



(Stock Code: 6060)

Environmental, Social and Governance Report 2024



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About This ESG Report

ZhongAn Online P & C Insurance Co., Ltd. hereby presents this Environmental, Social, and Governance Report (hereinafter referred to as "ESG Report"), to outline the ESG principles and strategy of the Group and to provide stakeholders with an overview of the Group's ESG policies, initiatives, and performance.

Reporting standards

This report is prepared in accordance with the requirements of the Sustainability Reporting Standards (hereinafter referred to as the "GRI Standards") issued by the Global Sustainability Standards Board (GSSB) and the *Environmental, Social and Governance Reporting Code* as set out in Appendix C2 of the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* issued by The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "the Hong Kong Stock Exchange"). Reference has also been made to the United Nations Sustainable Development Goals (SDGs) and the MSCI ESG ratings (Morgan Stanley Capital International ESG Ratings, MSCI ESG Ratings, etc.).

Reporting scope

Unless otherwise indicated, this ESG report covers the core business of ZhongAn Online P&C Insurance Co., Ltd. and its subsidiaries (hereinafter collectively referred to as "ZhongAn Online", "ZhongAn Insurance", "ZhongAn" or "the Group" or "We"). The scope of this ESG report utilizes financial criteria and is based on the contribution of subsidiaries or operating sites to the Group's total revenue.

This ESG report covers the period from January 1, 2024 to December 31, 2024 (the "Reporting Period"). To enhance the completeness of the report, certain content and data may be included beyond the aforementioned scope.

Reporting principles

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

- **Materiality:** The Group has identified important stakeholders and identified important ESG issues for the year through stakeholder survey and materiality assessment, which serve 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 we have disclosed the criteria and methodologies used to calculate key performance indicators.

- **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.

Reporting language

This ESG report is published in Traditional Chinese and English. If there are any discrepancies, the Traditional Chinese version takes precedence.

Report disclosure statement

The Board of Directors and all members of the Board hereby confirm that this report contains no misrepresentation, misleading statements, or material omissions. The financial data presented in this report is sourced from the 2024 Annual Consolidated Financial Statements, which have undergone independent audit by PricewaterhouseCoopers (PwC). All other information is derived from the Group's internal statistical reports or documents. Should any discrepancy arise between the financial data referenced in this report and the audited Financial Statements, the latter shall prevail.

Access to this report

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 (HKEX) information release web page (www.hkexnews.hk)

The sustainability section of the Group's website (www.zhongan.com) (<https://www.zhongan.com/esg>)

Contact information

Your feedback on this ESG report is highly valued. If you have any enquiries or recommendations, please contact us through the channels provided below.

Email: dongshihui@zhongan.com

01

About ZhongAn Online

ZhongAn Online P & C Insurance Co., Ltd. was 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).

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Company overview

As the first Internet-based insurTech company in China, ZhongAn features a branchless model, entirely based on the Internet. The Group operates with 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 personalized, customized, 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), to empower our insurance services with cutting-edge technology and to export our proven technological solutions to the broader industry.

In 2024



ZhongAn's annual gross written premiums ("GWP") exceeded RMB**33,417** million, representing a year-on-year increase of **13.3%**



Our cloud-based insurance core system "Wujieshan" issued a total of **19,732** million policies throughout the year, with the automation rate for underwriting rising to **99%**



Our technology export business newly contracted with **98** customers along the insurance industrial chain, and **16** clients from the broader financial industries such as the banking and securities industries.



ZhongAn's ecosystem-based product matrix has covered more than **20** emerging fields



served over **1** million micro, small and medium-sized enterprises



Staying true to our mission of "driving financial development through technology and providing service-oriented insurance products to the market", and adhering to the values of "simplicity, speed, innovation, and win-win", the Group will continue to navigate challenges and advance forward to open up a real new insurance era.

Governance structure

ZhongAn has continuously enhanced its corporate governance, establishing a clear structure of rights and responsibilities to protect the legitimate interests of both the enterprise and its stakeholders, thereby improving operational efficiency. The Board of Directors of the Group comprises four special committees: Audit and Consumer Rights Protection Committee, Nomination and Remuneration Committee, Risk Management and Related-Party Transaction Control Committee, and Strategy and Investment Decision Committee. Please refer to the Group's 2024 Annual Report for details of the Committee's specific terms of reference, composition and the background of its members.

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 Group. Board members possess specialized expertise and extensive experience in the insurance industry, the Internet and risk management. In addition, 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. Furthermore, the Group's senior management team has exceptional strengths and extensive experience in corporate governance, Internet, insurance, legal and financial industries.

The Board of Directors of the Group comprises **11** members;

There are **2** female directors and **4** independent non-executive directors;

4 Independent directors possess risk management expertise;

7 directors have insurance industry experience; and

Within the Audit and Consumer Rights Protection Committee, **2** directors bring expertise in the insurance industry.






Achievements in sustainability

In 2024, ZhongAn effectively integrated "green," "inclusive," and "digital" elements into every link of the insurance value chain through "technology." We have made significant progress in the field of sustainable development and has received numerous recognitions from all sectors of society.

Performance in sustainability


We formally signed the Principles for Sustainable Insurance (PSI) issued by the United Nations Environment Programme (UNEP), committing to and implementing the four principles of the PSI.

		
Environment	Society	Governance
<ul style="list-style-type: none">Launched a cumulative total of 26 green insurance clauses, underwriting over 8.51 million green insurance policies.Gross written premiums (GWP) for new energy vehicle insurance increased by approximately over 188.4% year-on-year.Total greenhouse gas emission: 4,773.31 tonnes CO₂eGreenhouse gas emission intensity: 1.99 tonnes CO₂e/person	<ul style="list-style-type: none">Customer satisfaction score: 98.27 pointsHealth insurance services provided to over 130 million usersR&D investment: RMB846 million, accounting for 2.53% of the annual GWPEstablished AI quality inspection covering the entire process and 100% of the volumeThe automation rate for underwriting rising to 99%	<ul style="list-style-type: none">Independent directors account for 36.4% of the boardCoverage rate of directors' business ethics training: 100%


Honors in sustainability



ESG ratings



MSCI ESG rating has been upgraded from BB to **BBB**



Wind ESG Rating: **BBB**

02

Strengthening ESG Governance

As a risk manager, risk taker and major investor, insurance companies are in a special position to promote the sustainable development of economy, society and environment. ZhongAn Online deeply recognizes that ESG is not only about corporate social responsibility, but also a critical tool for identifying and managing non-financial risks, thus affecting the long-term sound value of the enterprise. Therefore, the Group has positioned ESG as a core management priority, driving the high-quality development of the enterprise while leveraging the insurance industry's pivotal role in promoting the sustainable development of the society and the economy. As an innovative Internet insurance company practicing the principle of "providing service-oriented insurance products to the market", ZhongAn Online understands the importance of ESG to the sustainable development of enterprises, and combines its own development concepts and operational practices to continuously explore the establishment of a sound ESG system, and take positive actions to respond to the challenges faced by the insurance industry, such as climate change and other sustainable development challenges.

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ESG strategy

Practicing sustainable development has become a consensus among all sectors of society. ZhongAn Online has consistently adhered to its mission of "empowering finance with technology and providing insurance service with a caring hand", always position itself as an entrepreneur to provide heart-warming insurance protect for innovation, and illuminate the path of progress with technology. In this era of digital economy, we look forward to working with all stakeholders to embark on a new chapter of insurance services and to promote the sustainable development of the economy, society, and the environment.

In February 2025, we formally signed the *Principles for Sustainable Insurance (PSI)* of the United Nations Environment Programme (UNEP), committing to and implementing the four principles of PSI.

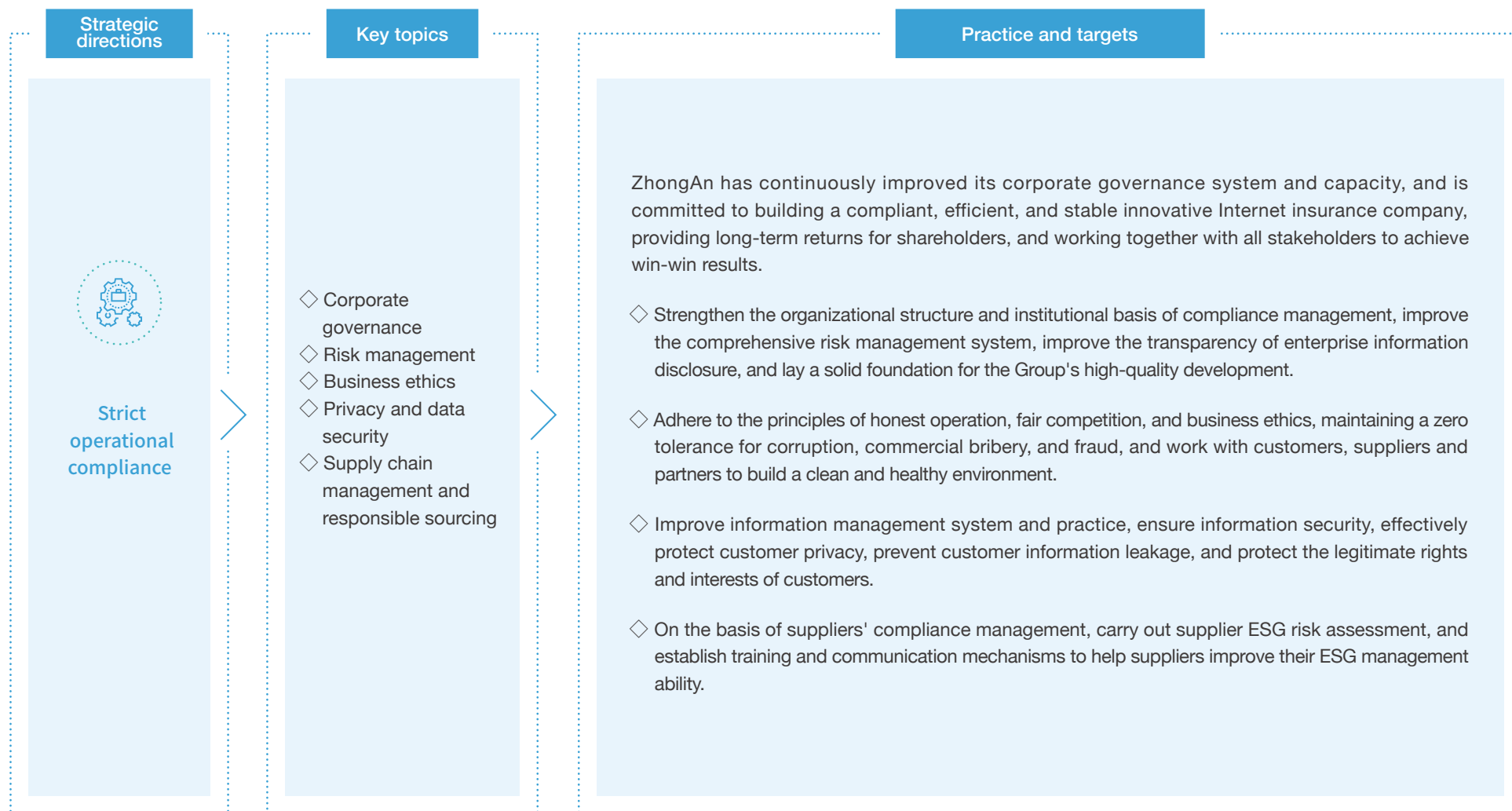
ZhongAn's commitment to and implementation of the principles for sustainable insurance (PSI)

