliance management, improve the comprehensive risk management system, improve the transparency of enterprise information disclosure, and lay a solid foundation for the Group's high-quality development;
- Adhere to the principles of honest operation, fair competition, and business ethics, zero tolerance for corruption, commercial bribery, and fraud, and work with customers, suppliers and partners to build a clean and healthy environment;
- Improve the Group's information management system and practice, ensure the Group's information security, improve the modernization level of information management, effectively protect customer privacy, prevent customer information leakage, improve customer information security, and protect the legitimate rights and interests of customers;
- On the basis of suppliers' compliance management, carry out supplier ESG risk assessment, and establish training and communication mechanisms to help suppliers improve their ESG management ability.

Strategic Directions



Key Topics

- Product and Service Innovation
- Financial Inclusion
- Protection of Customer Rights and Interests

Practice and Targets

ZhongAn drives finance with technology, continues to launch personalized, customized, and intelligent products, fully protects customers' rights and interests, continuously improves customer experience, and satisfies the people's growing need for a better life with high-quality and service-oriented insurance products and services.

- Actively innovate product and service models, and integrate emerging risks such as urbanization risk, population aging and demographic change risk, climate change risk, emerging health and demographic risk, ESG risk, etc. into the product design;
- Improve the "temperature" of our products, upgrade the coverage of core products such as the "million medical care series", and launch the inclusive version of network security insurance, business interruption insurance for small and medium-sized enterprises and other insurance, so as to provide inclusive products and services for underserved groups;
- Continue to improve the consumer protection system and management system, attach importance to customer feedback, establish an effective customer feedback channel, respond to customer demands, and protect customer rights and interests.

## Strengthening ESG Governance

Strategic Directions	Key Topics	Practice and Targets
 <p><b>humanistic care</b></p>	<ul style="list-style-type: none"> <li>• Diversity and Inclusion</li> <li>• Talent Development and Training</li> <li>• Employee Health and Safety</li> <li>• Employee Rights and Care</li> </ul>	<p>ZhongAn attaches great importance to humanistic care. ZhongAn is committed to building an equal, inclusive, healthy and safe workplace environment and shares the achievements of enterprise development with employees to work together for a better future.</p> <ul style="list-style-type: none"> <li>• Adhere to equal employment, prohibit child labour, forced labour and any form of discrimination, and fully protect the legitimate rights and interests of employees;</li> <li>• Clear promotion and development channels for employees, optimize the talent training program, hold a variety of training and education activities, and support employees for further study, so that employees can realize their self-worth in the development of the enterprise;</li> <li>• Earnestly listen to the voice of employees, constantly improve employee welfare, strengthen the construction of employee communication channels, care for women and poor employees, and enhance the sense of belonging of employees.</li> </ul>
 <p><b>sharing the green ecology</b></p>	<ul style="list-style-type: none"> <li>• Climate Change Responses</li> <li>• Responsible Investment</li> <li>• Green Development and Operation</li> </ul>	<p>ZhongAn supports the national carbon peaking and carbon neutrality goals, adheres to the concept of caring for the earth and protecting the environment, opens green financial services, practices green and low-carbon operations, and promotes the harmonious coexistence of people, enterprises and nature.</p> <ul style="list-style-type: none"> <li>• Actively respond to the risks and opportunities brought by climate change, innovate green insurance products, carry out green insurance research, and provide solutions to climate change;</li> <li>• Integrate ESG factors into the whole life cycle of investment, invest in "carbon neutrality" and other related fields, and promote low-carbon green transformation of the industry;</li> <li>• Strengthen the management of energy, water resources and emissions during the operation process, set relevant objectives, and take multiple measures to reduce the impact of the Group's operation on the environment through promoting paperless office, garbage classification, and green travel.</li> </ul>

Strategic Directions



giving back to society

Key Topics

- Community Participation and Philanthropy

Practice and Targets

ZhongAn actively fulfils its social responsibilities, devotes itself to charity, insists on being an enterprise with warmth, and helps to achieve common prosperity with the power of insurance.

- Take the self-developed ZAction charity platform as the base, continue to invest in fields such as environmental protection, science popularization, social assistance and disaster relief, and actively carry out charity actions such as animal and water protection, rescue of seriously ill children, financial knowledge popularization and disaster relief, and contribute to the cause of protecting the environment, supporting vulnerable groups, and helping rural revitalization and construction.

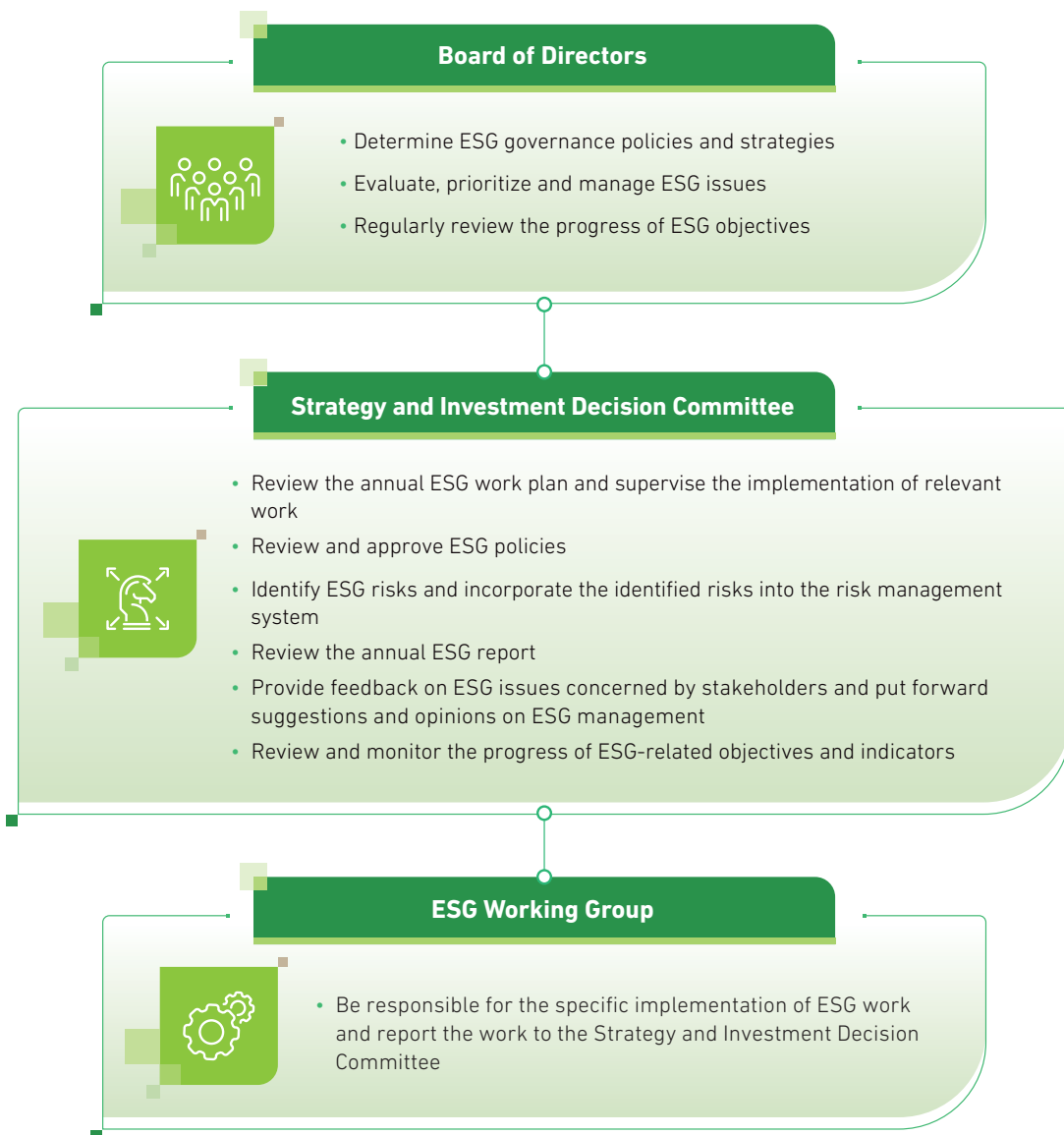


## Strengthening ESG Governance

### 2.2. ESG governance structure

ZhongAn focuses on the possible impact of its management decisions and operations on the environment, society, and economy, establishes an ESG governance structure with clear responsibilities from top to bottom, and integrates the ESG concept into the enterprise development strategy.

In 2022, the Group revised and approved the responsibilities of the Strategy and Investment Decision Committee to further strengthen the supervision and management role of the Board of Directors on ESG matters. Strategy and Investment Decision Committee provides professional advice for the Group’s development planning, ESG work plan, ESG risk review and other matters, and promotes the standardized and efficient operation of the Group’s ESG management.





## 2.3. Stakeholder engagement

ZhongAn attaches importance to establishing and maintaining good relations with stakeholders, and maintains close communication with all stakeholders through shareholders' meetings, official websites, telephone, e-mail, seminars, satisfaction surveys and other channels, and strives to respond to and meet the demands and expectations of stakeholders.

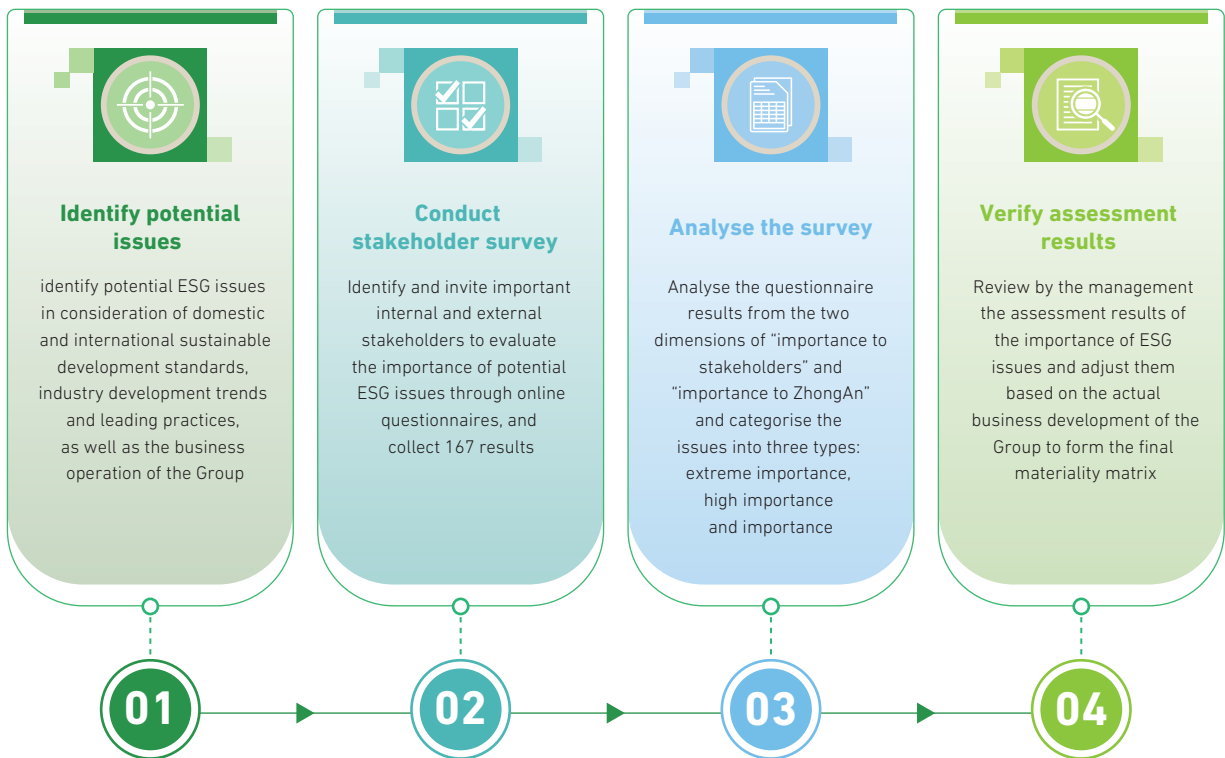
Strategic Directions	Key Topics	Practice and Targets
 <p><b>Shareholders and investors</b></p>	<ul style="list-style-type: none"> <li>Operational compliance</li> <li>Return on investment</li> <li>Protection of shareholder's rights</li> <li>Correctness and timeliness of information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>General meetings</li> <li>Public information such as Annual reports, announcements, etc.</li> <li>Roadshow</li> <li>Telephone/email</li> <li>Official website</li> </ul>
 <p><b>Regulatory authorities</b></p>	<ul style="list-style-type: none"> <li>Maintaining financial stability</li> <li>Promoting economic development</li> <li>Supporting the livelihood of ordinary people</li> </ul>	<ul style="list-style-type: none"> <li>Reports and communication</li> <li>Document submission</li> </ul>
 <p><b>Customers</b></p>	<ul style="list-style-type: none"> <li>Providing convenient, fast, and quality insurance services</li> <li>Improving user satisfaction</li> <li>Product liability</li> </ul>	<ul style="list-style-type: none"> <li>Official website</li> <li>Hotline and e-mail</li> <li>Customer service centre</li> <li>Customer satisfaction survey and opinion form</li> <li>Online service platform</li> <li>Daily operation/exchange</li> </ul>
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>Stable employment</li> <li>Reasonable staff benefits</li> <li>Safe working environment</li> <li>Training</li> <li>Career development and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Employee survey</li> <li>Employee representative conference</li> <li>Training and Seminar</li> <li>Staff activities</li> </ul>
 <p><b>Business partners/suppliers</b></p>	<ul style="list-style-type: none"> <li>Integrity and mutual benefit</li> <li>Fair purchase</li> </ul>	<ul style="list-style-type: none"> <li>Supplier evaluation system</li> <li>On-site inspection</li> <li>Conference communication</li> </ul>
 <p><b>Community</b></p>	<ul style="list-style-type: none"> <li>Providing job opportunities</li> <li>Promoting social harmony</li> <li>Supporting charity activities</li> </ul>	<ul style="list-style-type: none"> <li>Charity activities</li> <li>Seminars/lectures/workshops</li> <li>Environmental protection campaigns</li> </ul>