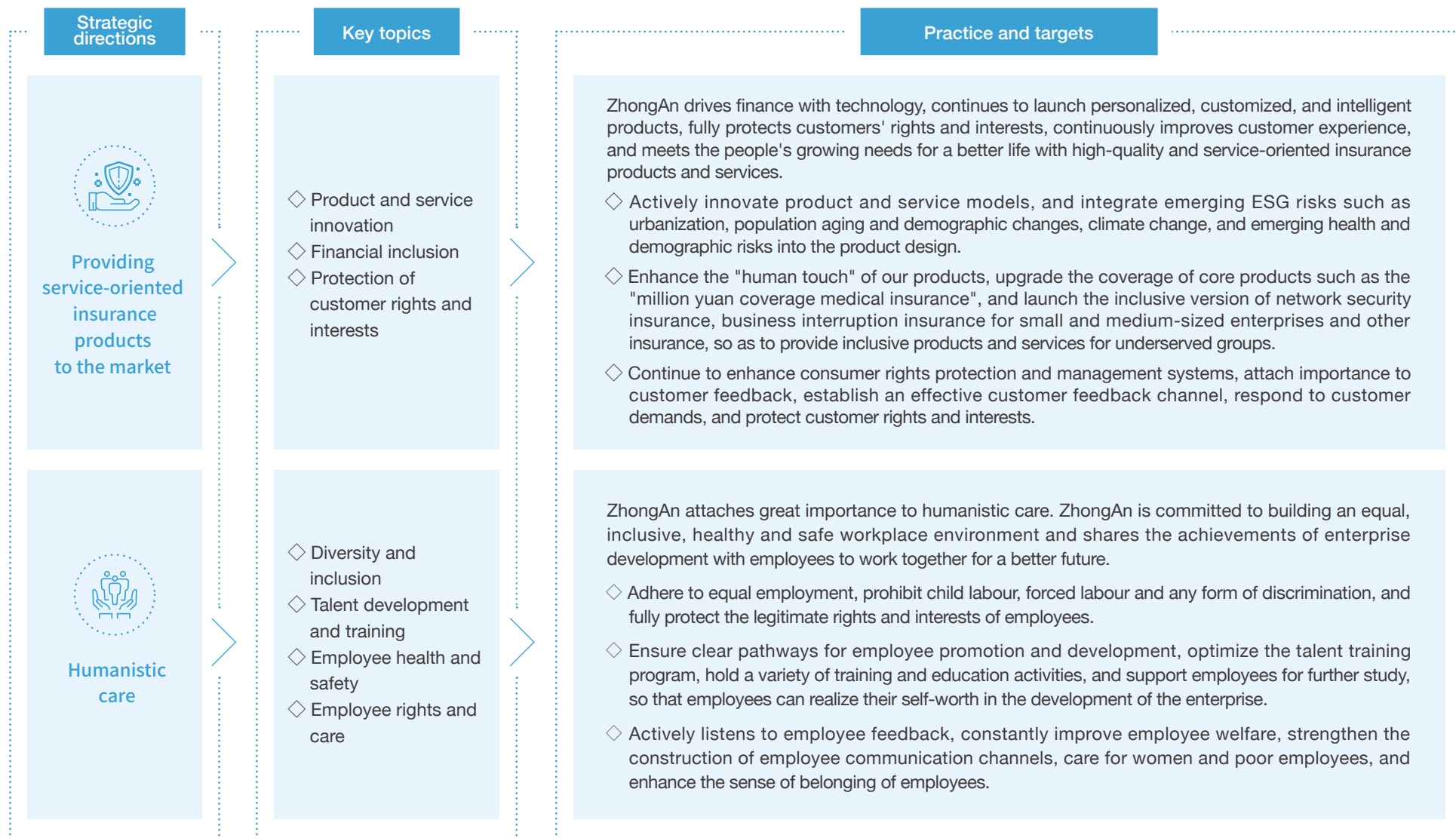
- 1 Integrate environmental, social, and governance (ESG) issues related to insurance operations into our decision-making processes.
- 2 Collaborate with customers and business partners to raise awareness of ESG issues, manage associated risks, and identify solutions.
- 3 Work with governments, regulators, and other key stakeholders to promote broader societal action on ESG issues.
- 4 Demonstrate accountability and transparency by regularly disclosing progress in implementing the principles.

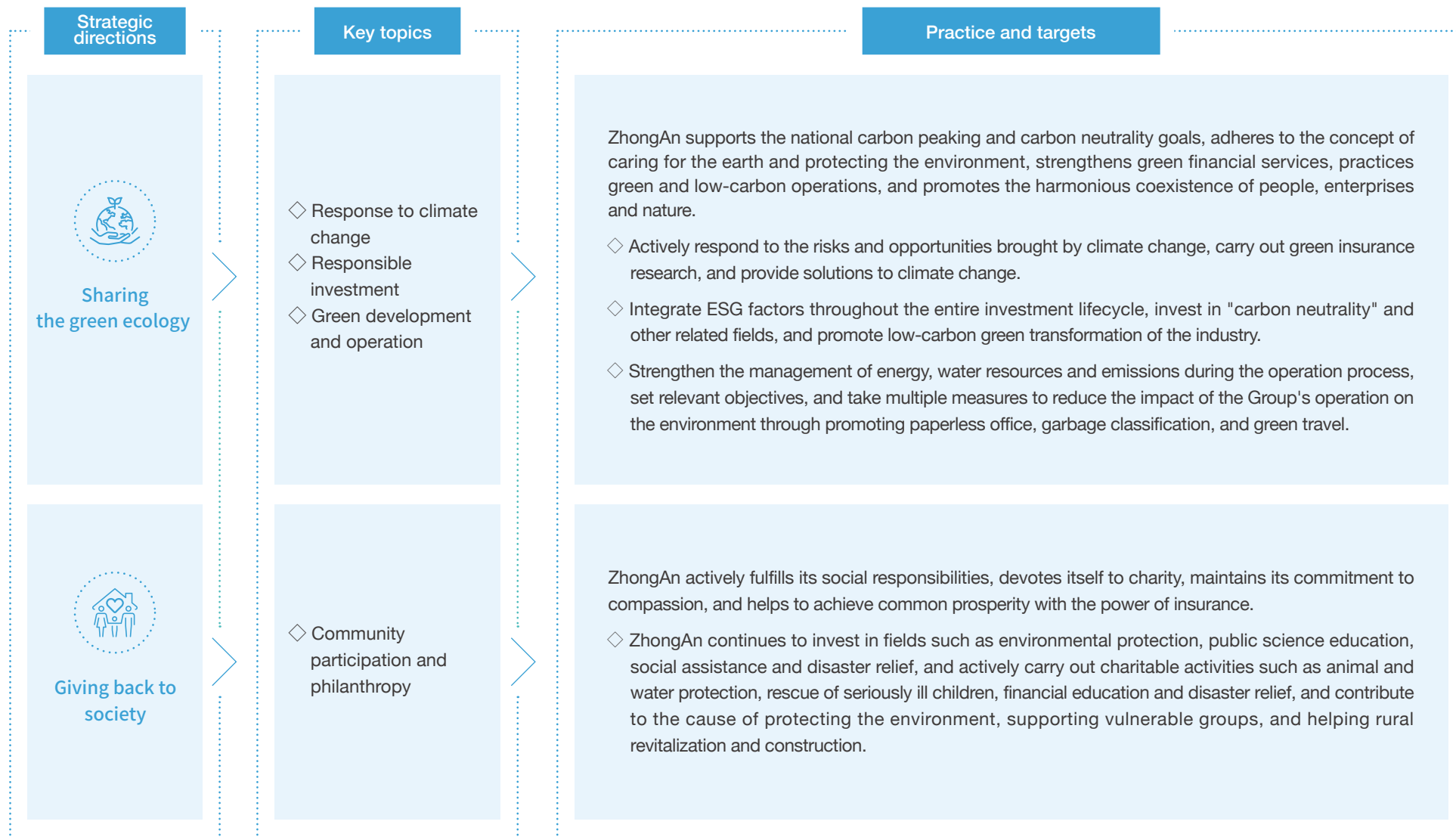
ZhongAn combines its developmental concept of "technology-driven finance and providing service-oriented insurance products to the market" and corporate operation practices, and regards "strict operational compliance", "providing service-oriented insurance products to the market", "humanistic care", "sharing the green ecology" and "giving back to society" as our five strategic development directions to fulfill environmental and social responsibilities and practice ESG concepts. ZhongAn will continue to standardize ESG information disclosure, continuously improve the level of ESG governance, and actively improve the performance of various ESG issues in business operations. We have incorporated ESG-related indicators into the performance appraisal of executive compensation, so as to encourage executives to prioritize 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.



Five ESG Strategic Directions of ZhongAn Online







ESG governance structure

ZhongAn focuses on the possible impact of its management decisions and operations on the environment, society, and economy, integrates the ESG concept into the enterprise development strategy, and establishes an ESG governance structure with clear responsibilities from top to bottom. The Strategy and Investment Decision Committee bears crucial responsibilities. It 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. The Group will also continuously improve the ESG management system construction according to the development of its business, ensuring the Group's long-term stable development.

To enhance ESG awareness of the Board of Directors and deepen ESG management and practices, the Group actively conducts training on ESG. In 2024, the Group invited a third-party professional organization to conduct a training session under the theme of "ESG and Climate Disclosure" for all members of the Board of Directors, Supervisory Board, and senior management. This training covered various aspects, including the latest global trends in sustainable development, the latest regulatory requirements for ESG and climate change, as well as knowledge and case studies on carbon inclusion, etc. This training has equipped senior management with a deeper understanding of how to drive carbon emission reduction through business innovation and development while ensuring ESG compliance. It also supports ZhongAn's strategic planning and business initiatives in green finance, establishing a robust theoretical and practical foundation for advancing future ESG efforts.

Board of Directors

- ◇ Determine ESG governance policies and strategies
- ◇ Evaluate, prioritize and manage ESG issues
- ◇ Regularly review the progress of ESG objectives



Strategy and Investment Decision Committee

- ◇ Review the annual ESG work plan and supervise the implementation of relevant work
- ◇ Review and approve ESG policies
- ◇ Identify ESG risks and incorporate the identified risks into the risk management system
- ◇ Review the annual ESG report
- ◇ Provide feedback on ESG issues concerned by stakeholders and put forward suggestions and opinions on ESG management
- ◇ Review and monitor the progress of ESG-related objectives and indicators






ESG Working Group

- ◇ Be responsible for the specific implementation of ESG work and report the work to the Strategy and Investment Decision Committee



Stakeholder engagement

ZhongAn attaches importance to establishing and maintaining good relations with stakeholders. We maintain close and smooth communication with all stakeholders through shareholders' meetings, official websites, telephone, email, seminars, satisfaction surveys and other channels, and striving to meet stakeholders' demands and expectations.

Stakeholders	Issued concerned	Main communication channels
 Shareholders and investors	<ul style="list-style-type: none"> ◇ Compliant operations ◇ Investment returns ◇ Protection of shareholder's rights ◇ Correctness and timeliness of information disclosure 	<ul style="list-style-type: none"> ◇ General meeting of shareholders ◇ Public information such as annual reports, announcements, etc. ◇ Roadshow and other investor relation events ◇ Performance briefings ◇ Telephone/email ◇ Official website
 Regulatory authorities	<ul style="list-style-type: none"> ◇ Maintaining financial stability ◇ Facilitating economic growth ◇ Supporting the livelihood of ordinary people 	<ul style="list-style-type: none"> ◇ Reports and communication ◇ Document submission
 Customers	<ul style="list-style-type: none"> ◇ Providing convenient, fast, and quality insurance services ◇ Improving user satisfaction ◇ Product responsibility 	<ul style="list-style-type: none"> ◇ Official website ◇ Hotline and email ◇ Customer service center ◇ Customer satisfaction survey and opinion form ◇ Online service platform ◇ Daily operation/communication

Stakeholders

Issued concerned

Main communication channels

• Employees

- ◇ Stable employment
- ◇ Reasonable staff benefits
- ◇ Safe working environment
- ◇ Training
- ◇ Career development and opportunities

- ◇ Employee survey
- ◇ Employees' congress
- ◇ Training and seminar
- ◇ Employee activities

• Suppliers and partners

- ◇ Integrity and reciprocity
- ◇ Fair purchase

- ◇ Supplier evaluation system
- ◇ On-site inspection
- ◇ Conference communication

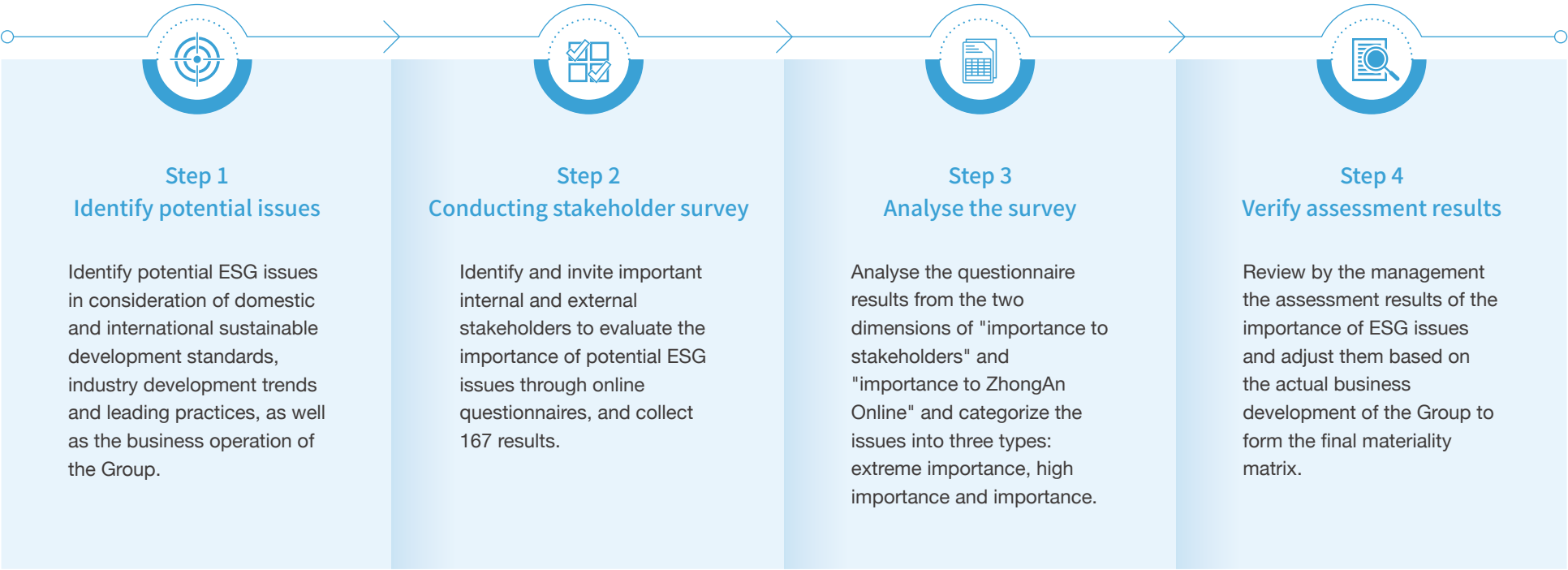
• Community

- ◇ Providing job opportunities
- ◇ Promoting social harmony
- ◇ Supporting charity activities

- ◇ Public welfare activities
- ◇ Attending seminars/lectures/workshops
- ◇ Organizing environmental protection campaigns

Materiality assessment

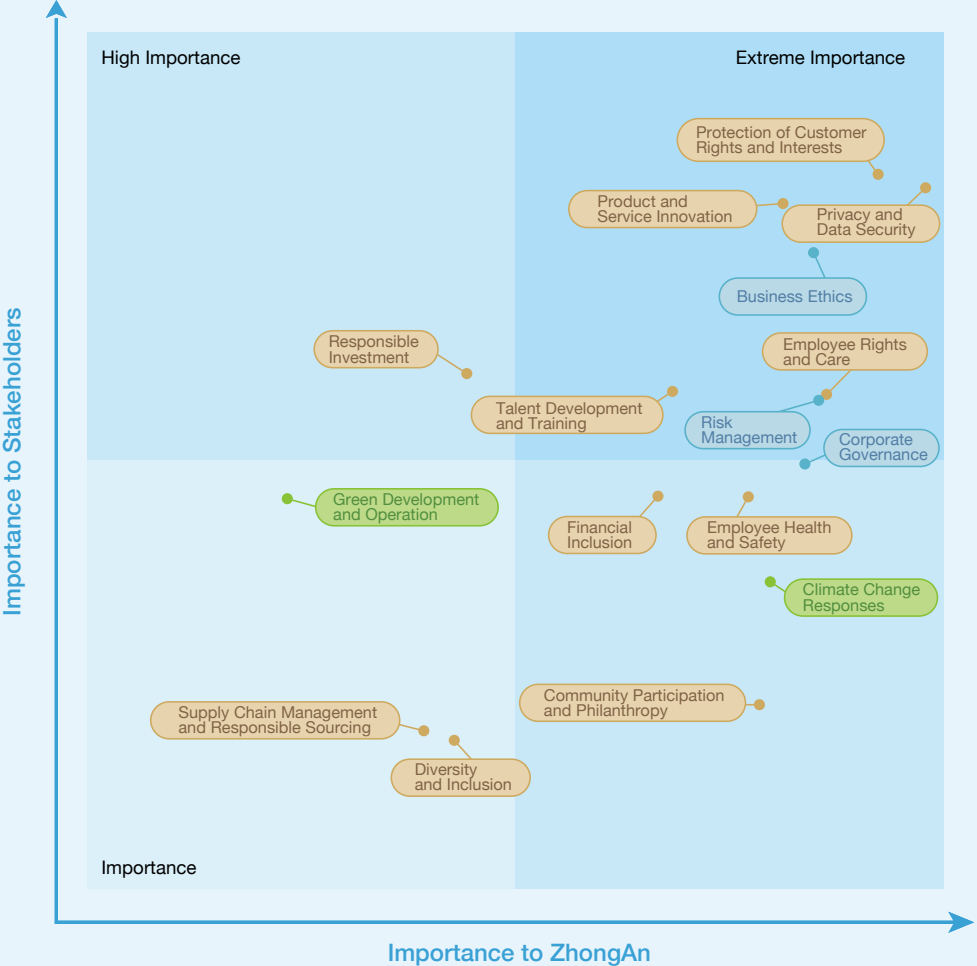
ZhongAn implemented a materiality assessment for ESG according to the relevant procedures set forth in the *Environmental, Social and Reporting Guide*. Drawing from a comprehensive consideration of sustainable development-related standards, ESG rating requirements, peer benchmarking analysis, and the Group's actual operation situation, we have established an ESG issue database. Furthermore, we conducted questionnaires targeting various stakeholders including, investors, customers, employees, government and regulatory bodies, suppliers, business partners, and the community. Based on identification, research, analysis, and verification, we have identified 16 material topics, including eight highly important issues, namely, customer rights protection, product and service innovation, privacy and data security, business ethics, employee rights and well-being, talent development and training, risk management, and corporate governance. In 2024, the Group's ESG Working Group reviewed and validated the materiality assessment results. Considering that there were no significant changes in the Group's business and operational environment, the Working Group formally resolved to continue using the existing materiality assessment outcomes.



ZhongAn's materiality assessment process

ZhongAn's Materiality Matrix

● Environmental ● Social ● Governance



Responses to the Sustainable Development Goals (SDGs)



Governance

Responding chapter

Material issues

Revitalizing governance - enhancing internal control of compliance

Corporate governance

Revitalizing governance - consolidating risk management

Risk management

Revitalizing governance - abiding by business ethics, anti-money laundering and anti-fraud

Business ethics

Revitalizing governance - preventing information leakage

Privacy and data security



Environmental

Responding chapter

Material issues

Opening a new chapter in green development - response to climate change

Response to climate change

Opening a new chapter in green development - promoting green operations

Green development and operation



Social

Responding chapter

Material issues

Giving back to society - participating in volunteer activities and supporting disaster relief

Community participation and philanthropy

Fostering an employee-first workplace - enhancing employee health

Employee health and safety

Fostering an employee-first workplace - focusing on talent development

Talent development and training

Giving back to society - supporting public science education

Community participation and philanthropy

Fostering an employee-first workplace - safeguarding fundamental rights and interests and caring for employees

Employee rights and care

Adhering to responsible operation - promoting responsible investment

Responsible investment

Fostering an employee-first workplace - safeguarding fundamental rights and interests

Diversity and inclusion

Adhering to responsible operation - creating a tech-services ecosystem

Product and service innovation

Adhering to responsible operation - "providing service-oriented insurance products to the market"

Financial inclusion

Adhering to responsible operation - providing quality services

Protection of customers' rights and interests

Revitalizing governance - reinforcing procurement management

Supply chain management and responsible sourcing

Contribution to SDGs



03

Revitalizing Governance

Committed to using business as a force for good, ZhongAn sees good corporate governance and risk control for compliance as the cornerstone of high-quality development. We have delved deeply into key areas and laid a solid foundation for enterprise compliance management, optimized our comprehensive risk management system and strengthened our compliance governance capabilities in all aspects. While continuously enhancing our efforts in key areas such as intellectual property right protection, information security assurance, and procurement management, we strive to ensure the enterprise's stable operation through solid management measures, laying a solid foundation for long-term high-quality development.