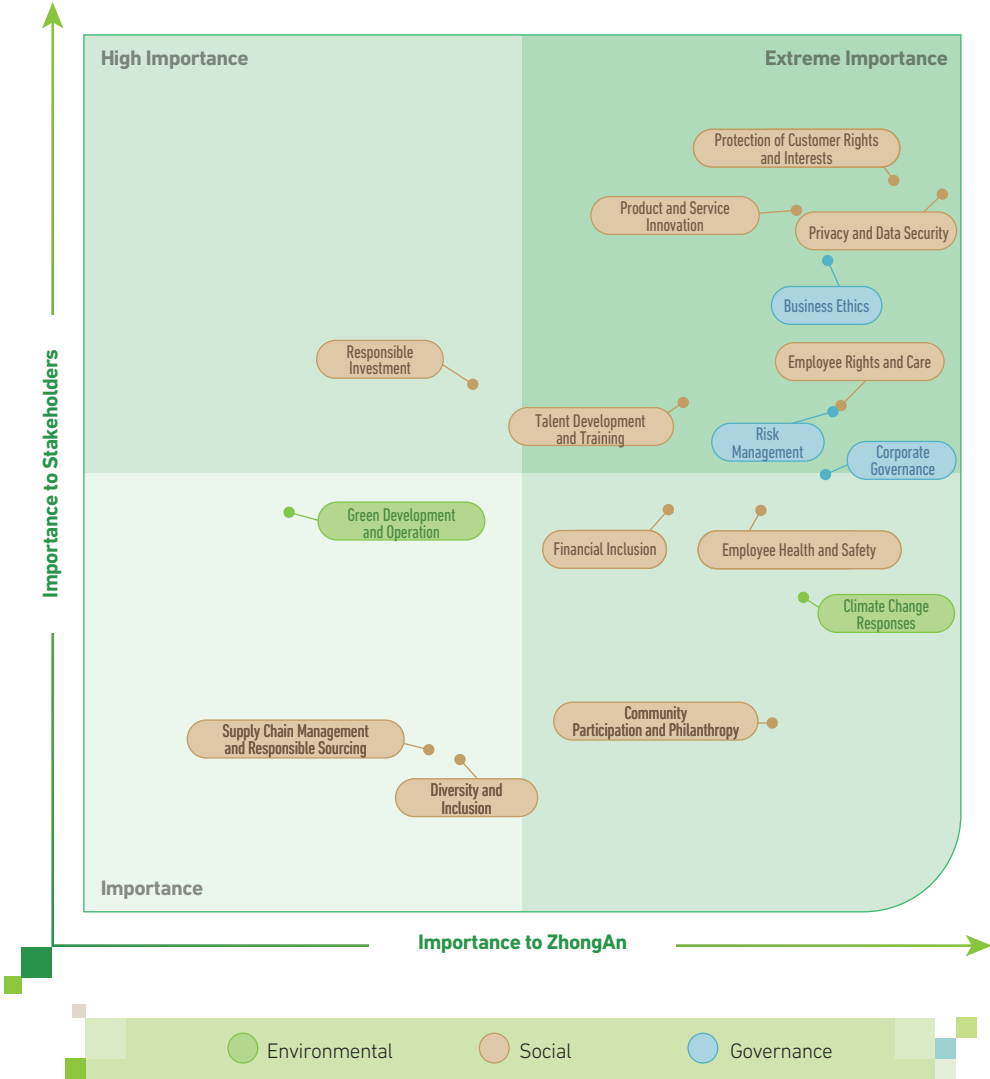
## Strengthening ESG Governance

### 2.4. Materiality assessment

ZhongAn followed the ESG Reporting Guide of the Hong Kong Stock Exchange and implemented the materiality assessment ESG. On the basis of the ESG issue collection formed by consulting the relevant standards of sustainable development, peer benchmarking and the analysis of the actual operation of the Group, in 2022, the Group carried out a survey for shareholders and investors, customers, employees, government and regulatory authorities, suppliers and business

partners, community, and other stakeholders. According to the sequence of identification, research, analysis, and verification, we have identified 16 material issues, including 8 issues of extreme importance, namely, customer protection, product and service innovation, privacy and data security, business ethics, employee rights and care, talent development and training, risk management, and corporate governance. The materiality matrix reviewed and adjusted by the Board of Directors is as follows:





ZhongAn's Materiality Matrix



# Revitalizing Governance

## 3. Revitalizing Governance

ZhongAn makes sustained improvements in our compliance system and internal controls to stimulate the vitality of the enterprise with good governance. The Group has continuously improved the compliance and internal control system, established a comprehensive risk management system, and focused on protecting intellectual property rights, ensuring information security, and strengthening procurement management. We endeavour to cultivate good governance with a sound system to enable ourselves to operate more robustly, efficiently and sustainably.

### 3.1. Enhancing internal control of compliance

#### 3.1.1. Compliance management

The Group strengthens its compliance management system continuously. In 2022, the Group issued the Administrative Measures for Performance Assessment of ZhongAn Legal and Compliance Risks to incorporate compliance performance into the performance assessment system of employees, departments, and

senior management. In order to raise the compliance awareness of employees at all levels, we have conducted various forms of compliance training activities:

- Compliance training for new employees: we systematically introduced the Group's compliance concept and culture, management framework and work requirements, and helped new employees fully understand the Group's compliance standards.
- Special business training: For special businesses such as illegal fund-raising, contract management and marketing compliance, centralized and specialized training has been carried out to improve the compliance awareness of relevant personnel and reduce business risks.
- Regulatory policy training: We explained the latest regulatory regulations in the form of seminars to strengthen employee awareness.

▲ ZhongAn's compliance training activities

**3.1.2. Anti-money laundering and anti-fraud**

ZhongAn continues to improve the anti-money laundering system and strictly observe the Anti-Money Laundering Law of the People’s Republic of China, and developed a series of anti-money laundering policies, such as Normative Guideline on Information Collection and Verification of Anti-Money Laundering Parties, Implementation Rules for Confidentiality of Anti-Money Laundering Information, Anti-Money Laundering Risk Assessment and Customer Classification Management Regulations (Provisional), Measures for the Risk Management of Anti-Money Laundering and Anti-Terrorist Financing of Internet Insurance and Guidelines on Anti-Money Laundering Blacklist Practice and System Monitoring, to determine the requirements of anti-money laundering and provide institutional guarantees for relevant work.

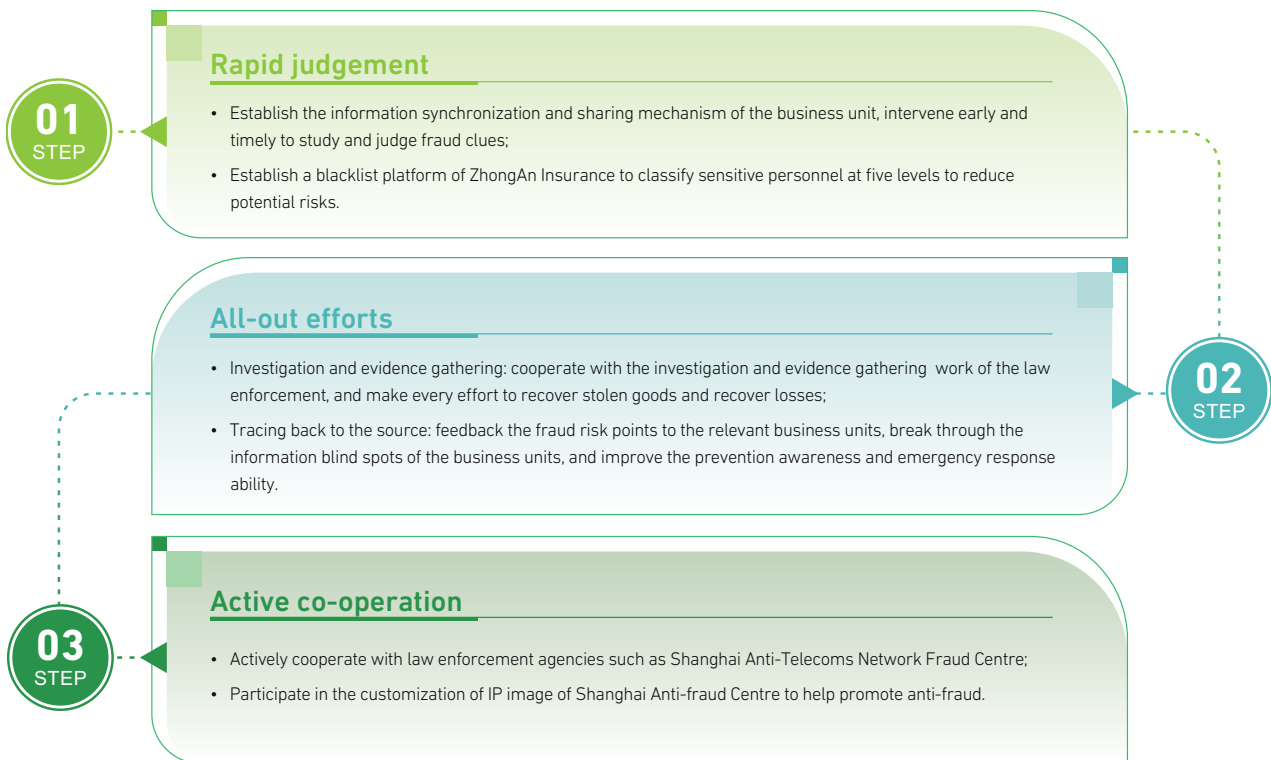
We carry out customer identification and transaction record keeping, classify customers by anti-money laundering risk level (high, medium, and low), and take differentiated identification and monitoring measures for them to effectively prevent money laundering risks. Moreover, we take measures to control money laundering risks, such as monitoring anti-money laundering blacklist and reporting suspicious block trades.

In active response to the requirements of the Ministry of Public Security of the PRC and China Banking and Insurance Regulatory Commission, we organised anti-money laundering training and related examinations to raise the awareness and improve the ability of anti-money laundering of the whole Group.



▲ ZhongAn’s anti-money laundering test

We attach importance to anti-fraud work, constantly improve the anti-fraud mechanism, and use intelligent means to accurately crack down on many kinds of fraud and criminal activities.



▲ ZhongAn’s anti-fraud working mechanism

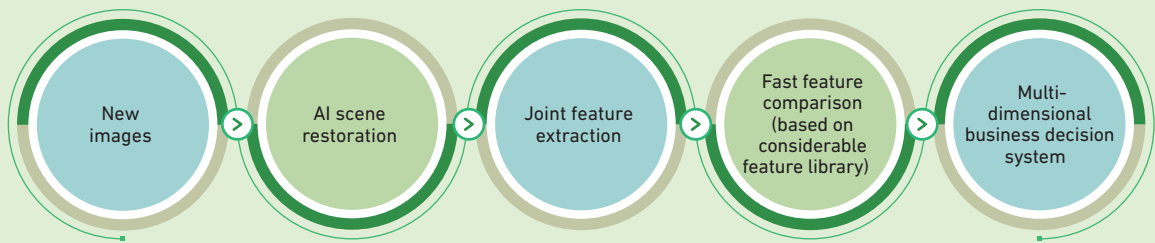
## Revitalizing Governance

### Case: Develop big data models to improve fraud risks control ability

Gang crime is a pain point in the financial industry. Gang crime in the approval business is characterized by strong continuity, large quantity and great harm. Furthermore, a gang crime is hard to be identified quickly because there are vast financial cases to be approved daily. Manual identification of gang crimes is difficult and inefficient because it requires arduous work of scene image comparison.

To solve this problem, the Group developed an image risk control system. It trains an AI scene restoration model based on massive scene data and solves the problem of actual scene image loss. Meanwhile, we also formulated a feature model and carries out joint learning of the semantic features of the scenes with massive basic samples and appropriate domain samples. In this way, it finally solves the traditional problem with low cost and high accuracy.

In practice, the accuracy rate to identify online similar scenes with the model is nearly 100%, which can realize non-manual approval of decision-making, and the system risk warning capability is ten times that of traditional manual methods. It escorts the healthy operation of our financial products and provides a feasible anti-fraud scheme for the industry.



### 3.2. Establishing a sound risk management

ZhongAn keeps improving the risk management system, enhances risk management ability, and improves the efficiency of risk management. The Group adheres to the risk orientation and continuously identifies, assesses, monitors, warns, manages and reports risks in a timely manner through standardized risk management processes and effective management methods, so as to escort timely responses to various risks and maximize risk-adjusted benefits. In 2022, in order to further optimize our risk management governance structure and organizational system, we take the Board of Directors as the highest decision-making body for risk management, overseeing the effectiveness of risk management and ultimately responsible for it.

In 2022, the Group formulated the ZhongAn Insurance 2022 Risk Management Master Plan, formulated an annual risk appetite statement based on the Group's development strategy and the implementation of the risk appetite system over the years, and revised and improved the ZhongAn Insurance Comprehensive Risk Management Measures. In accordance with ZhongAn Insurance Comprehensive Risk Management Measures, we have formulated various risk management requirements and pay close attention to prominent risks in anti-money laundering, anti-fraud, data governance and other fields, as well as various emerging ESG risks such as climate change risks, risks caused by demographic structure and demographic changes, obesity and emerging health risks, and risks brought about by urbanization trends.

We have built up “three lines of defence” for compliance and risk management. The first line of defence consists of all business and supporting divisions, taking charge of identification of and response to business front-end risks. The second line of defence consists of the Legal and Compliance Department, the Risk Management Committee, and the Risk Management Department, taking charge of establishment of related policies and systems. The third line of defence consists of the Audit and Consumer Protection Committee of the Board, the Risk Management and Related Transaction Control Committee and the Internal Audit Department, taking charge of overseeing the risk management process and related activities.

In daily risk management, we take risk identification, risk assessment and risk avoidance as the basic process:

### Risk identification



Senior management regularly scientifically studies and judges the main risks faced by the Group based on the external environment, the Group’s development strategy and business operations.

### Risk assessment



The Risk Management Committee will review and evaluate the identified risks based on the established risk appetite and integrated management information.

### Risk avoidance



According to the actual risk situation and risk appetite, the risk management committee determines the corresponding expected risk level as the goal of the corresponding risk management work and adopts a comprehensive risk management method (ERM) combining overall risk and special risk management for risk management and control.

In order to comprehensively improve the quality and efficiency of risk management, ZhongAn has made many deployments in the field of “technology +” risk control. The Falcon Rights Protection System developed by the Group can search the content of ZhongAn and other financial institutions based on keyword content, and reach the risk control business through email, so as to perceive public opinion and keep brand counterfeiting monitoring. In addition to the self-developed system, we have purchased phishing detection platform services to achieve all-round monitoring of web Trojans, web vulnerabilities, page tampering and other risks, helping ZhongAn improve the safety of websites.

In addition, in order to improve the risk management ability and enhance the risk management awareness of all employees, we conduct relevant training for senior management, risk management department and various functional departments every year.