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Preventing information leakage	31
Reinforcing procurement management	35



Highlights and Performance of ZhongAn's Corporate Governance in 2024

- Independent directors account for **36.4%** of the board
- **100%** coverage rate for training on business ethics such as anti-corruption
- **100%** signing rate for the *Commitment Letter on Integrity*
- **100%** signing rate for *Integrity Commitment* for suppliers
- Cumulative number of trademark authorizations: **974**, and cumulative number of patent authorizations: **103**
- The Board of Directors bears overall responsibility for information security.

Enhancing internal control of compliance

The Board of Directors is ultimately accountable for compliance management. The Legal and Compliance Department is responsible for managing legal affairs, compliance matters, intellectual property rights, litigation cases and anti-money laundering practices, and ensuring strict enforcement of relevant rules and regulations. To maintain the independence of compliance supervision, we have a rigorous evaluation mechanism in place and require the Head of Compliance to avoid involvement in business, finance, internal audit and other areas that may give rise to conflicts of duties, strictly guarding against potential conflicts of duties and interests from the source.

Guided by core policies such as the *Measures for Compliance Management of ZhongAn Insurance* and the *Measures for Policy Management of ZhongAn Insurance*, we have continuously improved our compliance management policies. During the reporting period, the Group established or revised and improved 73 management policies, including the *Administrative Measures for Promotion Projects of ZhongAn Insurance*, the *Administrative Measures for Crime Compliance of ZhongAn Insurance*, the *Detailed Rules for the Management of Reserves for Pending Individual Insurance Claims Cases*, etc., and covering multiple critical areas such as marketing compliance, risk management, consumer rights protection, and fund utilization to better adapt to regulatory requirements and internal management needs, and effectively ensure the Group's stable operation and healthy development. To ensure that our internal control policies are up to date and effective and steadily enhances our compliance governance standards, we also conducted annual reviews and make revisions and improvements on relevant policies based on the review results.

To further strengthen employees' compliance awareness, a comprehensive compliance culture education system has been established through the implementation of compliance promotion, a series of special compliance courses called "Xi Shua Shua," and compliance-themed activities. This approach creates a "from point to line, to the whole" full-scale compliance culture education system, fostering a positive compliance culture atmosphere that is "lively and diverse, professional and practical."



Compliance culture promotion initiatives of ZhongAn Insurance in 2024



Graphic propaganda

Through various channels such as the wechat official accounts and posters, 44 compliance propagandas were published throughout the year, covering key topics including compliance marketing, information security, consumer rights protection, and anti-fraud, covering more than 16,000 person-times, and continuously enhancing employees' compliance awareness.



Online courses

The "Xi Shua Shua" compliance e-learning series was developed to provide online training for employees. A total of 22 courses were launched during the year, with participation from over 2,000 employees, significantly improving the overall compliance knowledge and practices across the enterprise.



Offline training

Training sessions were organized on key topics such as personal information protection and product-specific compliance. These sessions included practical case studies to help employees better understand regulatory requirements and compliance guidelines, ensuring effective implementation in their daily business operations.



Industry exchange

The group hosted the 2024 insurance intermediary sales compliance forum, bringing together industry experts, regulatory authorities, and peers to discuss best practices in insurance marketing compliance. The forum facilitated knowledge sharing, improved compliance management standards across the industry, and strengthened consumer rights protection.

众安保险

「喜刷刷」合规课程系列

保险公司承担 责任后的追偿权及 代位求偿权

主讲人：张俊



一、课程内容：



本课程将从法律定义、法律依据、权利行使条件、权利行使对象、案件管辖法院等方面详述保险追偿权与保险人代位求偿权的区别，便于在保险理赔和诉讼工作中厘清两种权利，正确适用法律来定分止争。

众安保险

「喜刷刷」合规课程系列

互联网财产保险 业务监管新规 解读

主讲人：李杰



一、课程内容：



本课程将从新增的特殊规制要求、业务重点关注事项以及整改期限三个方面，对《关于加强和改进互联网财产保险业务监管有关事项的通知》的重点内容进行解读，便于业务开展过程中落实新规要求，防范合规风险。

ZhongAn's "Xi Shua Shua"
Compliance E-learning Series

Consolidating risk management

ZhongAn continuously optimizes the risk management system, enhancing risk management capacity, and improving the efficiency of risk management. Adopting a risk-based approach, the Group 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 ensure timely responses to various risks.

During the reporting period, the Group formulated the *2024 Master Plan for Risk Management of ZhongAn Insurance* and updated the annual risk appetite statement based on the Group's development strategy and the implementation of the risk appetite system over the years. In terms of development of risk management policies, according to the *Measures for the Administration of Operational Risk of Banking and Insurance Institutions*, we have revised the *Measures for the Administration of Operational Risk of ZhongAn Insurance*. By aligning with the latest regulatory requirements, we have further refined our operational risk management system to ensure compliance and stability in the Group's operations. Meanwhile, in accordance with the *Comprehensive Risk Management Measures of ZhongAn Insurance*, we have further tightened risk management requirements, paid close attention to prominent risks in anti-money laundering, anti-fraud, data governance and other fields, and strengthened the identification and management of emerging ESG risks such as risks brought about by climate change, demographic structure change, obesity and emerging health risks, and urbanization trends, so as to enhance the Group's overall risk resilience.

We have established the "three lines of defense" risk management mechanism, which stipulates that the Group's Board of Directors serves as the ultimate decision-making body for risk management, overseeing the effectiveness of risk management and bearing ultimate responsibility for risk management.



In our business operations, we manage risk comprehensively through risk identification, risk assessment and risk avoidance:

Risk identification

Senior management regularly analyzes and makes judgments on the main risks facing the Group, based on the external environment and the Group's development strategy and operations.

Risk assessment

The Risk Management and Related Party Transaction Control Committee reviews and evaluates the identified risks based on the established risk appetite and integrated management information.

Risk avoidance

According to the actual risk profile and risk appetite, the Risk Management and Related Party Transaction Control Committee sets the expected risk level as the goal of risk management and adopts the enterprise risk management (ERM) method combining overall risk and special risk management for risk management and control.

In 2024, the Group further strengthened operational risk management by implementing key risk indicators across specific business lines, enhancing cross-verification with other operational risk management tools, and conducting regular reviews and optimizations to enhance our capacity for operational risk identification and prevention. Furthermore, the Group updated its risk appetite at the beginning of 2024, incorporating additional operational risk tolerance indicators such as "Case Risk Rate", "Operational Risk Loss Ratio", and "Information System Service Availability Rate". These additions ensure a more comprehensive and scientifically robust risk management system. In terms of risk assessment, the Group introduced a new quantitative indicator for operational risk in the 2024 solvency risk management performance evaluation scheme. These indicators include "Operational Risk Loss Ratio", and a new qualitative indicator, i.e. "Operational Risk Incident Reporting", aimed at improving the precision and scientific rigor of operational risk management.

In order to comprehensively improve the quality and efficiency of risk management, ZhongAn has made many deployments in the field of "technology +" risk control. 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 awareness of all employees, we conduct relevant training for senior management, the Risk Management Department and functional departments every year.

Case Study: Enterprise-wide solvency risk competency assessment

In November 2024, the Group organized and completed a company-wide solvency risk knowledge assessment, covering all business lines and functional departments. With a 97% employee participation rate, the initiative effectively strengthened employees' understanding and awareness of solvency risk management. This assessment not only aided employees in gaining a deeper grasp of solvency regulatory requirements, risk warning mechanisms, and response strategies, but also further strengthened the Group's overall risk prevention capabilities, ensuring that our risk management and control capabilities advanced in tandem with business development.



Adhering to business ethics

ZhongAn strictly abides 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*. And we keep fostering the corporate culture of good faith, honesty, positivity and integrity. To promote anti-corruption efforts and foster a transparent and ethical work environment, the Group has developed the *Integrity and Safety Management Policy* to impose restraints on improper behaviors such as taking, giving and asking for bribery, benefit transfer, tax evasion, and insider trading, and formulated strict regulations concerning related responsibilities and punitive measures. In 2024, the Group further enhanced the identification and prevention of potential criminal legal risks by formulating the *Administrative Measures for the Crime Compliance Risk Prevention and Control of ZhongAn Insurance*, continuously reinforcing our integrity and safety management system and integrity-building efforts.

The Group has clearly defined the management and supervisory functions of the Board of Directors on business ethics matters, and the Board of Directors is ultimately responsible for the related issues. To ensure strict compliance with business ethics, the Group has established an Anti-Fraud and Whistle-blower protection committee under the management and an audit and consumer rights protection committee under the Board of Directors. The committees are responsible for overseeing relevant issues in daily business operations, listening to the views and suggestions of stakeholders and providing timely feedback to the Board to ensure the effective implementation of business ethics and promote the enterprise's honest and compliant operations.



Benefit transfer

Collusive bidding, intentional disclosure of base prices, or other benefit transfer behaviors



Related-party transaction

Behaviors that attempt in any way to circumvent review or regulatory requirements for related-party transactions



Illegal financing

Raising funds for related parties or their designated parties in an illegal manner



Conflict of interest

Any behaviors that may violate rules prohibiting conflict of interest



Confidentiality management

Any behaviors against the confidentiality management provisions in the *Confidentiality Agreement*



Clawback of performance-based pay

We implement a clawback provision that performance-based pay for senior management and personnel in key positions should be returned under certain circumstances. The returning ratio is determined according to the business operation, risk status, and the deferred payment of performance-based pay

The Group conducts annual internal audits in accordance with the *Internal Audit Management Regulations*, and the audit items cover business ethics. We will actively investigate violations of business ethics. We follow the *Employee Code of Conduct of ZhongAn Insurance* 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 behaviors.

In addition, the Group has established a complaint and reporting channel for all stakeholders for consultation or grievances on integrity and fraud issues, and established strict control systems for the acceptance and investigation of reports to ensure that all issues reported are handled fairly, efficiently, and appropriately. We strictly implement a whistle-blower protection mechanism, strictly keep the personal information of the whistle-blowers and all the information provided by the whistle-blowers strictly confidential and strictly prohibit any form of retaliation against whistle-blowers. 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, thereby ensuring the fairness and effectiveness of the reporting mechanism.

Our complaint and reporting channels are as follows



Reporting Hotline

166 2165 9961



Reporting Email

lianzheng@zhongan.com



Reporting Address

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

ZhongAn keeps strengthening the culture of integrity throughout the Group and carries 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 disseminating prompts related to case handling and other information on our corporate WeChat and other platforms, we strengthen the publicity of the culture of integrity through multiple dimensions. Furthermore, we mandate that all employees sign a *Commitment Letter on Integrity*, adhere to the principles of being law-abiding, credible, honest, and diligent, and firmly resist any form of dishonesty. In 2024, we carried out 11 business ethics training sessions and examinations (such as anti-corruption training sessions and examinations) with a 100% coverage rate among employees, and all our employees have signed the *Commitment Letter on Integrity*. During the reporting period, there were no incidents of corruption and bribery in the Group.



ZhongAn's Training on Business Ethics

Anti-money laundering and anti-fraud

Anti-money laundering

ZhongAn continues to improve the anti-money laundering system, strictly observes the *Anti-Money Laundering Law of the People's Republic of China*, and develops a series of anti-money laundering policies, such as the *Measures for the Administration of Internet Anti-Money Laundering and Counter-Terrorist Financing of ZhongAn Insurance* (for Trial Implementation), the *Implementing Rules for the Identification of Customers and Retention of Customers' Identity Information and Transaction Records of ZhongAn Insurance*, the *Administrative Norms for the Inspection of ZhongAn Insurance's Anti-money Laundering Work*, the *Implementing Rules for Freezing of Assets Involved in Terrorist Activities of ZhongAn Insurance*, the *Management Regulations on Self-Assessment of Money Laundering and Terrorist Financing Risks of ZhongAn Insurance*, the *Management Measures for the Assessment of Money Laundering and Terrorist Financing Risks and Classification of Customers of ZhongAn Insurance* and the *Management Norms for the Reporting of Large-value Transactions and Suspicious Transactions of ZhongAn Insurance*, so as to further enhance the comprehensiveness and effectiveness of the anti-money laundering system.

For suspicious transactions, we have adopted a combined approach of manual monitoring and an early warning reporting system to ensure timely and accurate identification and analysis of suspicious transactions. For the identified high-risk customers, we have adopted enhanced due diligence (EDD) procedures and implemented more stringent control measures in underwriting, preservation, claims settlement and other links to further reduce potential risks and ensure business compliance and fund security.

The Group has established an anti-money laundering monitoring system, which is continually updated and refined based on evolving regulatory requirements and the enterprise's actual operation situation. In 2024, we comprehensively enhanced all functional modules of the system, encompassing key areas such as anti-money laundering list monitoring, customer risk rating for money laundering, monitoring and reporting of suspicious and large-value transactions, customer due diligence, and self-assessment of money laundering risks. Concurrently, we further optimized the customer risk rating model for money laundering, suspicious transaction monitoring indicators, and triggers for customer due diligence to ensure the precision and efficiency of system monitoring.

In 2024, ZhongAn continued to strengthen customer identification management by strictly adhering to the principle of "Know Your Customer" and implementing regulatory

requirements such as the *Notice of the People's Bank of China on Strengthening the Client Identification for Anti-money Laundering*, comprehensively optimizing customer identification processes, and enhancing the level of anti-money laundering compliance management. The Group optimized data collection in front-end business systems for different business scenarios, enhanced customer basic information verification functions, and advanced the governance of historical customer data to ensure the accuracy and completeness of customer identity data. To accommodate the characteristics of non-face-to-face transactions in Internet businesses, we further optimized identity authentication mechanisms by introducing biometric technologies such as facial recognition, fingerprints, and voiceprints, enhancing the security and accuracy of identity authentication. Additionally, we leveraged public security and third-party databases to cross-verify customer information, further improving the quality of customer identity data. Simultaneously, we intensified anti-money laundering blacklist monitoring and conducted comprehensive list screenings to ensure effective identification and control of risky customers.

During the reporting period, the Group conducted multiple anti-money laundering training sessions covering employees at all levels to strengthen the anti-money laundering system and enhance employees' understanding of and attention to anti-money laundering.



ZhongAn Participates in Anti-money Laundering Training Organized by Regulatory Authorities

New employees

We comprehensively launched six training sessions on "Compliance Culture and Anti-Money Laundering" for new employees, covering approximately 500 individuals. These sessions focused on explaining basic anti-money laundering concepts, core duties, and key points of punishment, helping new employees quickly understand the fundamental requirements of anti-money laundering work.

Training on anti-money laundering
for business person

Throughout the year, the Group conducted four specialized training sessions, reaching a total of 200 participants. The training covered key areas such as customer due diligence and compliance management practices for financial institutions, anti-money laundering (AML) and counter-terrorist financing (CTF) responsibilities, and business-specific money laundering risk assessments. These sessions were designed to enhance the practical skills of business personnel and strengthen their awareness of AML compliance requirements.

Training for senior
management

Each year, senior management participates in offline specialized AML training organized by regulatory authorities. In 2024, these sessions included topics such as AML inspection priorities under the Financial Action Task Force (FATF) Fifth Round of Mutual Evaluation, practical approaches to continuous due diligence and suspicious transaction monitoring, and discussions on key compliance challenges for financial institutions under new regulatory frameworks. The training provided senior management with deeper insights into regulatory developments and industry trends, strengthening their strategic understanding and implementation of AML compliance practices.

Training organized
by regulatory authorities

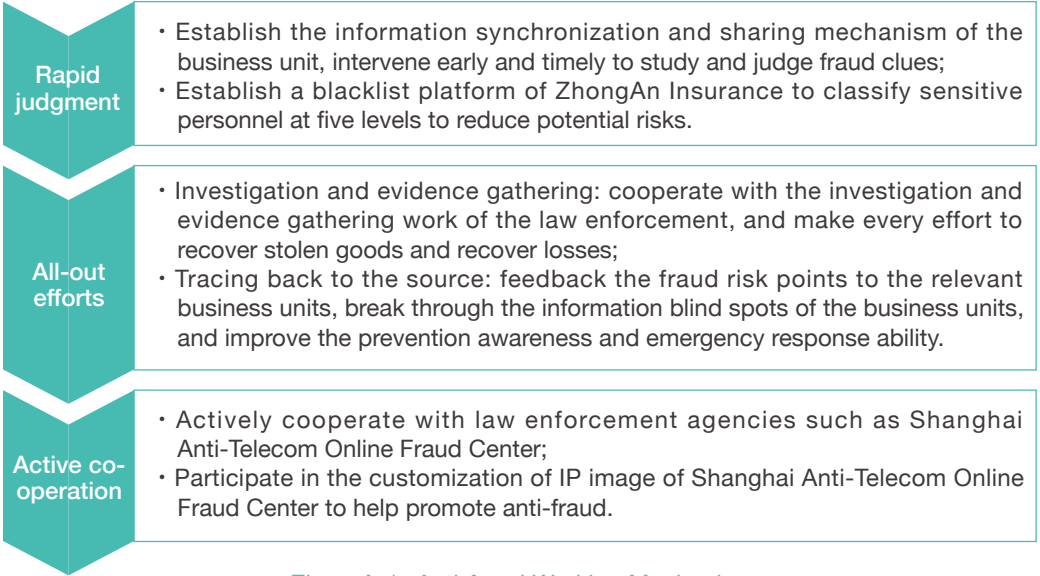
The Group organized senior management, department heads, and relevant business personnel to participate in the 2024 AML training hosted by the Shanghai Branch of the People's Bank of China. With over 200 participants, the training enhanced employees' understanding of annual AML requirements for financial institutions. Leveraging insights from the training, the Group further optimized its internal AML management system to align with its specific operational needs.



Anti-fraud

ZhongAn constantly improves the anti-fraud mechanism and uses intelligent means to enhance its capabilities in identifying, warning, and disposing of fraud risks, thereby accurately cracking down on many kinds of fraud and criminal activities. We leverage big data analytics, AI-based judgment, and multi-dimensional risk control models to continually refine our fraud prevention strategies, enhancing the accuracy of fraud case monitoring and response speed, thereby ensuring the security of the enterprise's operations.

ZhongAn has organized in-depth research and analysis by multiple departments regarding various insurance fraud leads. Leveraging our own big data risk control capabilities, we have conducted comprehensive investigations into all types of insurance fraud clues. Meanwhile, we have actively established close coordination mechanisms with public security organs in various places to precisely combat insurance fraud crimes, successfully solving over 20 such cases. This effective crackdown has effectively maintained the normal order of the insurance market, effectively safeguarded the legitimate rights and interests of the vast number of policyholders, and further purified the industry ecosystem.



ZhongAn's Anti-fraud Working Mechanism

Case Study: ZhongAn Insurance launched the "Safety Pioneers" campaign with Shanghai Anti-Telecom Online Fraud Center and Agricultural Bank of China

On July 18, 2024, ZhongAn Insurance launched an anti-fraud awareness campaign titled "Safety Pioneers, Smart Actions". The event featured experts from the Shanghai Anti-Telecom and Online Fraud Center and financial institutions, who shared real-life case studies and engaged in interactive Q&A sessions. These activities aimed to enhance employees' ability to identify and prevent insurance and telecom fraud. The campaign fully aligned with the directives from the Economic Crime Investigation Bureau of the Ministry of Public Security and the National Financial Regulatory Administration on combating insurance fraud. It emphasized the anti-fraud principle of "Staying Vigilant Against New Scam Tactics and Refusing to Be Complicit in Fraudulent Activities", while fostering a company-wide culture of participation in fraud prevention and protection.



Protecting intellectual property rights

ZhongAn values intellectual property rights management and strives to protect its own intellectual property rights without infringing others' achievements arbitrarily. We strictly adhere to various laws and regulations, including the *Patent Law*, the *Trademark Law*, the *Copyright Law* of the People's Republic of China, among others. We have formulated the *Regulations on Intellectual Property Rights Management of ZhongAn Insurance* and the *Regulations on Software Legalization Management of ZhongAn Insurance* and set up a special post under the Legal and Compliance Department to carry out relevant work. Meanwhile, the Group has incorporated clauses related to intellectual property (IP) protection into its supply chain management system, ensuring that our partners also adhere to IP compliance requirements, and jointly building a complete IP management system.

In 2024, ZhongAn successfully standardized its intellectual property management system and obtained certification from an independent third-party auditor. This achievement enabled the seamless integration of the intellectual property (IP) compliance management system into the Group's overall risk management system, ensuring a more standardized and systematic approach to the end-to-end management of IP assets.



Certificate for
ZhongAn Intellectual Property
Management System

ZhongAn established an internal IP management system, implementing full-process online management of intellectual property. During the reporting period, ZhongAn continuously improved the professionalism and effectiveness of intellectual property rights management through software legalization management and establishing a trademark early warning mechanism.

ZhongAn has issued the *Regulations on Software Legalization Management of ZhongAn Insurance*, continuously advancing the compliance management of software legalization and clarifying the full process norms for software usage, configuration management, installation, uninstallation, maintenance, etc. Every year, we review the status of software legalization in accordance with regulatory requirements and submit the *Statistical Form for the Work Information on Software legalization of Banks and Insurance Institutions*, which covers software procurement, upgrades, maintenance, training, and other relevant content, to ensure the compliant use of legal software. ZhongAn has a standardized process for purchasing software and image fonts. In particular, all purchase applications need to be filed in the OA system, and a clear purchase framework agreement or purchase contract should be concluded to reduce potential risks of infringing others' intellectual property rights.