The Phase II of the C-ROSS project<sup>1</sup> was fully implemented by CBIRC in the first quarter of 2022. Oriented to “risk control, strengthen capital base, robust development and improvement of livelihood”, the project aims to make the solvency supervision system more scientific, effective and comprehensive, and effectively improve the risk management and risk resilience of the insurance industry. With the full implementation of the Phase II of the C-ROSS, ZhongAn has also adopted a number of special management measures for solvency risk in risk management.

<sup>1</sup> In order to further strengthen solvency supervision and improve the regulatory system, on March 29, 2012, the China Insurance Regulatory Commission issued the “Construction Plan of Phase II of the China Risk-Oriented Solvency System (C-ROSS)” with Insurance Regulatory [2012] No. 24.



## Revitalizing Governance

### Case: Respond to the Phase II of the C-ROSS project and fully optimise risk management system

In response to the regulatory policies, ZhongAn has actively upgraded mechanisms, and improved the risk management efficiency. We organised a self-assessment of solvency risk management ability to achieve alignment with regulatory rules and fill gaps. We also upgraded the solvency measurement model and stress test model, optimised the measurement process, and dug into the capital optimisation strategy of the debt side and the asset side.

In 2022, pursuant to the Regulation of Solvency of Insurance Company (II) issued by CBIRC, the Group carried out a plan to revise and improve policies related to risk management of solvency in 2022, with 45 policies developed and revised.

Besides, the Group conducted risk knowledge sharing and examination activities for employees and senior management on various topics such as "Interpretation of Rules for the Phase II of the C-ROSS project" and "Test for Senior Management of Need-to-know of Risk Preferences", with 2,440 participants.

### 3.3. Creating a clean office

ZhongAn strictly abides by relevant laws and regulations such as the Criminal Law of the People's Republic of China, the Company Law of the People's Republic of China, the Insurance Law of the People's Republic of China, the Administrative Provisions of Insurance Companies, and the Measures for the Compliance Management of Insurance Companies. ZhongAn has always advocated the corporate culture of good faith, honesty, positivity and integrity. The Group have developed the ZhongAn Integrity Governance Management Policy to impose restraints on improper behaviours such as taking, giving and asking for bribery, benefit transmission, tax evasion, and insider trading and create a clean office. As corrupt practices are increasingly complicated, ZhongAn revised the policy in 2022 and incorporated in the scope of fraud the related party transactions, illegal financing and hidden risks with strong concealment, to enhance the applicability and effectiveness of the system. We specify a clawback provision in the Measures for the Management of Remuneration of ZhongAn Insurance that performance-based pay for senior managers and personnel in key positions should be returned under special circumstances. The returning ratio is determined according to the business situation, risk status, and the deferred payment of performance-based compensation.

The Group has clarified the management and oversight functions of the Board of Directors in business ethics and has clarified its ultimate responsibility for related issues. The Group has established an Audit and Consumer Protection Committee and ZhongAn Anti-Fraud and Whistle-blower Protection Committee to oversee compliance and business ethics issues in our day-to-day business operations, listen to opinions and suggestions from stakeholders such as business partners, and provide feedback to the Board of Directors.

The Group conducts audits in accordance with the Internal Audit Management Regulations, and all audit items cover business ethics. We will actively investigate violations of business ethics. We follow the ZhongAn Employee Code of Conduct on business ethics, requiring all employees (including full-time employees, outsourced employees and interns) and external partners such as suppliers to follow the values of integrity and "zero tolerance" for unethical and illegal behaviour. We have established a complaint and reporting channel for all stakeholders for consultation or grievances on integrity and fraud issues. Our complaint and reporting channels are as follows:

- Reporting hotline: 166 2165 9961
- Reporting email: [lianzheng@zhongan.com](mailto:lianzheng@zhongan.com)
- Reporting address: No. 219 Yuanmingyuan Road, ZhongAn Insurance, Huangpu District, Shanghai

The Group handles all reports carefully, establishes strict control systems and procedures for the acceptance and investigation of reports, and strictly keeps the personal information of the whistle-blower and all the information provided by the whistle-blowers strictly confidential. We formulated whistle-blower protection policies and strictly prohibit any form of retaliation against whistle-blowers, and any form of retaliation will be dealt with seriously in strict accordance with relevant national laws and regulations and the Group's articles of association.



In 2022, ZhongAn kept strengthening the culture of integrity throughout the Group, and carried out many online and offline training sessions covering all employees (including full-time employees, part-time employees and interns) in every unit and business department. Through issuing cases, holiday reminders and other hints on our corporate WeChat and other platforms, we strengthened the publicity of the culture of integrity. In addition, we require all employees to sign the Commitment Letter on Employees' Integrity, requiring

all employees to strictly abide by the rules & regulations of ZhongAn, follow the principle of "being law-abiding, credible, honest and diligent" and resolutely resist all kinds of dishonesty. In 2022, we carried out 11 integrity training sessions and examinations which attracted 3,151 participants, and all our employees had signed the Commitment Letter for Integrity. During the Reporting Period, there were no incidents of corruption and bribery in the Group.



▲ ZhongAn's training on business ethics

### 3.4. Protecting intellectual property rights

ZhongAn values intellectual property rights management and strives to protect its own ones without infringing others' achievements arbitrarily. We strictly abide by the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China and the Copyright Law of the People's Republic of China and other laws and regulations. We have formulated the Regulations on Intellectual Property Rights Management and the Regulations of ZhongAn Insurance on Software Legalisation Management and set up a special post under the Legal and Compliance Department to carry out relevant work. During the Reporting Period, ZhongAn carried out detailed intellectual property rights management through software legalisation management, independent R&D of intelligent systems, and special training.

In addition, we proactively carry out all kinds of training and education on intellectual property, such as incorporating the knowledge of intellectual property rights into the monthly training for new employers, and engaging technology R&D personnel to participate in the special inspiration training sessions for patented technology.

## Revitalizing Governance

### Case: Organize intellectual property rights training to improve the awareness of intellectual property rights

In order to enhance employees' awareness and ability of intellectual property protection, in 2022, we carried out special training on "enterprise copyright infringement" for personnel in relevant positions, sharing copyright knowledge, infringement cases, infringement "pitfall" guidelines and other content, strengthening employees' understanding of relevant laws and regulations, and promoting the scientific and orderly development of the Group's intellectual property protection work.



Besides, ZhongAn takes standardised process for purchasing software and image font. In particular, all purchase applications need to be filed in the OA system of the Group, and a clear purchase framework agreement or purchase contract should be concluded to reduce potential risks of infringing others' intellectual property rights.

The Group joined the Shanghai Trademark Association in December 2021. ZhongAn's insurance trademark was honoured as one of the outstanding trademarks of Shanghai in 2022 and was included in the list of Key Trademarks under Protection in Shanghai. The Group was also selected as a patent pilot enterprise of Shanghai. As of 31 December 2022, the Group applied for 1,486 trademarks cumulatively, with 85 authorised in 2022; and filed a total of 599 patent applications, with 62 authorised in 2022.

### 3.5. Preventing information leakage

At ZhongAn, customer privacy protection is an important part to guarantee our service quality. The Group complies with the laws and regulations such as Cybersecurity Law of the People's Republic of China, Personal Information Protection Law of the People's Republic of China, Data Security Law of the People's Republic of China, Technical Specifications for the Protection of Personal Financial Information. The Group has formulated the Personal Information Protection Policy, the Regulations for Information Security and Compliance Management, the Regulations for Information Security Incident Management, Provisions on the Administration of Personal Information Protection Impact Assessment and Specifications for the Graded Management of Data, which regulates relevant behaviours in the life cycle of personal information collection, storage, use, entrusted processing, sharing, etc., to strictly prevent personal information risks.

All departments and all employees of the Group shall collect personal information directly related to the operation and management or provision of services in accordance with the minimum requirements of minimization, the lowest frequency and the minimum amount in the course of business management; In the process of collecting and processing personal information, personal sensitive information must not be retained in the client software; When using external third-party components to collect and process personal information, we shall promptly review supplier qualifications, evaluate

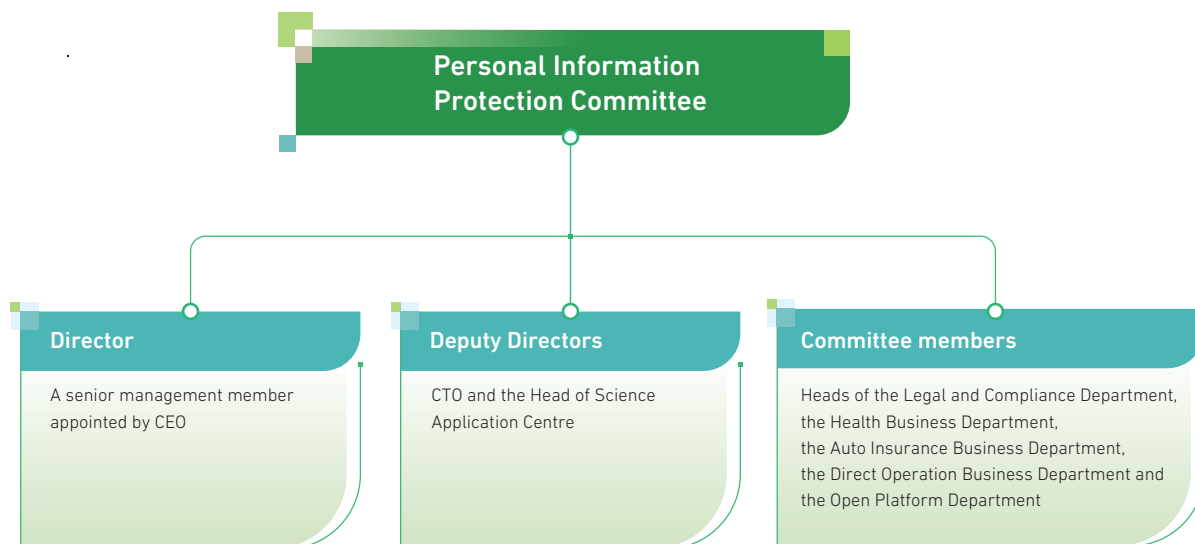
and test the security of third-party components, and prevent external institutions from improperly obtaining and retaining sensitive personal information; When storing personal information, we shall meet the requirements of national laws, regulations and regulatory provisions, and meet the minimum time requirements necessary for the purpose of authorized use of personal information subjects. After that period, the personal information collected shall be deleted or anonymized, and personal data shall not be rented, sold, or provided to third parties, striving to protect customer data and privacy.

Information Protection Principles for ZhongAn	
<b>Principle of clear purpose</b>	Data handlers shall have a legitimate, righteous, and clear purpose for processing personal information.
<b>Principle of consistency of rights and responsibilities</b>	Data handlers shall take technical and other necessary measures to ensure the security of individuals' information, and bear responsibility for damage caused by personal information processing activities to the legitimate rights and interests of individuals.
<b>Principle of openness and transparency</b>	Data handlers shall disclose the scope, purpose, rules, etc. of processing personal information in a clear and reasonable manner and accept external supervision.
<b>Principle of opt-in consent</b>	Data handlers shall clearly indicate rules such as the purpose, method, and scope of personal information processing to the personal information subjects and solicit their authorization and consent.
<b>Principle of subject participation</b>	Data handlers shall provide personal information subjects with methods to access, correct, and delete their personal information, as well as withdraw consent or cancel their accounts.
<b>Minimum necessity principle</b>	Data handlers shall only process the minimum type and amount of personal information necessary to meet the purposes authorized and agreed upon by the personal data subject.
<b>Principles of safe processing</b>	Data handlers shall sort out exposure risks, adopt adequate security management measures and technical means, and ensure the confidentiality, integrity and availability of personal information.

In 2022, we set up the Personal Information Protection Committee composed of senior managers and heads of relevant departments, and formulated the Guidelines for the Personal Information Protection Committee of ZhongAn Insurance to define its responsibility and authority, so that the information protection could be carried out in a more standardised and orderly manner.

The Group has established a sound information security management system, which is audited annually by China Cybersecurity Review Technology and Certification Center (CCRC). On November 25, 2022, the Group's information security management system passed the annual audit of the CCRC, which would be valid until November 24, 2025, covering all of the Group's information system development and operation and maintenance activities.

## Revitalizing Governance



▲ Structure of the Personal Information Protection Committee

When collecting, using, and storing all kinds of data, ZhongAn takes various proactive and reactive measures.

### ◆ Proactive Measures<sup>2</sup>:

- **System security inspection:** The Group has formulated the Provisions on the Network Security Management of ZhongAn Insurance Information System, which requires a comprehensive security inspection of the network system at least once a year.
- **Network access control:** According to the Provisions on the Network Security Management of ZhongAn Insurance Information System, the Group prohibits unauthorized users from logging in to the Group's network through VPN, and if there is a need to apply through OA due to work, we need to clarify the list of VPN remote access users, and review VPN users every year; Access to remote users of the Group, we will perform two-factor authentication; All remotely accessed computers are required to have anti-virus software installed and virus signature databases up to date.
- **Data security management:** The Group has formulated the ZhongAn Insurance Information Security and Privacy Management Strategy to standardize the collection, transmission, exchange, storage, backup, recovery and destruction of information, so as to strengthen the control and protection of important data information, and ensure the legal and compliant use of information; It is required to encrypt confidential information to ensure that confidential information is not leaked or tampered with during transmission, processing, and storage.
- **Vulnerability scanning:** The Group has formulated the Provisions on the Operation and Maintenance of ZhongAn Insurance Information System, and the Implementation Rules for Vulnerability Scanning of ZhongAn Insurance Information System, and carry out monthly scanning, security review vulnerability scanning in the domain name application process and other vulnerability scanning work applied by various business lines according to their own needs, and timely patch the network system security vulnerabilities found.

<sup>2</sup> Proactive measures refer to measures that can timely and accurately warn the computer system before intrusion behaviour makes a bad impact on the computer system, build an elastic defence system in real time, and avoid, transfer, and reduce the risks faced by the information system.



### ◆ Reactive Measures<sup>3</sup>

- Information Security Incident Response:** The Group has formulated the ZhongAn Insurance Information Security Incident Management Regulations to regulate information security situations and information security incident response and handling. In the event of cyber security and information leakage, the Group's Technology R&D Centre will respond quickly and activate emergency plans if necessary. If the information security situation is serious, the technology research and development centre will promptly report to the personal information protection committee, and the personal information protection committee will organize the establishment of an emergency incident handling team to try its best to reduce losses and restore operation. The data science application centre, technology research and development centre, legal compliance department, marketing public relations department and other departments arrange personnel to participate in the emergency incident handling team according to the actual situation. During the reporting period, we organized and carried out a number of data recovery drills and failure drills.
- Firewall technology:** The Provisions on the Network Security Management of ZhongAn Insurance Information System clearly stipulates the setting, regular security assessment, authorization, etc. of the firewall to ensure that the system defence is done in the first time.