ZhongAn has established a trademark early warning mechanism to standardize, institutionalize, and processize trademark management and licensing processes. By combining external monitoring with internal manual screening, we focus on monitoring trademarks related to the core brand of "ZhongAn" and raise objections against trademark squatting or apply for invalidation. Concurrently, the Group regularly conducts proactive checks on company names in the market, taking legal action against malicious registrations of names related to "ZhongAn" to safeguard our brand equity.

Furthermore, the Group actively encourages employee research and innovation, selecting high-quality core patents based on novelty, competitiveness, value, and the like, and recognizing inventors and R&D teams with accolades. In accordance with the *Regulations on Intellectual Property Rights Management of ZhongAn Insurance* and the *Reward System for Patents and Theses of ZhongAn Insurance*, we have established a standardized model for employee intellectual property transformation and management, along with corresponding incentive measures. In 2024, the Group's patent bonus expenditures amounted to approximately RMB220,000, covering 33 employees from various technical teams, further promoting innovation and development.

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 employees and engaging technology R&D personnel to participate in the specialized training sessions for patent technology exploration. Through systematic training, the Group continuously reinforced its employees' awareness of intellectual property protection.

Case Study: ZhongAn's training on intellectual property rights

In 2024, ZhongAn conducted training sessions on GUI (Graphical User Interface) design patent application, examination, and infringement, enhancing employees' understanding and application of design patents. Simultaneously, the Group organized six patent mining training sessions both online and offline, covering core topics such as design patents, basic requirements for patent applications, and technical point mining. With a total of 80 participants, these sessions effectively facilitated technological accumulation, promoted patent application conversions, and further consolidated ZhongAn's intellectual property protection system.



ZhongAn joined the Shanghai Trademark Association in December 2021. The "ZhongAn Insurance" trademark was honored with the title of "Shanghai Famous Trademark" in 2022 and included in the Shanghai Key Trademark Protection List. In 2022, the Group successfully applied to become a Shanghai Patent Pilot Enterprise and successfully passed the official inspection in 2024, completing the two-year pilot period.

As of December 31, 2024



the Group had a
cumulative total of
974 trademark
authorizations



35 authorizations
granted during the
reporting period



a cumulative total of
103 patent
authorizations

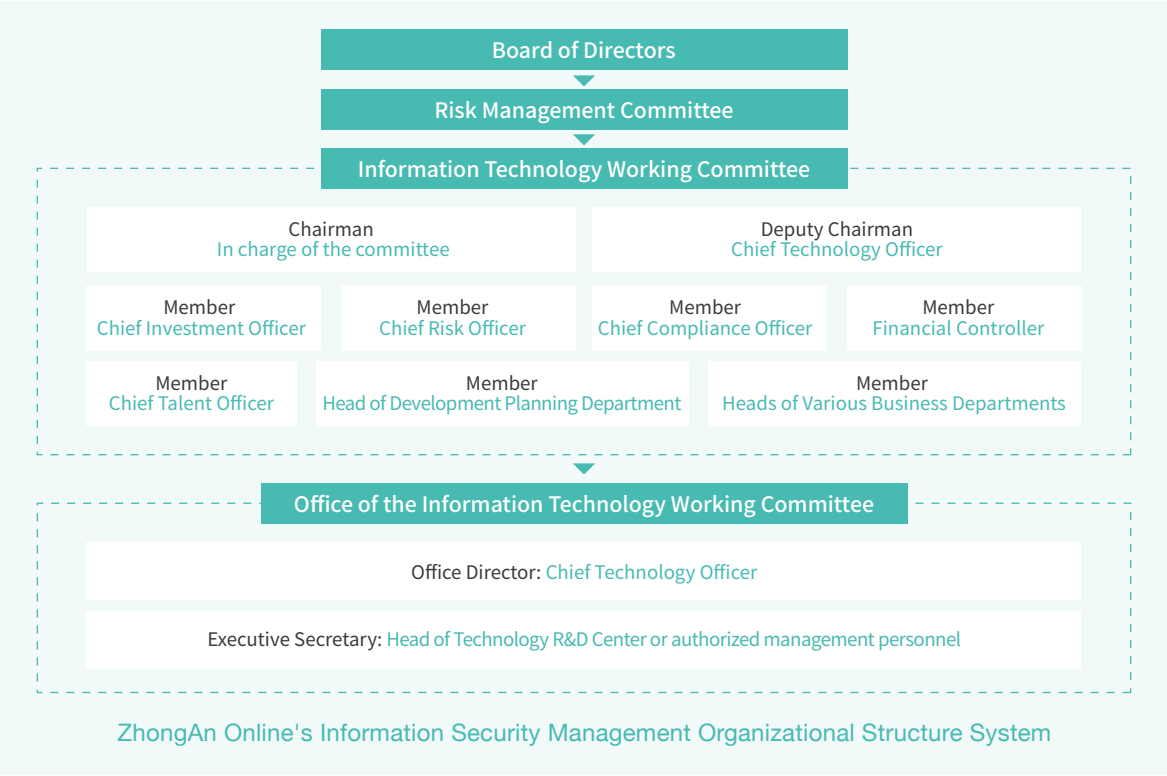


17 authorizations
granted during the
reporting period



Preventing information leakage







As the first Internet insurance company in the world, ZhongAn deeply understands the significance of information security and privacy protection in safeguarding customers' fund security, fostering corporate trust, and preserving brand reputation. We set up the Information Technology Working Committee composed of senior management and heads of relevant departments and formulated guidelines defining its responsibilities and authorities, which scope of management covers safety management in areas such as systems, networks, data, and personal privacy, so that the information security and privacy protection management can be carried out in a standardized and effective manner. Meanwhile, ZhongAn strictly complies with regulatory requirements, with the Board of Directors bearing overall responsibility for information security. In accordance with the *Notice by the National Financial Regulatory Administration on Issuing the Measures for the Administration of Data Security of Banking and Insurance Institutions*, we have comprehensively strengthened our information security governance to ensure that data security management aligns with national regulatory standards.



The Group adheres to key laws and regulations including the *Cybersecurity Law*, the *Personal Information Protection Law*, the *Data Security Law of the People's Republic of China*, and the *Technical Specifications for Personal Financial Information Protection*, and establish and improve a information security protection management system. The Group has formulated the *Personal Information Protection Policy of ZhongAn Insurance*, the *Provisions on the Administration of Personal Information Protection of ZhongAn Insurance*, the *Provisions on the Administration of Personal Information Security Emergency Response of ZhongAn Insurance*, the *Provisions on the Administration of Personal Information Protection Impact Assessment of ZhongAn Insurance* and the *Provisions on the Administration of Data Classification and Grading of ZhongAn Insurance*, and the *Measures on the Administration of Personal Information Data Transmission of ZhongAn Insurance*, which regulate relevant behaviors in the life cycle of personal information such as collection, storage, use, entrusted processing and sharing, so as to strictly prevent personal information risks.

In 2024, we further refined our personal information protection framework by updating the *Rules on the Protection of Children's Personal Information* and the *Personal Information Protection Policy*, and newly establishing the *Measures for the Administration of Mobile Applications of ZhongAn Insurance* to improve the process for submitting and withdrawing mobile applications. We implemented an approval mechanism through the OA system, thereby ensuring more standardized, efficient, and secure data management practices across the Group.

Personal privacy protection for the whole process








	User information collection		User information storage and protection		User information usage
<ul style="list-style-type: none">•All departments and all employees of ZhongAn shall adhere to the data minimization principle when collecting personal information during business operations. Specifically, such collection shall be limited to the minimum necessary frequency and volume strictly required for legitimate business management purposes or essential service delivery.•When using external third-party components to collect and process personal information, ZhongAn 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.		<ul style="list-style-type: none">•ZhongAn implements the categorized management of personal information and adopts corresponding technical security measures such as encryption and de-identification when storing and protecting personal information provided by users, so as to prevent unauthorized access and personal information leakage, distortion, and loss.•Unless it is necessary to extend the retention period or permitted by law, ZhongAn shall delete the user's personal information that exceeds the retention period.		<ul style="list-style-type: none">•ZhongAn applies a mini-authorization access control policy for the personnel authorized to access user information. This means only minimum necessary personal information can be accessed and only minimum data operation rights can be granted to accomplish the duty.•ZhongAn sets up an internal approval process for important operations such as batch modification, copying, and downloading of personal information.	
	User rights		User information entrusted processing, sharing and transfer		Security incident handling
<ul style="list-style-type: none">•To the extent permitted by law, users have the legal right to access, copy, correct, supplement, delete, and withdraw consent to personal information.		<ul style="list-style-type: none">•ZhongAn enters into an agreement with external third-party partners to require them to process personal information in accordance with the agreement, the <i>Personal Information Protection Policy of ZhongAn Insurance</i> and other applicable confidentiality and security measures, and oversees the processing of personal information by these external third-party partners.		<ul style="list-style-type: none">•If personal information security incidents such as leakage, tampering or loss unfortunately occur, ZhongAn will take immediate remedial measures in accordance with the requirements of laws and regulations to prevent further harm from occurring, and report to the relevant regulatory authorities.	

The Group has passed the annual audit of ISO 27001 Information Security Management Systems, ISO 20000 Information Technology Service Management Standards Certification, and Capability Maturity Model Integration for Software (CMMI-DEV) Level 5 Certification. The Group's insurance core system, integrated electronic finance and taxation platform, self-operated network platform and metering sub-account system have all obtained Level Three certification for information system security protection from the Ministry of Public Security of the People's Republic of China. In 2024, ZhongAn completed the assessment work for four third-level information security protection systems. We also passed the ISO 27001 Information Security Management System supervision audit conducted by the China Cybersecurity Review Technology and Certification Center. The audit covered all information system development and operation and maintenance activities of the Group.

In 2024, ZhongAn enhanced its information security management through a combination of internal and external audits. The Group conducted three internal audits, focusing on the Technology Research and Development Center, Information Management, and Information System Security Management. Additionally, external experts were engaged to perform IT audits, covering critical areas such as systems, networks, and data. These efforts provided a comprehensive evaluation of the compliance and effectiveness of the information security framework, significantly improving the Group's capabilities in digital risk prevention and control.