We conducted training and examination on security awareness for all employees (full time employees, part time employees, and interns). We set a minimum score of 80 for individuals and a minimum participation rate of 90% for each department, in an effort to enhance employees' information security awareness.



▲ Information Security Awareness Training and Examination



<sup>3</sup> Reactive measures refer to measures that the computer system takes when it is under attack.

## Revitalizing Governance

### 3.6. Reinforcing procurement management

Adhering to the principles of openness, transparency, fair competition, balance of equality and efficiency, the Group has established an integrated procurement management system to ensure the compliance, efficiency, and quality of procurement. We have formulated policies such as the Procurement Management Regulations and the Supplier Management Regulations to set out requirements for the new engagement, evaluation and rating, contract fulfilment management and exit of suppliers.

For selecting a new supplier, the Group will consider factors such as its corporate qualification, pricing, service capability, service timeliness, service plan design, etc., and actively carry out investigation and evaluation of suppliers' social responsibility performance to promote the improvement of suppliers' own sense of responsibility. During the Reporting Period, ZhongAn abided by the principles of "Professionalism, Independence, Objectivity and Fairness, Faithfulness and Integrity" for all project tender evaluation practices. We required each member of the procurement review panel to sign a Commitment Letter for Evaluation Integrity and insisted on using the negative list system to supervise the management, so as to ensure the quality of products and services and the integrity and compliance of suppliers.

In terms of supplier evaluation and supervision, we have established a complete evaluation system including indicators such as product and service quality, delivery performance, business response, breach of contract, and complaints, and divided suppliers into four grades A, B, C, and D according to supplier performance, so as to ensure the scientific nature of supplier evaluation.

To develop a green and sustainable supply chain, the Group has defined requirements for green products and services when selecting certain suppliers. For example, to push suppliers to produce and provide green products and services, the materials of furniture decoration projects are required to meet the national E0<sup>4</sup> environmental standard.

As at December 31, 2021, the Group had 338 major suppliers. The distribution by service and location is as follows:

Distribution by service	Number of suppliers	Proportion of suppliers
IT	50	15%
Administration	37	11%
Human resources	18	5%
Public relations and advertisement	37	11%
Professional services	23	7%
Insurance business	173	51%

Distribution by location	Number of suppliers
North China	63
East China	139
South China	74
Central China	58
Northeast China	1
The South	3
<b>Total</b>	<b>338</b>

<sup>4</sup> From October 1, 2021, GB/T 39600-2021 "Formaldehyde Emission Classification of Wood-based Panels and Their Products" officially defines the E0 standard, in which formaldehyde emission is divided into E1 grade not exceeding 0.124mg/m<sup>3</sup>, E0 grade not exceeding 0.050mg/m<sup>3</sup> and ENF grade not exceeding 0.025mg/m<sup>3</sup>.

# Adhering to Responsible Operation

## 4. Adhering to Responsible Operation

The insurance industry integrates the roles of a risk manager, a risk bearer and a major investor, and can guide the society to shift its vision from short-term profits to sustainable development by adjusting the direction of underwriting business and investment. In order to contribute to the cause of sustainable development, on the insurance side, the Group promotes digital innovation, deepens product research and development, and pursues better services; On the investment side, we actively promote responsible investment and embed the concept of green finance and ESG investment in our business operations.

### 4.1. Spearheading digital innovation

Technological innovation is a field that ZhongAn has been deeply cultivating for a long time. Upholding the mission of “driving financial development through technology and introducing service-oriented insurance products to the market”, the Group makes continuous efforts to build its digital capabilities and upgrades its products and services with the support of technologies such as cloud computing, big data and artificial intelligence, striving to provide personalised, customised and intelligent insurance services and products.

By introducing a variety of technologies, we have built a complete service ecosystem:

- **Car Insurance Claim Mini Program:** The program supports video loss assessment. Through remote video survey, it provides customers with fast and convenient claim channels, and helps limit the entire online claim settlement time to 15 to 20 minutes. In 2022, we completed a claim settlement every 9 seconds, with 96% of claims filed online, and the intelligent claim approval rate reached 45%.
- **HMO Service Platform:** We have developed the HMO service platform with chronic disease management as the core to provide “specific insurance for different diseases”, so as to help patients with affordability and accessibility issues. In 2022, the Internet hospital could maximally provide 4,000 times of consultations per day, and over 98% of the consultation were responded to within 60 seconds.
- **Exclusive KA System:** We have developed an exclusive KA system for major group insurance customers, which ensures better preservation of big data online. By sending customised monthly reports and reports of claims, we can improve customer operation management.
- **Intelligent Customer Service:** We have developed intelligent robots and introduced IVR voice navigation technology to customer service processes. In 2022, online robots resolved 90% of customer questions in actual business scenarios, and the accuracy rate of the algorithm of optimisation model for 10-million-level linguistic data reached 95%.

For digital and intelligent marketing, the Group has independently developed the “Polaris” digital and intelligent marketing system. Based on big data and model algorithm, the system can be used in real-time recommendation and marketing, marketing process monitoring and automatic decision-making, and will help ZhongAn promote products in a precise and effective manner.

## Revitalizing Governance

### Case: The digital and intelligent lifestyle ecosystem shows the digital layout of ZhongAn

From September 1 to September 3, 2022, the World Artificial Intelligence Conference was held in Shanghai. At this conference, ZhongAn fully displayed the three exhibition sections and three core products of "Digital Intelligence to Help Business Operation Upgrading", "Digital Intelligence Products to Drive Business Growth", and "Product and Service Panorama": CWisdom operation analysis platform, Intelligent online customer service system, and "CIRO Wajuejing" user interaction and exploration platform.

- **CWisdom operation analysis platform:** This visualised analysis platform enables the personnel engaged in strategic planning, financial planning, sales management, business operation and data to improve the efficiency of information, resource and decision-making with the support of AI technology.
- **Intelligent online customer service system:** As an intelligent system, it supports business scenario-based and personalised customer services and enables us to handle mass consultations with low costs and provide timely services with stable quality based on the synergy between robot service and manual service.
- **"CIRO Wajuejing" user interaction and exploration platform:** With the semantic understanding ability developed based on an NLP algorithm and deep neural network, it can identify the intentions and emotions of customers, explore the potential business opportunities, risk exposures and hot public opinions from customer service conversations, and realise the standardised output of unstructured data.

ZhongAn is also committed to working with customers and partners to create an industry-wide innovation atmosphere. To this end, we have established the open learning platform "ZhongAn Academy" and launched a mobile course learning project with the theme of digital innovation. Through "Experience Digitalization - ZhongAn Super Exhibition Hall Visit", "Learning Digital · Digital Course Learning" and "Exploring Digital · Digital Theme Communication", we help customers and partners learn the latest Internet technology and understand the cutting-edge science and technology. During the Reporting Period, "ZhongAn College" had more than 50 partners, launched more than 50 high-quality courses, and had more than 100 fintech experts, more than 10,000 offline students, and more than 300,000 online students.



**Case:****Invited to the first China Insurance Conference and jointly released the “Insurtech Innovation Index Report 2022”**

The digital transformation of the insurance industry has become an industry consensus. ZhongAn hopes to create a new insurtech ecosystem of sharing, cooperation and co-existence, release new impetus for the development of the insurance industry with digitalization, and bring superposition and multiplication effects to the high-quality development of the insurance industry.

On December 23, 2022, the first China Insurance Conference 2022, initiated and hosted by CCTV, Shanghai Station and Shanghai Insurance Exchange, with the theme of “Focusing on Promoting High-quality Development and Accelerating the Construction of a New Development Pattern”, was held in Shanghai. The Group was invited to participate in the digital transformation sub-forum of the conference to share ZhongAn’s achievements and practices in the construction of science and technology talent system, data infrastructure, R&D efficiency and the upgrading and transformation of the insurance value chain, and jointly released the white paper “Insurtech Innovation Index 2022 - Technology Enables High-quality Development of the Insurance Industry” with the Technology Innovation Research Center of Tsinghua University. Through the analysis of China’s insurtech innovation index and the best practices of technological innovation of outstanding insurance enterprises, this white paper provides guidance for insurance institutions to enhance their awareness and ability of technological innovation, filling the gap in the quantitative analysis of insurtech commercialization development in China.



## Revitalizing Governance

### 4.2. “Providing service-oriented insurance products to the market”

ZhongAn pursues service-oriented products. While providing quality products and services for all people, ZhongAn pays more attention to the needs of underserved groups. On the one hand, our Internet genes and diversified cooperation channels can help us reach a wider range of groups and cover a wider range of markets. On the other hand, we actively improve the coverage of insurance protection for underserved people, such as providing a variety of insurance products such as critical illness insurance for middle-aged and elderly people, children, women and other groups.

The Group pays close attention to emerging risks such as climate change, demographic change, urbanization, population health, and ESG, and integrates these risks into product design and development, demonstrating ZhongAn’s concern for social and environmental issues by creating service-oriented insurance.

In 2022, ZhongAn Fintech Research Institute released research reports on climate-change-related insurance risks, including Green Insurance Products in the Low-Carbon Era, suggesting that insurance companies strengthen cooperation with relevant parties such as the Meteorological Bureau and meteorological technology companies, and rely on the infrastructure of the Meteorological Bureau and the scientific means of meteorological technology companies to design insurance products with more accurate pricing and wider coverage. The Group’s research results on climate change provide some insights into how the insurance industry can address climate risks.

#### Case:

#### Upgrade the “million-RMB-coverage medical insurance series” to expand the coverage of services

As the flagship product of the “million-RMB-coverage medical insurance series”, “Personal Clinic Policy” was upgraded to “Personal Clinic Policy 2023” during the Reporting Period. The upgraded version is superior in insurance coverage, served population and service items.

- **Expanding insurance coverage:** The product has been upgraded with more core responsibilities to strengthen the protection from all aspects. Specifically, the product covers the compensation for medical expenses of general outpatient and emergency, and, in respect of critical illness insurance, increases compensation for transport expenses on offsite referrals and benefits for nursing expenses. Also, more special medicines and refuel packages can be covered by insurance, improving services in an all-around way.
- **Enlarging served population:** The insurable population has been identified and enlarged with the smart underwriting technology, so that the service of million- RMB-coverage medical insurance can serve more users.
- **Upgrading service items:** The new drug discount service becomes available to provide users with better service experience when purchasing general drugs.

In 2022, ZhongAn’s “million-RMB-coverage medical insurance series” served a total of 15.87 million insurance policyholders, including 11.41 million served by the Personal Clinic Policy series, 3.74 million served by the Good Medical Insurance series and 720 thousand served by other million-RMB-coverage medical insurance series.

In the face of ageing risk and health risk, we have launched Alzheimer-themed products and the health-notification-free product - "Zhong Min Bao · Inclusive-Million-RMB- Coverage Medical Insurance", to fulfil our social responsibility as a responsible and caring insurance company.

**Case:****Launch the "insurance for Alzheimer's disease and dementia" to protect the health of the elderly**

Shanghai BestCovered Network Technology Co., Ltd (hereafter referred to as "BestCovered") is a company that serves sub-health people with cognitive disorders and cognitive decline, provides memory training and cognitive training, and focuses on brain rehabilitation training for middle-aged and elderly people. BestCovered has more than 6 million users in China.

In 2022, ZhongAn worked with BestCovered to serve people in the form of "Screening-Rating-Intervention-Insurance". Through the integration of early screening and early intervention services through commercial insurance, it covers all age groups from 30-75 years old, providing health solutions that integrate "screening-intervention-insurance-treatment".

**Case:****Release health-notification-free products to provide more heartwarming service**

In October 2022, ZhongAn released the "Zhong Min Bao · Inclusive-Million-RMB- Coverage Medical Insurance". As a brand-new health-notification-free product, no health notification is required to policyholders in advance. Except for the five pre-existing conditions including tumour, compensation is available for all other general pre-existing conditions. Compared to the health-notification-free products launched before, this product decreases the deductible to RMB 10,000, and increases the responsibilities of compensation for transport expenses on offsite referrals of critical illness, ambulance expenses and medicine expenses. Besides, the new service of family doctor online consultation is available to provide patients with more comprehensive and heartwarming insurance.

## Revitalizing Governance

In the face of urbanisation-related risks, we developed an exclusive accident insurance product for casual workers called “Flexible Work Insurance”. Besides, we released the Fuzhou Huimin Bao, an insurance product with certain proportion of compensation and the deductible but no vesting period and age limit, to provide compensation for the medical expenses within the social insurance coverage; We introduced “Anti-Epidemic Insurance” to protect the rights and interests of delivery riders.

We also developed other products to meet the diverse needs of the people. For example, we launched the world’s first inclusive cybersecurity insurance product. To ease the plight of micro, small and medium enterprises in the face of macroeconomic disturbances, we developed the business interruption insurance for them. To support the nationwide winter sports boom inspired by the Olympic Winter Games, we developed the “sports accident insurance” for worry-free exercise. We also launched the pet insurance that covered all aspects of pet life. Among them, pet insurance served 3.18 million pet owners in the past three years, and the premium growth rate continued to exceed 100% in 2022.

### Case:

#### Launch China’s first inclusive cybersecurity insurance to keep a “safe” for digital assets of enterprises

In the era of digital Internet, data security has become a core proposition that all walks of life have to pay attention to. On July 21, the CBIRC and the Shanghai Municipal Government jointly issued the Work Plan for the Science and Technology Insurance Innovation Leading Zone in the Lingang New Area of the China (Shanghai) Pilot Free Trade Zone (hereinafter referred to as the “Work Plan”). At the press conference of the Work Plan, the country’s first inclusive version of cybersecurity insurance products was officially released. Led by the Shanghai Banking and Insurance Regulatory Bureau and jointly launched by seven insurance companies including ZhongAn, the product has the characteristics of integrating protection, risk control and service, and provides comprehensive insurance solutions for enterprises in the fields of business interruption losses, cyber extortion losses, data leakage losses, and corporate reputation losses.

ZhongAn uses its scientific and technological capabilities to add protection services to enterprises, not only protecting their own economic losses after cybersecurity accidents, but also providing services including accident response costs, loss of operating income, cyber extortion threats and repair costs. In terms of third-party liability compensation, we also support data confidentiality liability, data security liability and legal fee claims. We use “insurance + technology” collaborative innovation to help enterprises improve the security protection level and risk resistance ability of digital assets in the era of digital economy, so as to ensure that small and medium-sized enterprises “do not take risks”, “take less risks” and “take small risks”.