All-round information security management

We take multiple measures to ensure the security of information throughout the whole life cycle of collection, use and storage:

 <div>System security inspection</div> <ul style="list-style-type: none">•The Group requires a comprehensive security inspection of the network system at least once a year.	 <div>Network access control</div> <ul style="list-style-type: none">•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;•For 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.	 <div>Data security management</div> <ul style="list-style-type: none">•The Group standardizes 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.•We are required to encrypt confidential information to ensure that confidential information is not leaked or tampered with during transmission, processing, and storage.
 <div>Firewall technology</div> <ul style="list-style-type: none">•The <i>Provisions on the Network Security Management of Information System of ZhongAn Insurance</i> clearly stipulates the setting, regular security assessment, authorization, etc. of the firewall to ensure that the system defense is done the first time.	 <div>Vulnerability scanning</div> <ul style="list-style-type: none">•The Group carries 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.	 <div>Information security incident warning</div> <ul style="list-style-type: none">•We use big data technology to analyze employees' terminal behaviors and online activities. Based on the policy process and management mechanism of data, source, target, and response actions, we carry out auditing, warning, blocking and other measures for various violations, so as to achieve the protection and management of enterprises' sensitive data.
 <div>Information security incident response</div> <ul style="list-style-type: none">•The Group has established a comprehensive information security incident response mechanism, clearly stipulating the measures for addressing and handling cybersecurity incidents and information leakage. The Group's Technology R&D Center is responsible for rapid response and preliminary handling of incidents and activating emergency plans if necessary. If the information security situation is serious, the Technology R&D Center will promptly report to the Information Technology Working Committee, and the Personal Information Protection Committee will organize the establishment of an emergency incident handling team. This team will coordinate with the Data Science Application Center, Technology R&D Center, Legal and Compliance Department, Marketing Public Relations Department, and other departments to jointly address the incidents, minimize losses, and restore operations as soon as possible, ensuring the robust operation of the enterprise's information security system.		

In 2024, ZhongAn issued the *Measures of Administration of Information Security Performance Evaluation of ZhongAn Insurance*, and established an information security performance evaluation mechanism to further enhance the information security awareness and responsibility of the management at all levels. Simultaneously, the Group organized seven phishing email drills to strengthen employees' awareness of phishing attacks and conducted one enterprise-wide system failure drill and one critical system data recovery drill, ensuring rapid response and recovery capabilities in the event of sudden security incidents.

Information security training and promotion

ZhongAn consistently views the cultivation of information security awareness among all employees as a crucial aspect of information security management. To ensure that employees fully understand and comply with information security norms, we have established a systematic information security training system. This system integrates online and offline training methods, covering full-time employees, part-time employees, and interns of the Group. It promotes the integration of information security principles into daily work, improving the overall level of security management.

ZhongAn conducts awareness training and exams for all employees, setting standards of individual scores not lower than 80 points and departmental participation rates not lower than 90%, to emphasize the importance of information security among employees. We strengthen the construction of a security culture through multi-dimensional approaches, including awareness promotion among all employees, training exams, dissemination of security policies, and advocacy for software legalization. Furthermore, offline promotional columns such as posters and stands in the Group's offices update information security knowledge weekly. Online channels, including official accounts and employee groups, also synchronously push relevant information, comprehensively enhancing employees' awareness of information security protection.

Case Study: Information security month

In May 2024, ZhongAn's Technology Research and Development Center launched an Information Security Awareness Month. Through a mix of online and offline interactive activities, the initiative embedded information security awareness into employees' daily routines, encouraging enterprise-wide participation in information security protection. This activity included security range games, information security salons, information security knowledge contests, etc. By disseminating information security knowledge through games, lectures, competition, etc., this activity effectively raised employees' awareness of information security and promoted the development of a more robust information security culture within the Group.



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 in procurement. We have formulated policies such as the Procurement Management Regulations of ZhongAn Insurance and the Supplier Management Regulations of ZhongAn Insurance, which set out clear requirements for supplier development and on-boarding, supplier selection, evaluation, rating, reward, punishment and exit, so as to standardize the supplier management of various procurement businesses, improve the quality and efficiency of procurement and reduce related costs and risks.

In 2024, the Group further optimized procurement management by refining supplier management practices. We updated our supplier category list, segmenting suppliers into detailed categories such as IT, office operations, marketing services, professional services, and insurance business, thereby improving the accuracy of procurement decisions and reducing costs. Additionally, the Group improved the procurement management system for suppliers, which now incorporates eight business scoring models and three award models. New features such as supplier IP tracing, data export, and supplier tag management have been introduced, significantly boosting the intelligence level of supplier data management and establishing a more efficient and transparent procurement process.

Suppliers development and on-boarding

- Suppliers shall meet the professional qualification certification, supply ability standard and service quality standard required by the Group, and shall be included in the database after passing the qualification examination and evaluation;
- The Group actively carries out investigation and evaluation of suppliers' social responsibility performance, including but not limited to anti-commercial bribery and conflict of interest declaration, and conducts market research and on-site verification when necessary.

Suppliers evaluation and supervision

- The Group establishes a complete evaluation system including indicators such as product and service quality, delivery performance, business response, breach of contract, and complaints;
- The Group divides suppliers into four grades "A", "B", "C" and "D" according to supplier performance;
- The Group conducts supplier performance evaluations every year. Based on the evaluation results, we communicate with suppliers of major categories to assist them with projects that need to be optimized.

Supplier exit

- Suppliers who get a "Fail" in the annual evaluation shall exit from the database after approval.
- The Group clearly stipulates the supplier's violations that meet the exit criteria, and once such behaviors occur, suppliers have to exit from the database after approval;
- In case of fraudulent behaviours of suppliers, which are investigated by the Safety and Integrity Department of the Group, a "one-vote veto system" will be implemented, and the suppliers will be listed on the blacklist and will never cooperate with each other.

In 2024, ZhongAn continued to promote supplier training and empowerment, as well as contract performance management, strengthening the capacity building and compliance management of our partners. We conducted online performance training for over 299 suppliers and provided specialized coaching for suppliers of Category B on areas needing improvement, helping them optimize their business capabilities. Simultaneously, during the reporting period, the Group conducted contract performance evaluations on 299 suppliers and initiated online communications and specialized coaching, ensuring the quality and stability of our supply chain.

In terms of procurement management, ZhongAn consistently adheres to the principles of "professional skills, independent judgment, objectivity and fairness, seeking truth from facts, impartiality and integrity". We require all procurement review members to sign the *Review Integrity Commitment*, and adhere to the negative list system to supervise and manage, to ensure the quality of products and services as well as the integrity and compliance of suppliers. In addition, we require 100% of suppliers participating in the tender to sign the *Integrity Commitment*, further strengthening the integrity construction within the supply chain.

To develop a green and sustainable supply chain, the Group has defined requirements for green products and services when selecting certain suppliers. For example, materials used for training tables and chairs in the decoration and furniture projects are required to meet the national E0¹ environmental standard. In addition, we prioritize recyclable gift boxes when purchasing employee gifts, promoting sustainable consumption and environmentally-friendly procurement practices.

Case Study: ZhongAn participates in the 2024 annual working conference of the Financial Industry Tendering and Procurement Expert Committee of the China Tendering & Bidding Association

In 2024, as a member of the Financial Industry Tendering and Purchasing Expert Committee (hereinafter referred to as "the Committee") of the China Bidding & Tendering Association, ZhongAn actively participated in the annual working conference, driving significant progress in the Committee's efforts to prevent and mitigate financial risks, deepen industry reform, and advance digital and green procurement. Additionally, ZhongAn has continuously strengthened self-discipline within the industry, promoting standardization and high-quality development of financial industry tendering and procurement.



¹ 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 0.124 mg/m³, E0 grade not exceeding 0.050 mg/m³ and ENF grade not exceeding 0.025 mg/m³.

Contribution to SDGs



04

Adhering to Responsible Operation

The insurance industry can guide the society to shift its vision from short-term profits to long-term value creation by leveraging its advantage of asset allocation. To support sustainable socio-economic development, on the insurance side, the Group promotes digital innovation, deepens product R&D, 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.

Creating a tech-services ecosystem	38
"Providing service-oriented insurance products to the market"	42
Promoting responsible investment	49
Providing quality services	51



Highlights and performance of ZhongAn Insurance's responsible operations in 2024

- The Group has cumulatively launched **26** green insurance clauses, providing over **8.51** million green insurance policies with premium income exceeding RMB**337** million.
- The Group was awarded the **"Inclusive Insurance Achievement Award"** at the 10th International Forum for China Financial Inclusion (IFCFI).
- Regulatory evaluation for consumer rights protection in 2024: **C** (second-level)

Creating a tech-services ecosystem

Upholding the mission of "driving financial development through technology and providing service-oriented insurance products to the market", the Group makes continuous efforts to enhance digital capability. We strive to provide customers with personalized and digital services through the exploration and R&D of cutting-edge technologies such as artificial intelligence, big data and cloud computing. We have forged ZhongAn's AI middleware by leveraging mainstream large models and our own data, efficiently integrating and delivering AI capabilities.

Applying artificial intelligence

ZhongAn adheres to the AI development philosophy of prioritizing data security, strengthening self-developed and privatized model capabilities, implementing a human-machine collaboration responsibility system, and driving quality through use cases. By accelerating the application of AI in various business scenarios, the Group continuously enhances the level of digitalization and intelligence in its operations.

We have deployed over 70 active bots to support more than 10 key scenarios (such as AI customer service, AI health consultation, and AI claims processing). Additionally, we have established AI quality inspection covering the entire process and 100% of the volume, building a dynamic risk barrier.

AIGC application by ZhongAn

Application scenario	Development platforms
Customer operations	<p>Yichuang platform: It allows content creation, intelligent picture insertion, and a one-click layout of pictures and texts and covers various touch points such as APP, corporate WeChat, official accounts and customer service.</p> <p>Agent assistant: As an assistant for community operations, it helps agents to enliven communities; it also answers questions on insurance based on knowledge base.</p>
Product compliance	<p>Compliance assistant: It has functions including compliance document retrieval, intelligent compliance training and compliance-related content pushing.</p>
Multi-dimensional data analysis	<p>Intelligent analysis platform: It has such functions as multidimensional data query, attribution analysis of indicator changes, data visualization and Q&A of general data analysis.</p>
IT system operations	<p>Intelligent O&M assistant: It allows intelligent task creation for various tasks and workflows through conversational interactions; it allows for the search with O&M monitoring indicators and access to such indicators; it also assists in intelligent generation of O&M scripts.</p> <p>Code Assistant: It assists in code generation and CodeReview, enhancing the efficiency of code development.</p>
Product Design	<p>Clause Assistant: It provides auxiliary functions for clause design and automatically performs structured breakdown of clauses.</p>
Marketing and Customer Acquisition	<p>Digital Human: Acquisition of customers through live streaming of digital humans in public traffic domains; short video creation.</p> <p>Navigation Map: Analysis and prediction of user behavior trajectories, applied to the entire process of insurance application, claims, and services.</p> <p>Creative Center: Generation of graphic materials such as marketing posters and holiday care.</p>



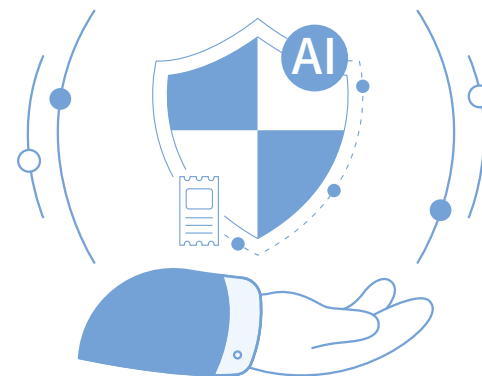
Case Study: Empowering claim settlement with AI technologies to enhance quality and efficiency

Smart camera for health insurance claims

We have applied AI technologies to the front-end material collection, back-end material identification (invoices, medical records, itemized bills, etc.), and risk control review processes in health insurance claims. The intelligent recognition pass rate for claims materials has been increased to 90%, and the end-to-end automation rate for "direct compensation + fast compensation" has reached over 59%, with the fastest case closure time being 15 seconds. Electronic invoices are now available in 31 provinces, 341 cities, and 30,000 hospitals, while the risk control capabilities for claims review have also been enhanced.