### 4.3. Promoting responsible investment

ZhongAn actively responds to the development trend of responsible investment at home and abroad, integrates ESG concepts into the company's operation, investment and other businesses, and formulated the Responsible Investment Statement of ZhongAn Online Property Insurance Co., Ltd., and established a responsible investment management system. We consider ESG factors in investment strategy, decision-making and the whole life cycle management process, and continue to create long-term values for stakeholders including customers, investors, and employees.

- **Asset Allocation**

The Group actively deploys ESG thematic investment and fully considers its relevant attributes in the ESG field in the allocation of assets. On one hand, special targets such as green bonds and sustainable development bonds are preferred; on the other hand, investment opportunities under related concepts such as new energy and "dual carbon goals" are deeply explored. We practice green investment through multiple channels such as stocks, bonds, funds, and asset management products, so as to achieve complementary advantages of various investment varieties and investment tools, and form a strategic portfolio that is consistent with the characteristics of investment varieties and covers the whole range of green investment.

- **Credit Management**

The Group has added ESG factors as one of the credit indicators. We implement dynamic and differentiated credit-granting policies for restricted categories and industries with major risks regulated by the state. We will conduct environmental, social and governance risk due diligence for financing entities in the above-mentioned industries according to the characteristics of their industries and regions to ensure that the investigation is comprehensive, in-depth and meticulous. For financing entities with serious violations of laws and regulations and major risks in ESG, credit-granting and investment will be strictly restricted.

- **Equity Investment**

The Group focuses on industries that match ESG concepts, such as photovoltaics, new energy, and environmental governance, evaluates the impact of ESG scores on investment opportunities and risks, tracks the changes in the ESG scores of investment targets to determine whether ESG scoring factors will have an important impact on the business of investment targets, and pays attention to the sustainable development of investment targets and the fulfilment of social responsibilities.

In addition, we engage a large number of investment analysts in new energy, hardcore technology, upstream chemical industry, automobile and other fields that are closely related to ESG. Meanwhile, stock and fund analysts are also engaged in analysis on ESG-related matters in their daily work. Our high-quality talent team ensures successful implementation of responsible investment.

## Revitalizing Governance

### Case: Invest in primary medical services to promote inclusive health development

ZhongAn Investment's private equity investment fund (hereinafter referred to as the "fund") participates in the investment layout of industrial digitalization and health. The fund holds shares in a new primary medical service enterprise, which is committed to comprehensively improving the capacity of urban primary medical services. It provides convenient, fast, standardized, high-quality and cordial family medical and health services and experiences for new middle-class families and young user groups in rapidly developing areas with the mode of combining online and offline, general medicine and specialty, and medical and health care, promoting high-quality medical services towards inclusiveness.

### Case: Invest in a new solar cell R&D company to improve green energy conversion efficiency

Perovskites have high photoelectric conversion efficiency, and the use of perovskites as light energy conversion materials helps to improve the efficiency of cells. ZhongAn Investment's private equity investment fund participates in the layout of new energy and hard technology, hoping to contribute to the national "dual carbon goals" by supporting the development of the new energy industry. The fund holds a new perovskite solar cell R&D and production enterprise. The company's technology research and development team has repeatedly set world records in the conversion efficiency of perovskite solar cells and is the absolute leader in the industry.

## 4.4. Providing quality services

ZhongAn endeavours to holistically improve customer satisfaction by means of upgrading service model, enhancing customer service capability, sincerely listening to customers' voice and diversifying customer feedback channels.

### 4.4.1. Protecting customer rights

The Group has established a sound consumer rights protection system, and the Audit and Consumer Rights Protection Committee provides professional advice to the Board on the implementation of consumer rights protection strategies, policies and objectives, the management system and system for consumer rights protection, and related major issues. The Group strictly abides by relevant laws and regulations such as the Insurance Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Consumer Rights and Interests and Administrative Measures for the Protection of Consumer Rights and Interests of Banking and Insurance Institutions, and formulates relevant regulations such as the Administrative Provisions on the Protection of Consumer Rights and Interests of ZhongAn Insurance and the Assessment Regulations on the Protection of Consumer Rights and Interests of ZhongAn Insurance to protect the legitimate rights and interests of consumers in accordance with the law. Our insurance products and services are approved and filed by the CBIRC. In addition, we strictly abide by the Advertising Law of the People's Republic of China and other relevant laws and regulations to ensure that advertising, marketing activities and product labels are compliant.

The Group adheres to the principle of "customer-centredness". We continued to strengthen organizational management, enhance technological empowerment, strengthen education and publicity, integrate consumer rights protection into all aspects of ZhongAn's operations, and improve customer satisfaction.

- **Lead with technology and strengthen consumer protection review of products.** In 2022, the Group explored the use of AI technology to assist manual review to improve efficiency, established a consumer protection review rule base, developed an "X-challenge" intelligent review system to remind expression issues in the production description and give suggestions for modification. At the same time, the system continuously improved its performance and accuracy through training and playing the role of consumer protection review in identifying potential risks.
- **Unblock channels for accepting complaints and improve diversified resolution mechanisms.** The Group actively established a diversified resolution and guidance mechanism with dispute mediation organizations in the banking and insurance industry, and actively negotiated with consumers to resolve conflicts and disputes.

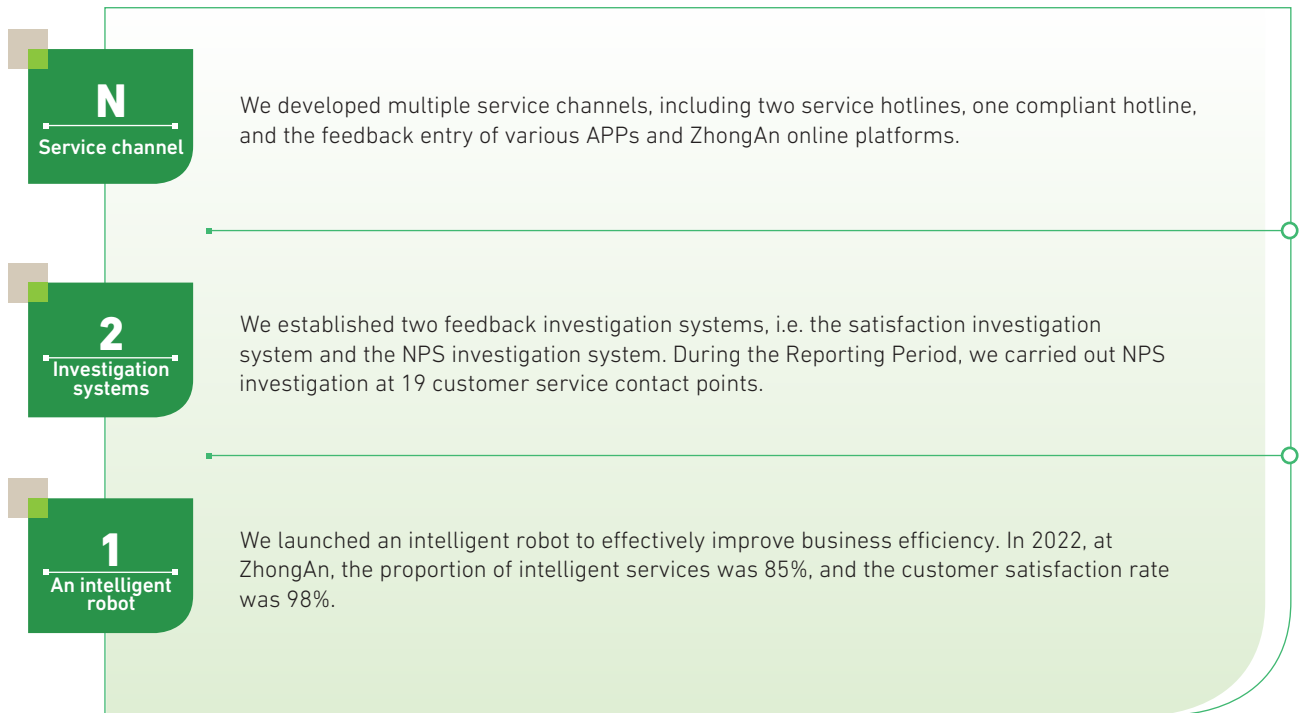
Consumer Rights Protection Regulatory Evaluation result for 2021: Grade 3A.



## Revitalizing Governance

### 4.4.2. Focusing on customer feedback

The Group attaches importance to customer feedback. The Group has formulated rules and regulations such as the ZhongAn Customer Complain Management Policy, the ZhongAn Emergency Response Plan for Prevention and Treatment of Major Consumer Complaints and Group Complaints, the Regulations on the Accountability of Consumer Complaints, the ZhongAn Administrative Measures for Complaint Settlement Payment to standardize complaint management. At the same time, the Group has established the "N+2+1" customer feedback management system to improve the quality and efficiency of customer service.





In 2022, we organised a number of training and special drills in respect of customer complaints, including 2 sessions of “early warning response training” and 14 sessions of training on “complaint resolution techniques” and 40 sessions of training for front-line service employees, and carried out special emergency drills for the risk events of major complaints raised by insurance consumers.

According to CBIRC, in 2022, ZhongAn received a total of 4,007 complaints transferred by regulators, with 16.93 complaints per RMB 100 million of premiums and 0.004 complaints per 10 thousand insurance policies. Among the regulatory transfer complaints in 2022, from the perspective of product insurance types, complaints about epidemic insurance and short-term health insurance accounted for more than 80% of all complaints, accounting for 65.39% and 17.82% respectively; From the perspective of problem type, it was concentrated in claims disputes, and claims complaints account for 85.87% of all complaints; From the perspective of regional distribution, complaints in the top ten regions accounted for more than 70% of all complaints, including 52.96% in Shanghai, 4.04% in Zhejiang, 2.94% in Beijing, 2.50% in Hubei, 2.35% in Shenzhen, 2.22% in Shaanxi, 2.17% in Henan, 2.12% in Jiangsu, 2.07% in Guangdong and 2.07% in Jilin.

In 2022, the number of self-collected and self-handled complaints was 63,600.

#### 4.4.3. Improving customer experiences

We are committed to improving customer experience, and providing customers with convenient and heart-warming services through multi-dimensional measures such as innovative service models, age-appropriate transformation of APPs and setting up green channels.

In 2022, we made many innovations in our service model. First of all, we further refined the customer group, service scenarios, and problem scenarios, and established a differentiated service mechanism. For customers who apply for insurance due to insufficient insurance understanding and impulsively surrender due to misunderstanding of products, we designed a surrender education retention mechanism to actively provide insurance education to help customers learn correct insurance concepts. Secondly, for repeated caller group, we set a layered warning threshold according to the number of calls, activated different processing mechanisms according to the degree of warning, served high-frequency incoming customers through excellent agents, and coordinated with business units to ensure that customers’ problems could be solved in one stop. In the event of intermediate or above warnings, the Group set up a dedicated follow-up system to track relevant problems until they are resolved.

In order to improve the service experience of the elderly group, ZhongAn has carried out age-appropriate transformation of existing mobile channels such as mini-programs and apps, and effectively responded to the service needs of the elderly group by supporting improvement measures such as font enlargement and text videos.

During special times, ZhongAn opened a green channel for customers who initiated credit investigation objections in medium and high-risk areas, striving to minimize the impact on customers and ensure that customers receive comfortable services and excellent experiences.



## Fostering an Employee-First Workplace

### 5. Fostering an Employee-First Workplace

ZhongAn has been devoted to creating a caring workplace and an employee-first environment. We take every chance to improve human resources management, protect legitimate rights and interests of employees and encourage them to pursue self-worth while showing more love for them. We extensively practice the people-centric value to enhance employees' well-being and steer them to a good life with ZhongAn.

#### 5.1. Safeguarding fundamental rights and interests

We abide by the relevant laws and regulations that have a significant impact on us relating to compensation and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare, and child and forced labour, such as the Labour Law of the People's Republic of China, Labour Contract Law of the People's Republic of China, Law on the Protection of Minors, Law of the People's Republic of China on the Protection of Women's Rights and Interests, and Prohibition on Child Labour. And we have also formulated the Regulations on Human Resources Management of ZhongAn Insurance and the Employee Handbook to standardize human resources management. In doing so, we guarantee basic rights and interests including employment, paid leaves, salaries and welfare, equal opportunity and antidiscrimination to enhance employees' sense of belonging and loyalty.

##### 5.1.1. Employment compliance

As for employment, we adhere to open recruitment, ensure fair competition and recruit the best job-hunter. We thus state two principles. The first is that we do not recruit those who are the spouse or near kin of current staff in the same department, or the spouse, near kin, collateral relatives within three generations, or close relatives by marriage of staff on the core position. The second principle is that one employee is not allowed for different sensitive positions within the department or positions where there is a conflict of interests.

We will not recruit minors under the age of 16 and will strictly verify the basic information of the candidates during background checks, check the risk of non-compete agreements, bad records and court proceedings for honest and legal employment. In the event of child labour, the Group will deal with it in accordance with the law, impose heavy penalties on the person concerned, and order the child worker to return to his or her original place of residence to his or her parents or other guardians. In addition, the Group adheres to an 8-hour working day to avoid forced labour. We attach importance to equal employment, advocate a harmonious, inclusive, equal, discrimination- and exploitation-free workplace. We advocate a diversified employee structure, equal opportunities for recruitment and promotion and resolutely go against discrimination and sexual harassment in the workplace. During the Reporting Period, the Group had 3,969 full-time employees with a 18.73% turnover rate, and no case of child labour or forced labour was found.

##### 5.1.2. Salaries and benefits

As for salaries and benefits, we establish a salary system with internal fairness and external competitiveness and scientific performance appraisal scheme to attract, retain and motivate outstanding talents on a result-based management philosophy. According to the Regulations on Human Resources Management of ZhongAn and Performance Appraisal Scheme 2022, the salary package is determined according to the post sequence and rank standard. The annual compensation of employees includes a fixed salary, variable pays such as performance bonus, year-end bonus, and cash subsidies such as welfare subsidies.

We have been improving our welfare system. In addition to the statutory social insurance and housing provident fund, we have set up diversified and tiered welfare programs including paid annual leave, all kinds of on-duty benefits, healthcare benefits, bonus for holidays and important occasions, educational care for employees' children and afternoon tea. The Group pays attention to career development of employees as well as education of their children. Every year, we distribute parent-child education gift boxes, children education cash gifts, and carry out lectures and parent-child activities.

Type	Items
Annual Leave	<ul style="list-style-type: none"> <li>• Paid Annual Leave</li> </ul>
Healthcare benefits	<ul style="list-style-type: none"> <li>• Supplementary Medical Insurance</li> <li>• Annual Physical Examination</li> <li>• Wellness Programmes</li> </ul>
On-the-Job Welfare	<ul style="list-style-type: none"> <li>• Food and Drink Allowance</li> <li>• Communication Allowance</li> <li>• Overtime Meals</li> <li>• Overtime Taxi Allowance</li> </ul>
Bonus for Holidays and Important Occasions	<ul style="list-style-type: none"> <li>• Bonus for Festivals</li> <li>• Blessing and Cash Gifts for Birthday, Wedding, and Maternity</li> <li>• Condolence Payment for Employees on Bereavement</li> </ul>
Other Special Benefits	<ul style="list-style-type: none"> <li>• Education Care for Employee's Children</li> <li>• Afternoon Tea</li> <li>• Team Building Activities</li> <li>• Clubs</li> </ul>

### 5.1.3 Employee communication

We strive to improve the active engagement of employees in the corporate operation, and develop communication channels and activities among them. Except for the staff mailbox “We Care”, a distinctive round table workshop and meet-and-greet are built. These programs greatly contribute to appraising and promotion of staff, reception of campus-recruited employees and year-end reporting. During the Reporting Period, ZhongAn hosted “dining table” appraising, promotion meetings, annual meetings, campus recruitment meetings and activities such as “Shining Stars of ZhongAn” with 213 participants.

### “Dining Table” Appraising

By organizing the “ZhongAn Role Model Nomination Student Meeting”, we provided opportunities for employees to learn and communicate with each other and between employees and management.



## Fostering an Employee-First Workplace

### Promotion Meeting

By organizing promotion meetings, we provided opportunities for newly promoted employees to communicate, and clarify the requirements and expectations for newly promoted employees.



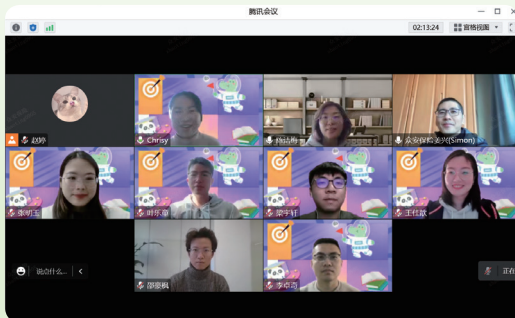
### Annual Meeting

We held a ceremony for employees who have completed five years of employment to motivate employees to continue to work together with the Group.



### Campus Recruitment Meeting

We invited outstanding campus recruits to conduct online roundtable exchanges, provided networking opportunities for "prospective employees", and listened to the suggestions of new recruits to ZhongAn.



### "Shining Stars in ZhongAn"

Through offline training, new employees quickly familiarized themselves with the Group culture and integrated into the team.



## 5.2. Focusing on talent development

ZhongAn attaches great importance to career development channels for employees and self-worth enhancement of employees. In order to promote the career development of employees, realize self-worth, and realize talent incentive and retention, the Group has set up two talent development channels: professional channel and management channel. Among them, the professional channel requires employees to be lean in professional technology or business, which meets the career development needs of technical professionals. The management channel requires employees to undertake responsibilities of team organizational development, personnel management, financial performance in addition to professional contributions, which meets the career development needs of employees in organizational management.

In addition, we also support employees to further their education to achieve self-improvement and the Group will provide reimbursement support for eligible employees pursuing degree programs such as MBA and EMBA.

The Group continues to improve the systematic construction of employee training, carry out relevant training in accordance with the Employee Handbook, and integrate and optimize learning and development resources. The Group has designed five basic training types and promoted the orderly implementation of various training programs.

Type	Content
<b>On-boarding training</b>	As an important part of the probationary assessment, it is divided into two parts, online and offline, to help new employees quickly familiarize themselves with the Group's culture and environment, rules and regulations and key business knowledge and integrate into the team.
<b>Professional training</b>	The departments plan and carry out various exchange and sharing activities and related training according to their respective business development needs to improve the professional skills and general skills of relevant personnel.
<b>Management training</b>	We launched the "Seven Swords" leadership training program to help ZhongAn management improve its leadership and build an excellent leadership team for the Group.
<b>Regulation training</b>	The training helps employees understand regulatory trends, familiarize themselves with the latest regulatory policies, and enhance compliance awareness.
<b>Training of directors, supervisors and senior management</b>	We implemented the requirements of the CBIRC and urged them to complete 100 hours of online and offline training.



## Fostering an Employee-First Workplace

### Case: Cultivate the Excellent Management Team with the “Seven Swords Training”

In order to improve leadership of management, ZhongAn continuously conducts the training program Seven Swords - Exchange of Leaders. The program sets its slogan as “a better leader creates a better team”. It is available for managers at all levels and provides a framework of ideas by experience sharing as well as open and experience-based teaching. The training program includes team building, team performance, cultural fostering and communication for a multi-dimensional improvement.

The program has become the major platform for learning and growing of managers and the cradle of advanced ideas and theories. In 2022, ZhongAn carried out 3 training sessions of Seven Swords, bringing the total number of sessions to 8.



### 5.3. Health and Safety

Complying with Regulations on the Supervision and Administration of Occupational Health in the Workplace, Regulations on Work-Related Injury Insurance, we give priority to the health and safety of employees and take measures to create a healthy, safe and stable workplace. From 2020 to 2022, there were no work-related fatalities in the Group. During the Reporting Period, working days lost due to injury was 3.5.

We take multiple actions to safeguard health and wellbeing of our employees. We continue to guide employees to pay attention to their own health, and guide employees to strengthen exercise and improve immunity by supporting various sports club activities. We also care about the mental health of our employees. In 2021, the Group launched the “ZhongAn Physical and Mental Care Program” and set up a professional psychological counsellor service team to solve the mental health problems of employees. During the Reporting Period, the “ZhongAn Physical and Mental Care Program” continued to operate, effectively helping employees make psychological adjustments and maintain a good working attitude by providing psychological consultation hotlines for employees and organizing online live classes.

We are committed to creating a healthy and safe workplace. We have equipped intelligent control system in offices to monitor indoor air quality and adjust room temperature. We regularly cleaned up refrigerators and water dispensers, sanitized workplaces and canteens and conducted pest control to create a clean and safe workplace.

## 5.4. Caring for employees

We pay close attention to the protection of the rights and interests of women. We grant reward points to all female employees that they can redeem for gifts on every Women's Day. For pregnant employees, if they are pregnant for more than seven months, they can go to the office 1 hour later or go back home 1 hour earlier to ensure sufficient rest. To support breast feeding employees, we provide several baby care rooms. Female workers will have 1-hour breast feeding leave every day before their babies are 1 year old.



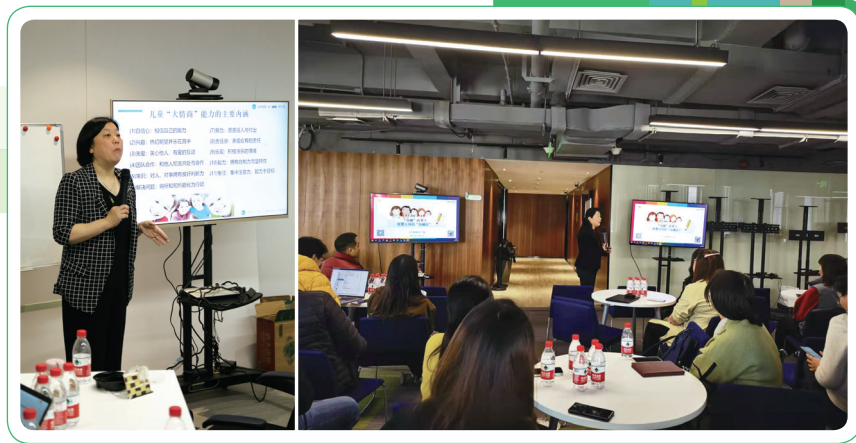
▲ baby care room in ZhongAn



▲ March 8th Women's Day activities

With care for employees and their families, we work to improve their wellbeing. During the Reporting Period, we organized livestreaming courses on children education for employees, including Child Empathy and Mental Development and On Double Reduction.

## Fostering an Employee-First Workplace



▲ Organize and Carry out Children's Education Courses

Based on promoting work-and-life balance as well as mental and physical health, we have organized various cultural and sports activities as well as clubs. During the Reporting Period, ZhongAn established 13 clubs for sports like night running, yoga, football, basketball and ping pong. Every year, more than 300 activities are carried out with more than 2,000 participants.

### Case: Shanghai Football Club for Physical and Mental Health

ZhongAn Shanghai Football Club was founded in 2014 and its members reached 60 in 2022. The club aims to strengthen physical health, cultivate positive mind and promote cross-departmental communication. The club holds weekly or bi-weekly activities, while occasionally participating in amateur football events in the Internet industry or insurance industry.





## Giving Back to Society

### 6. Giving Back to Society

ZhongAn upholds corporate social responsibility and creates value for communities to give back to society. We work on environmental conservation, public science education, voluntary work and disaster relief. To promote systematic management of charity activities, we founded ZAction platform in 2019. The platform marked an innovative step as it integrated blockchain, Artificial Intelligence and Big Data to allow game interaction, information release, online training, and reward certification. ZAction has cooperated with Yunnan Golden Snub-nosed Monkey Range-wide Conservation Network (YSMRCN), The Nature Conservancy (TNC), Qiandao Lake Water Fund, The Paradise Foundation, and Shanghai ADream Foundation. In 2022, the Group's total charitable donations amounted to RMB 3.52 million.

#### 6.1. Practicing environmental conservation

Over the years, we have regarded environmental conservation as an important area to benefit the people's livelihood, and we have assumed responsibility for protecting nature in each project. During the Reporting Period, the Group continued to act on black snub-nosed monkeys' protection and water conservation, setting a good example for the insurance industry and society.

##### 6.1.1. Water conservation

Protecting water resources is of great significance to improving the environment. For a long time, we have carried out various forms of activities to help protect water resources. For our customers, we held a water conservation saloon in the super exhibition hall and invited them to participate in the charity walk. For our employees, we launched a pick-up run along the Bund and called on our employees to save water. In 2022, the Group carried out a series of water conservation activities based on the experience of past activities.

#### Case:

#### Co-organised "Mother River Day" to engage more people in water conservation

Since 2020, the Group has actively cooperated with the government and charity organisations to carry out numerous events with specific objectives. On 9 March, 2022, "Mother River Day" was launched in Zitong, a town to the west of Qiandao Lake. The Group donated 50 insurances for volunteers with an insured amount to RMB 1.3 million per person. Moreover, the Group also conducted targeted insurance inquiry activities, and issued commemorative certificates to the volunteers who actively participated in the "Safeguard Qiandao Lake" fund-raising activities, to express gratitude to volunteers who cared about the water conservation of Qiandao Lake. These events drew the public's attention to the contributions of "non-governmental river chiefs" and volunteers of the charity walk, motivating more people to participate in such voluntary water conservation activities.



## Giving Back to Society

### Case: Livestreamed activities to raise public awareness of water conservation

The Group joined the Qiandao Lake Water Fund to carry out live water conservation activities through livestreaming. On 22 April 2022, the Group launched a livestream themed “Water and Fish Keep Each Other Alive” in Jinshan Fish Bay, which introduced the processes of fish farming and liberating, elaborated the interactions between organisms and the ecology, to emphasise the importance of water resources protection, and to raise the public’s awareness of water resources conservation. On 22 May, the Group launched a livestream themed “Mountain Top, Lake Side, Village Corner” by visiting Qiandao Lake on the spot to present the local water conservation progress, and call for more people to participate in water conservation activities.



### 6.1.2 Protecting black snub-nosed monkeys

The black snub-nosed monkey is a rare and endangered wild animal unique to China. It is also a flagship species<sup>5</sup> and umbrella species<sup>6</sup> living in the Three Parallel Rivers, the world’s natural heritage site. For its protection, ZhongAn, believing systematic efforts must be made for biodiversity conservation, has joined hands with the Black Snub-nosed Monkey Range-wide Conservation Network to fully leverage its “insurance + technology + service” resources. Since 2021, the Group has launched a series of “Bringing Warmth to Monkeys” charity activities for black snub-nosed monkey conservation to raise public awareness of protecting endangered species and strengthen biodiversity protection. In 2022, we continued our work on black snub-nosed monkey conservation through diversified activities.

### Case: A series of charity activities of “Bringing Warmth to Monkeys” was launched to help protect black snub-nosed monkeys

- **Ranger Insurance:** Adhering to the original intention of “the rangers guard the black snub-nosed monkeys, and ZhongAn Insurance guards the rangers” of the Group, the rangers and his/her families were provided with insurance, and the medical services of ZhongAn Internet Hospital, such as online consultations, offline physical examinations, etc.;
- **Training of rangers:** Support the rangers’ training by providing an AI-enabled training tool of ZhongAn Technology, “ZhongHui Tree”;
- **Public Science Education:** Make use of the ZhongAn platform, such as the APP to publicise the black snub-nosed monkey conservation, cultural characteristics of ethnic minorities in black snub-nosed monkey conservation area, and the inheritance of intangible cultural heritage crafts;
- **Volunteer activities:** Conduct regular charity activities such as charity bazaars, and use the proceeds to buy food for black snub-nosed monkeys, picture books on nature for the primary school in black snub-nosed monkey conservation area, construct ecological gardens of protected land, etc.;
- **Non-profit merchandising:** Purchase and sell Misifi, a community-friendly product in black snub-nosed monkey conservation area, to support local ecological and economic development.

<sup>5</sup> A flagship species has a special charisma to draw public attention to environmental conservation, and is classified as the representative species of environmental conservation in the region.

<sup>6</sup> An umbrella species is selected as a representative of their ecosystem when conservation plans are being made. By protecting an umbrella species, other species that are a part of their ecosystem will also benefit under the same conservation “umbrella.”

**Case: “black snub-nosed monkey fete” held to popularise black snub-nosed monkey protection**

Laojun Mountain Biodiversity Conservation Centre in Lijiang City is a non-profit partner of ZAction Platform. Since February 2022, it has been running a year-round community nature education program for children in rural areas. The purpose is to enhance children’s awareness of flora and fauna protection by leading them to learn about forest ecosystems.

On 1 June 2022, ZAction Platform, in partnership with Laojun Mountain Biodiversity Conservation Centre, launched the “black snub-nosed monkey fete” for children of Liju Primary School. The event included eight activities, including the “Five-sense Blind Box”, “Puzzle for Monkey”, and “Hammer-enabled Herbal Dying”, aiming at enhancing the children’s awareness of protecting endangered species such as black snub-nosed monkeys, and fostering their love for hometown in the study of nature.



**Case: “Insurance scheme for black snub-nosed monkey rangers” launched to guard rangers**

On 15 July 2021, the Group partnered with the Yunnan Golden Snub-nosed Monkey Range-wide Conservation Network (YSMRCN) to launch the first “Insurance scheme for black snub-nosed monkey rangers”, to provide insurance and training for the rangers who are in urgent need of personal safety and medical insurance. On 15 July 2022, the Group launched the second “Insurance scheme for black snub-nosed monkey rangers”, and the Group’s product experts and claims experts held an online public welfare bonus insurance Q&A meeting for front-line workers.

In addition, the Group donated professional live broadcast equipment to the Laojun Mountain Biodiversity Conservation Centre in Lijiang City, to tell the public the stories of black snub-nosed monkey conservation, supporting the promotion capacity-building of the protected land. For employees, we educated them on the importance of black snub-nosed monkeys by posters, broadcasting short films, and carrying out workshops themed on black snub-nosed monkeys.





## Giving Back to Society

### 6.2. Supporting public science education

The Group strives to support public science education. On special occasions, such as “3.15” Consumer Rights Day, we launched the promotion of financial safety and insurance in a variety of forms, aiming at raising consumers’ awareness of risk prevention and insurance, and providing a sense of security to the public. During the Reporting Period, we conducted a number of publicity activities including the “3.15” promotion week, the “7.8” National Insurance Publicity Day, and the financial knowledge promotion month, and carried out various public education activities in the “Super Exhibition Hall”.

#### Case: Organized public science education activities in the Super Exhibition Hall

ZhongAn Super Exhibition Hall is a public education platform created by ZhongAn. With the theme of insurance technology, the exhibition hall includes modules such as ZhongAn overview, new insurance infrastructure, new ecological map, technology-enabled digital space, and ecological incubation partners, displaying hundreds of products.

With the super exhibition hall as the carrier, the Group regularly holds consumer rights events on July 8 Insurance Day, “The Old and the Young” financial knowledge lectures, carry out “ZhongAn Open Day” and other market activities, open resource links to the whole industry, promote aggregation and co-creation, and practice ZhongAn’s mission of “introducing service-oriented insurance products to the market”. Since its operation, the super exhibition hall has received visitors from more than 2,000 various types of organizations such as government, enterprises, and university associations and successfully held more than 200 offline salon activities.



**Case: “3.15” promotion activities launched for knowledge popularization on financial security**

The International Consumer Rights Day is held on 15 March each year. During the “3.15” period in 2022, ZhongAn launched the “Education Week for Consumer Rights Protection” series for financial consumers and investors. Through the enterprise online videoconferencing system, ZhongAn highly reconstructed the scene of online customer service, to understand the customers’ needs. Additionally, ZhongAn cooperated with Nanfang Daily to carry out public courses on finance and insurance, focusing on the trend of young people buying insurance online, and guiding consumers to buy insurance and make purchases more rationally. ZhongAn released the report “Century-old trees bathed in the new dew - Insurance innovation and finance trends, 2021 review and 2022 prospects”, which calls on the industry to promote digital applications on sales patterns, precise risk prevention, innovation in ecological services and other dimensions. ZhongAn published the original song “ZhongAn Insurance 3.15-RAP” and organized consumer protection service Q&A sessions on Weibo and other channels to explore novel ways of financial security promotion. The “3.15” activities have deepened consumers’ understanding of financial security and helped them to establish correct consumption concepts.



**Case: “7.8 National Insurance Popularization Day” launched to safeguard the property rights of the old and the young**

On 8 July 2022, the Group launched the “7.8 National Insurance Popularization Day”. “The Old and the Young” are the key groups of interest of the insurance industry. The Group customised fun short-term video courses of insurance based on the insurance service needs of these groups. In addition, the Group customised the open classes in various forms such as livestreaming and topic cases with support from the mainstream media. ZhongAn also mobilised employees to participate in the charity activities of charity walk and supported charity projects such as “serving the elderly”. These activities empowered the protection of property rights of the old and young groups.

In addition, the Group also launched an expert live-call event to share high-quality and convenient new insurance services to the public, comprehensively upgraded the large customer service system to improve user experience, and launched the “Warm Service: Guard for the Security of the People” service challenge competition for employees, calling on employees to share their stories of their warm services, to enhance the public’s recognition of the insurance industry.



## Giving Back to Society

### Case: Activities in “Financial Promotion Month” to enhance impact

On 1 September 2022, pursuant to the unified deployment of the CBIRC, ZhongAn officially launched the “Financial Promotion Month”. ZhongAn innovatively launched the campaign of traffic safety and insurance jointly with the traffic division and set up special education and promotion zones in ZhongAn Super Exhibition Hall to promote insurance basics and financial services both externally and internally, so as to improve the financial literacy of all employees. For cybersecurity, ZhongAn launched the special lectures on the topic of personal information protection and cybersecurity risks and attracted a large number of participants through cooperation with mainstream media, internal promotion & examination, and external award-winning quizzes, thus broadening and deepening the impact of the activities. ZhongAn has also been releasing finance-related information through its own channels and on various external platforms, such as Tik-Tok, WeChat Video channel, Xiaohongshu and Bilibili. Such efforts helped enhance ZhongAn’s impact and built up people’s awareness of financial security.



### 6.3. Volunteer activities

ZhongAn actively participates in social welfare and strives to improve the welfare and livelihood of the people in the community. ZhongAn actively uses the social security function of insurance relying on the advantages of its own products to help disadvantaged groups such as children with serious illness and children with illness in less developed areas and initiates the pet protection program to participate in the rescue of stray animals. In April 2022, we donated RMB 600,000 to the Red Cross Society of Huangpu District and donated maternal and baby products and masks through the ZAction platform.

#### Case: “Charity month” activity launched to rescue children with serious illness and stray animals

In September 2022, ZhongAn launched the “charity month” and provided a series of voluntary activities for different groups. We continued the “1 RMB micro-charity” activity of “Personal Clinic Policy: E-life”. For each user who successfully got “Personal Clinic Policy: E-life” or “million RMB coverage medical insurances” on the ZhongAn Insurance Self-Proprietary Platform, we would donate 1 RMB to help the sick children who were included in the assistance program. We also jointly launched the “serve one more nutritious meal for children with difficulties” program with Beijing New Sunshine Charity Foundation to help sick children in less developed areas, such as Liangshan, Sichuan, Kunming and Qinghai, ensuring they eat healthier and recover more quickly. In addition, we jointly launched the “E-life for pets” protection plan with China Philanthropy Times. Related actions include promoting the concept of civilised pet-raising through various channels, providing free medical insurance, and launching online and offline adoption activities, in an effort to provide assistance for stray cats and dogs on medical services, adoption assistance and other sections.





## Giving Back to Society

### 6.4. Supporting disaster relief

Insurance compensation and service support are of great significance for disaster relief. ZhongAn actively participates in disaster relief and settles all valid claims, so as to help disaster-affected enterprises and the masses quickly resume their lives. During the Reporting Period, we quickly responded to the earthquake relief in Luding, Sichuan, and contributed to the governmental disaster relief by improving the efficiency of claim settlement.

#### Case: Quick claim settlement to support disaster relief

For a long time, ZhongAn has been improving the insurance system and refining the claims process, enabling the Group to support disaster relief with "instant" online insurance. On 5 September 2022, an earthquake measuring 6.8 struck Luding County in Garze prefecture of Sichuan Province. The Group responded immediately by initiating the emergency response plan for major incidents and assembling an emergency response team to settle the accident claims. ZhongAn Insurance launched six emergency claims service initiatives: setting up multiple incident reporting channels, proactively checking the affected clients, opening fast tracks for claims, introducing emergency medical advances, removing certain restrictions for medical and accidental insurance, and simplifying claims procedures. These measures accelerated ZhongAn's claims processing and improved the efficiency of claim settlement.





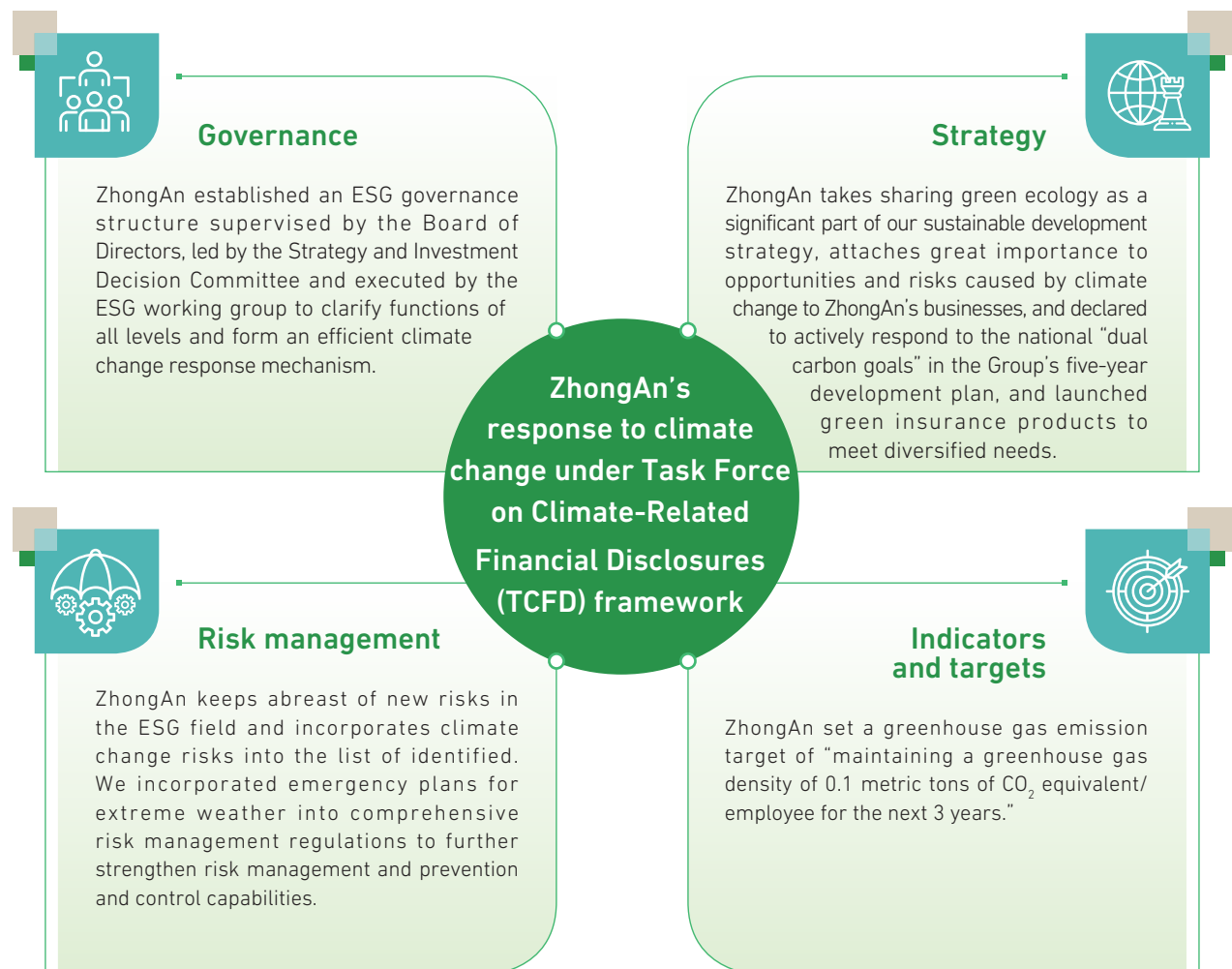
# Opening a New Chapter in Green Development

## 7. Opening a New Chapter in Green Development

ZhongAn adheres to green development and works towards a green future. To promote sustainable development for society, the Group responds quickly to climate change and executes the concept of environmental protection in the daily operation. In 2022, the Group continued to conduct environmental reviews and environmental performance evaluations in order to establish and share green ecology with stakeholders.

### 7.1. Response to climate change

In 2022, extreme weather was a frequent phenomenon all over the world, highlighting the urgency to address climate issues. Response to climate warming is a great global challenge that attracts ZhongAn's long-term attention.



## Opening a New Chapter in Green Development

### 7.2. Promoting green operations

The Group strictly abides by the relevant national and regional environmental protection laws and regulations, such as the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China, the Shanghai Domestic Waste Management Regulations, and the Shanghai Environmental Protection Regulations, etc., to continuously improve energy efficiency, water resource utilization, and waste disposal, to reduce air emissions and carry out low-carbon actions, practicing the concept of green operation from all dimensions, and striving to reduce the impact of business operations on the environment. During the Reporting Period, the Group did not violate any environmental laws and regulations.

The Group does not have any branches and relies entirely on the internet industry. The characteristics of internet and digitalization not only help us improve our operational efficiency and serve our customers in a digital and innovative way, but also help to reduce the environmental impact and resource consumption in operations. The wide use of electronic insurance policies has also greatly reduced the consumption of paper. In the past three years, the Group's electronic insurance policy rate has reached more than 99%.

#### 7.2.1. Energy saving

To effectively promote energy management, we set an energy efficiency target of "maintaining 130 kWh per employee in the next three years" in 2021. During the Reporting Period, we continued to advocate energy saving in workplace, and made every effort to achieve the three-year target by taking various actions. To save electricity, we encourage employees to turn off lights during non-working hours. Moreover, energy-efficient lights have been installed to reduce energy consumption. To minimize management errors, we designate personnel to turn off lighting equipment in office areas every night. In terms of room temperature control, in addition to shutting down the air conditioner in spring and autumn, we completed automatic temperature control through human body temperature sensor technology in our workplaces to effectively reduce energy consumption and waste. Besides, every staircase in ZhongAn has a reminder of the heat consumption corresponding to climbing the stairs, so as to encourage employees to use more stairs and take less elevators, and adhere to healthy and green life. During the Reporting Period, the Group had a total electricity consumption of 407,076 kWh in operations to achieve electricity efficiency goals.

#### 7.2.2. Water resources management

Our business does not belong to a high water consumption industry. Our domestic water is provided by the property building and there is no difficulty in accessing and sourcing water, and relevant discharges into water and land are not managed or controlled by the Group. Nonetheless, faced with the shortage of water resources around the world, ZhongAn encourages employees to save water. To manage water consumption wisely, ZhongAn set a water efficiency target of "maintaining a water consumption density of 4 cubic meters per employee in the next three years" in 2021, and advocates achieving water saving target with concrete actions. These efforts further enhance employees' awareness of water saving in their daily behaviour. During the Reporting Period, we continued to optimise various water-saving actions by using water-saving sanitary wares, posting reminders to save water in various places, and regularly checking water meter readings for indications of excessive use or leakage. In 2022, the Group had a total water consumption of 12,496.50 tonnes in operations, achieving the water efficiency target.

#### 7.2.3. Emissions and waste management

Adhering to the concept of reduction, recycling and harmless disposal of solid waste, ZhongAn adopts waste classification management to divide waste into non-hazardous and hazardous waste.

For non-hazardous waste, we set a reduction target of "maintaining a density of 0.03 metric tonne per employee in the next three years" in 2021. To achieve the target, ZhongAn continued to launch various actions in 2022. In canteens, employees are encouraged to reduce kitchen waste by cleaning their plates. We also provide paid packaging boxes and reduce the supply of disposable chopsticks and paper cups. In office printing areas, we set waste paper recycling spots and advocate using less paper and prints. We strictly implement waste classification in workplaces. We also continue to adopt electronic bulletin boards rather than traditional publicity channels.

Since the Group's production and operational activities generate insignificant hazardous waste and had no substantial impact, it is not disclosed in this report. The Group still pays close attention to hazardous waste that might increase in the future and is ready to work out relevant management measures.

In terms of waste gas emissions, ZhongAn's air emissions are mainly generated from the use of vehicles and natural gas. The Group has set up regulations on the use of vehicles, which adopts the management principle of releasing vehicles as needed and approved. We are committed to reducing waste gas emissions by advocating stopping with engine turned off, replacing old vehicles and upgrading exhaust gas emission standards, etc., in an effort to mitigate the impact of air pollutants to the environment. During the Reporting Period, the gasoline consumption produced from ZhongAn's vehicles was 13,239.16 litres.

To resolutely respond to the national low-carbon strategy, ZhongAn set a target for total greenhouse gas emissions of "maintaining a greenhouse gas density of 0.1 metric tonne carbon dioxide equivalent per employee in the next three years" in 2021. During the Reporting Period, we conducted various energy saving and emission reduction actions to achieve the GHG emission goal. Meanwhile, we continued to encourage our employees to participate in green travel in an effort to reduce carbon emissions from daily commute and travel. Furthermore, we enhanced the awareness of energy-saving and emission reduction by establishing a night running club and launching Green Walk campaigns to improve the energy-saving awareness of employees, clients and business partners.

### Case: Held the "Rockbund City Walk" Event

ZhongAn launched the "Rockbund City Walk" event by relying on the Super Exhibition Hall. When customers and partners visited ZhongAn, we organized a walking tour of the historic protected building complex on Yuanmingyuan Road on the Bund, where ZhongAn Insurance's office and workplace are located, to promote more people to understand and care for the city. At the same time, "City Walk" is an emerging way of life, which is more environmentally friendly than self-driving and cycling. Through city walk, ZhongAn also subtly passed on its green and low-carbon concepts to customers and partners.



## Appendix 1: Tables of ESG KPIs

Environmental Scope <sup>7</sup>	Unit	2022
<b>Air Emissions<sup>8</sup></b>		
Nitrogen oxides (NOx)	kg	94.57
Sulfur oxides (SOx)	kg	0.19
Particulate matter (PM)	kg	9.06
<b>Greenhouse Gas Emissions</b>		
Direct greenhouse gas emissions (Scope 1) <sup>9</sup>	tonnes CO <sub>2</sub> e	63.66
Indirect greenhouse gas emissions (Scope 2)	tonnes CO <sub>2</sub> e	170.97
Other indirect greenhouse gas emissions (Scope 3) <sup>10</sup>	tonnes CO <sub>2</sub> e	79.20
Total greenhouse gas emissions (Scope 1, 2 & 3)	tonnes CO <sub>2</sub> e	313.83
<b>Greenhouse Gas Intensity</b>		
Per square meter of floor area (Scope 1, 2 & 3)	tonnes CO <sub>2</sub> e/m <sup>2</sup>	0.01
Per employee (Scope 1, 2 & 3)	tonnes CO <sub>2</sub> e/employee	0.08
<b>Energy Consumption</b>		
Total energy consumption	MWh	704.34
Energy consumption intensity per square meter of floor area	MWh/m <sup>2</sup>	0.03
Energy consumption intensity per employee	MWh/employee	0.18
Direct energy consumption	MWh	297.26
Natural gas consumption	m <sup>3</sup>	16,367.00
Gasoline consumption	Litre	13,239.16
Indirect energy consumption	MWh	407.08
Electricity consumption	kWh	407,076.00
<b>Water Consumption</b>		
Total water consumption	m <sup>3</sup>	12,496.50
Total water consumption intensity (per square meter of floor area)	m <sup>3</sup> /m <sup>2</sup>	0.52
Total water consumption intensity (per employee)	m <sup>3</sup> /employee	3.15
<b>Non-hazardous Waste</b>		
Non-hazardous waste <sup>11</sup>	tonnes	114.00
Non-hazardous waste intensity (per employee)	tonnes/employee	0.03
Paper consumption	tonnes	16.50
Paper consumption intensity	tonnes/employee	0.004

7 The following intensity data (including greenhouse gases emissions intensity, energy consumption intensity, etc.), the part related to the number of employees refers to the number of full-time employees.

8 Air emissions are sourced from vehicles used by the Group's headquarters in Shanghai.

9 Direct greenhouse gas emissions come from gasoline consumed by vehicles at the Group's Shanghai headquarters and used in the canteen.

10 This year's figures exclude greenhouse gas emissions factors from air business travel.

11 Non-hazardous waste includes kitchen and office waste.

Social Scope <sup>12</sup>	Unit	2022
Total Employees by Type	no. of people	4,102
Full-Time Employees	no. of people	3,969
Part-Time Employees	no. of people	4
Interns	no. of people	129
<b>Total Full-Time Employees (by Gender)</b>		
Female	no. of people	1,560
Male	no. of people	2,409
<b>Total Full-Time Employees (by Employee Category)</b>		
Junior staff	no. of people	3,896
Middle management	no. of people	62
Senior management	no. of people	11
<b>Total Full-Time Employees (by Age Group)</b>		
Below 30	no. of people	1,456
30-50	no. of people	2,503
Above 50	no. of people	10
<b>Total Full-Time Employees (by Geographical Region)</b>		
Employees in North China	no. of people	257
Employees in Northeast China	no. of people	231
Employees in East China	no. of people	2,632
Employees in Central China	no. of people	12
Employees in South China	no. of people	555
Employees in Hong Kong	no. of people	248
Employees overseas	no. of people	34
<b>Employee Turnover Rate (Total and by Gender)</b>		
Total employee turnover	%	18.73
Male turnover	%	19.24
Female turnover	%	17.94
<b>Employee Turnover Rate (by Age Group)</b>		
30 and below	%	19.42
30-50	%	18.15
Above 50	%	47.37
<b>Employee Turnover Rate (by Geographical Region)</b>		
Employees in North China	%	20.68
Employees in Northeast China	%	14.13
Employees in East China	%	18.36
Employees in Central China	%	25.00
Employees in South China	%	17.16
Employees in Hong Kong	%	27.06
Employees overseas	%	17.07

12 Unless otherwise specified, the following human resources-related metrics are calculated based on the number of full-time employees.

Social Scope	Unit	2022
<b>Percentage of Employees Trained (by Gender) <sup>13</sup></b>		
Female	%	39.00
Male	%	61.00
<b>Percentage of Employees Trained (by Employee Category)</b>		
Junior staff	%	98.16
Middle management	%	1.56
Senior management	%	0.28
<b>Cumulative Average Training Hours Per Employee (by Gender)</b>		
Female	hours	130.4
Male	hours	112.1
<b>Cumulative Average Training Hours Per Employee (by Employee Category)</b>		
Junior staff	hours	12.1
Middle management	hours	36.0
Senior management	hours	110.2
<b>Occupational Health and Safety</b>		
Lost days due to work injury	days	3.5
Number of work-related fatalities	no. of people	0

13 The number of employees trained in that category is divided by the total number of trained employees.

## Appendix 2: Hong Kong Stock Exchange ESG Reporting Guide Index

ESG Indicator	Related Sections	Remark
<b>A1 Emissions</b>		
<b>General disclosure</b>	<b>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</b>	Opening a New Chapter in Green Development-Promoting green operations
A1.1	The types of emissions and respective emissions data.	Tables of ESG KPIs
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	Tables of ESG KPIs
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Tables of ESG KPIs
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Tables of ESG KPIs
A1.5	Description of emission target(s) set and steps taken to achieve them.	Opening a New Chapter in Green Development-Promoting green operations
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets(s) set and steps taken to achieve them.	Opening a New Chapter in Green Development-Promoting green operations

ESG Indicator	Related Sections	Remark
<b>A2 Use of Resources</b>		
<b>General disclosure</b>	<b>Policies on the efficient use of resources, including energy, water and other raw materials.</b>	Opening a New Chapter in Green Development-Promoting green operations
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Tables of ESG KPIs
A2.2	Total water consumption and intensity (e.g. per unit of production volume, per facility).	Tables of ESG KPIs
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Opening a New Chapter in Green Development-Promoting green operations
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Opening a New Chapter in Green Development-Promoting green operations
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	NA
<b>A3 The Environment and Natural Resources</b>		
<b>General disclosure</b>	<b>Policies on minimizing the listed company's significant impact on the environment and natural resources.</b>	Opening a New Chapter in Green Development-Promoting green operations
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Opening a New Chapter in Green Development-Promoting green operations
<b>A4 Climate Change</b>		
<b>General disclosure</b>	<b>Polices on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.</b>	Opening a New Chapter in Green Development-Response to climate change
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Opening a New Chapter in Green Development-Response to climate change



ESG Indicator	Related Sections	Remark
<b>B1 Employment</b>		
<b>General disclosure</b>	<b>Information on:</b> <b>(a) the policies; and</b> <b>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</b>	Fostering an Employment-First Workplace- Safeguarding fundamental rights and interests
B1.1	Total employees by gender, employment category, age group and geographical region.	Tables of ESG KPIs
B1.2	Employee turnover rate by gender, age group and geographical region.	Tables of ESG KPIs
<b>B2 Health and Safety</b>		
<b>General disclosure</b>	<b>Information on:</b> <b>(a) the policies; and</b> <b>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.</b>	Fostering an Employment-First Workplace- Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Tables of ESG KPIs
B2.2	Lost days due to work injury.	Tables of ESG KPIs
B2.3	Description of occupational health and safety measures adopted and how they are implemented and monitored.	Fostering an Employment-First Workplace- Health and Safety
<b>B3 Development and Training</b>		
<b>General disclosure</b>	<b>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</b>	Fostering an Employment-First Workplace-Focusing on talent development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Tables of ESG KPIs
B3.2	The average training hours completed per employee by gender and employee category.	Tables of ESG KPIs

ESG Indicator	Related Sections	Remark
<b>B4 Labour Standards</b>		
<b>General disclosure</b>	<b>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</b>	Fostering an Employment-First Workplace-Safeguarding fundamental rights and interests
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Fostering an Employment-First Workplace-Safeguarding fundamental rights and interests
B4.2	Description of steps taken to eliminate such practices when discovered.	Fostering an Employment-First Workplace-Safeguarding fundamental rights and interests
<b>B5 Supply Chain Management</b>		
<b>General disclosure</b>	<b>Policies on managing environmental and social risks of the supply chain.</b>	Revitalizing Governance-Reinforcing procurement management
B5.1	Number of suppliers by geographical regions.	Revitalizing Governance-Reinforcing procurement management
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Revitalizing Governance-Reinforcing procurement management
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Revitalizing Governance-Reinforcing procurement management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Revitalizing Governance-Reinforcing procurement management

ESG Indicator	Related Sections	Remark
<b>B6 Product Responsibility</b>		
<b>General disclosure</b>	<b>Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</b>	Adhering to Responsible Operation-“Providing service-oriented insurance products to the market”
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	NA
B6.2	Number of products and services related complaints received and how they are dealt with.	Adhering to Responsible Operation-Providing quality services
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Revitalizing Governance-Protecting intellectual property
B6.4	Description of quality assurance process and recall procedures.	NA
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Revitalizing Governance-Preventing information leakage
<b>B7 Anti-corruption</b>		
<b>General disclosure</b>	<b>Information on: (a) policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.</b>	Revitalizing Governance-Creating a clean office
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Revitalizing Governance-Creating a clean office
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Revitalizing Governance-Creating a clean office
B7.3	Description of anti-corruption training provided to directors and staff.	Revitalizing Governance-Creating a clean office
<b>B8 Community Investment</b>		
<b>General disclosure</b>	<b>Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.</b>	Giving Back to Society
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Giving Back to Society
B8.2	Resources contributed (e.g. money or time) to the focus area.	Giving Back to Society

## Appendix 3: Reader's Feedback Form

Thank you for reading the "ZhongAn Online ESG Report 2022", in order to better provide valuable information to stakeholders and improve our ESG practice, we sincerely invite you to put forward your valuable comments and suggestions on this report.

**You can fill out this form and give back to us in any of the following ways:**

email: dongshihui@zhongan.com

post: No. 219 Yuanmingyuan Road, ZhongAn Insurance, Huangpu District, Shanghai

**Your general evaluation to this ESG report:**

Very Good  Good  Average  Poor  Very Poor

**Your evaluation to our economic, social and environmental responsibilities:**

Economic responsibility	<input type="checkbox"/> Very Good <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor
Social responsibility	<input type="checkbox"/> Very Good <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor
Environmental responsibility	<input type="checkbox"/> Very Good <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor

**To what extent do you think this report reflects the economic, social, and environmental impact of our social responsibility practices?**

Very Good  Good  Average  Poor  Very Poor

**How you think of the clarity, accuracy and completeness of the information, data and indicators disclosed in this report?**

Clarity	<input type="checkbox"/> Very Good <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor
Accuracy	<input type="checkbox"/> Very Good <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor
Completeness	<input type="checkbox"/> Very Good <input type="checkbox"/> Good <input type="checkbox"/> Average <input type="checkbox"/> Poor <input type="checkbox"/> Very Poor

**Do you find the content and layout of this report easy to read?**

Yes  Indifferent  No

**Other comments and suggestions on our ESG work and this report:**

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