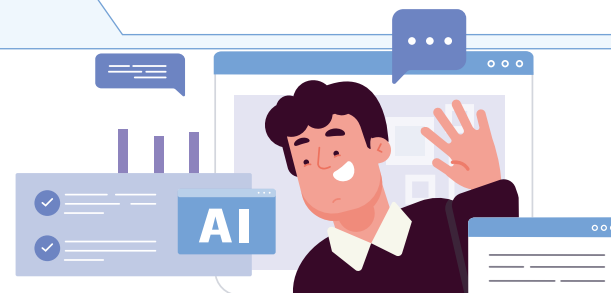
Vehicle insurance claims handled through videos

For vehicle insurance claims, we offer a one-stop claims service through videos. By guiding customers face-to-face through video reporting and remote shooting, we reduce the reporting time by 40% compared to phone reporting during the same period, saving customers time, effort, and worry. Furthermore, combined with automated AI identification function, we have achieved automatic form filling within seconds, minimizing the need for manual entry and significantly boosting claim handling efficiency.



Case Study: Leveraging digital human live streaming and innovating promotion methods

Digital humans are virtual characters created using technologies such as AI and computer graphics. They can simulate human appearance, behavior, and language, and possess interactive capabilities. By introducing digital human live streaming into our product promotion, we can support live broadcasts featuring digital anchors with different genders, voices, and image characteristics tailored to various products. Additionally, the scripts of digital human live streaming undergoes AI quality inspection to ensure compliance with regulations.



Fostering an innovative culture

The Group encourages employees to innovate in digital technology. We have established a technical committee comprising core technical experts from various business lines, which is further divided into subcommittees based on technical fields to form a horizontal collaboration mechanism, promoting technical expertise development and continuous capability building.

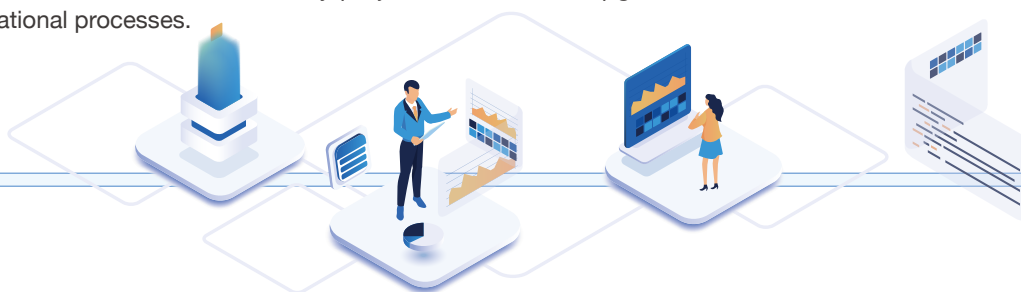
Meanwhile, we have institutionally guaranteed incentives for employee innovation by establishing the *Reward System for Patents and Theses of ZhongAn Insurance*, which rewards innovative achievements such as patents and theses. As of the end of 2024, our patent bonus expenditures totaled approximately RMB220,000, covering 33 individuals from various technical teams, igniting employees' enthusiasm for innovation. Additionally, we held the ZhongAn Technology Annual Honor Award Ceremony in 2024, to publicly recognize and honor the outstanding technical teams and individuals who made significant contributions in key battlefronts, business development, technological innovation, and technical organization building over the past year. This was aimed at encouraging employees to actively engage in technological innovation.

Furthermore, we have conducted numerous innovation activities to actively foster an innovative atmosphere.



Case Study: Hosting ZhongAn 1024 Technology Festival

In October 2024, we organized the ZhongAn 1024 Technology Festival themed "Powering Through Technological Breakthroughs in Five Major Campaigns". Adopting the form of the "Campaign Breakthrough Challenge", we solicited over 40 key campaign breakthroughs and selected 18 technological breakthrough propositions, encouraging all technical staff at ZhongAn to form teams freely and take on these challenges. A total of 36 teams (comprising 145 employees) eagerly signed up for the event, with 14 teams advancing to the final results presentation phase and 8 teams ultimately winning first, second, and third prizes in the Campaign Breakthrough Challenge. Among them, the AI video claims investigation project was awarded the first prize; the projects on extraction of non-standard expense list information and quasi-real-time monitoring of deposit and loan interest rates received the second prize. We will also accelerate the transformation and implementation of the achievements from these key projects to serve the upgrade and iteration of business and operational processes.



Creating a digital eco-system of insurance

In addition to strengthening digital capability, we actively share relevant development experience with peer companies to foster industry development.

We are deeply engaged in the field of insurance technology. Based on the exploration and R&D of AI, big data, cloud computing and other cutting-edge technologies, we share our leading experience and technical capabilities in insurance technology by constructing a new digital infrastructure, which helps customers of insurance supply chains to achieve digital transformation. We create a new generation of core systems for customers in the insurance industry, provide scenario-based digital solutions and cooperate with Internet platforms and other insurance intermediary platforms to create a digital eco-system of insurance.

In 2024, relying on our persistent efforts in InsurTech, we have made major breakthroughs in multiple fields including RegTech, data intelligence, core business system, brokage and agency middle platform and insurance digital marketing, and our InsurTech export business continued to maintain rapid growth. With the implementation of the new insurance contract standards (IFRS17) in China, ZhongAn recorded strong growth in customer accumulation and contract value by virtue of its practical experience in the industry and product capabilities.

In 2024, our technology export business kept its expansion in domestic and overseas markets, assisting global customers of various industries in digital transformation.

During the reporting period



Total revenue from technology export reached RMB**956** million, representing a year-on-year increase of **15.3%**.



We newly contracted with **98** customers along the insurance industrial chain, and **16** clients from the broader financial industries such as the banking and securities industries.



Case Study: Attending the 2024 Artificial Intelligence x FinTech Innovation Conference

In March 2024, the Chief Middle Platform Architect of the ZhongAn Insurance delivered a keynote speech at the 2024 Artificial Intelligence x FinTech Innovation Conference, centering around the theme of *From Prompt Engineering to Agents: The Evolution of ZhongAn Insurance's LLM Application Architecture*. The presentation encompassed various aspects, including how AIGC is reshaping the insurance value chain, the evolution of technical solutions for building intelligent applications, and the design of the AIGC middle platform architecture, and showcased ZhongAn's cutting-edge explorations and solutions in building a digital insurance ecosystem.




"Providing service-oriented insurance products to the market"

ZhongAn pursues service-oriented products and is committed to delivering excellent products and services. We pay close attention to emerging risks of climate change, health, demographic change, urbanization and other areas, and integrate these risks into product design and development to meet the risk protection 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 expand the coverage of insurance protection for special social groups, such as providing a variety of insurance products for flexible workers, middle-aged and elderly people, children, women and other groups.

Category	Insurance product		Key application
Green insurance	<ul style="list-style-type: none">• ESG risk insurance• Green industry insurance• Green life insurance		Environmental resources protection, green industry operation and green consumption
Health insurance	<ul style="list-style-type: none">• Medical insurance• Critical illness insurance• Senior medical insurance	<ul style="list-style-type: none">• Juvenile medical insurance, etc.	Comprehensive medical and health solutions for non-standard health individuals, including sub-health individuals, chronic disease patients, and individuals with pre-existing conditions
Inclusive insurance	<ul style="list-style-type: none">• Micro, small and medium enterprise (MSME) insurance• Household property insurance• Flexible work insurance	<ul style="list-style-type: none">• Insurance for New Citizens	Support for real economy, social governance and urbanization
Social insurance	<ul style="list-style-type: none">• Travel insurance• Pet insurance• Sports insurance		Consumer life

Tapping into green insurance market

In accordance with the *Green Finance Guidelines for Banking and Insurance Sectors*, the *Guidelines for Green Insurance Classification (2023 version)* and other policies, the Group initiated an exploration of green insurance products from both product and customer perspectives. In 2024, we mainly underwrote over 8.51 million green insurance policies through 26 green insurance clauses, with premium income exceeding RMB337 million.

	Green life insurance	
	Green insurance products	Number of clauses
	• New energy vehicle (NEV) insurance	22
	• Third-party liability insurance for non-motor vehicle, etc.	
	ESG risk insurance	
	Green insurance products	Number of clauses
	• Extended liability insurance for accidental pollution	3
	• Terms of elevator liability insurance, etc.	
	Green industry insurance	
	Green insurance products	Number of clauses
	• Safety liability insurance for E-bike charging	1
	• Energy cost reimbursement insurance, etc.	

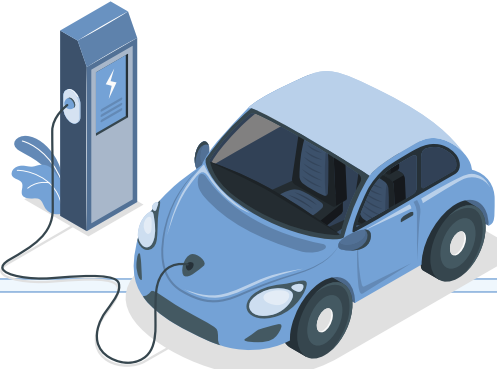


Case Study: Leading the development of green insurance through NEV insurance

ZhongAn considers NEV insurance as the focus of the development of green insurance products and keeps improving NEV insurance and related businesses.

Actively underwriting the business of NEV insurance: In 2024, the share of NEV insurance business has increased by 12%, with an annual growth rate of approximately 188.4%, close to the top level of the industry.

Reducing underwriting risks for NEV insurance: ZhongAn collaborates with various departments, and leverages third-party data and ant points to build a model to enhance risk control and pricing ability, so as to achieve sustainable development of NEV insurance business.



Satisfying healthcare demands

2024 marked the tenth anniversary of the establishment of our health ecosystem. Over the past 10 years, we have always adhered to our original aspiration of providing medical insurance for 100 million people. With user demands at the core, we have broken the boundaries of traditional insurance through technological empowerment, kept diversifying the offering of insurance products and services of the health ecosystem, and have served more than 130 million insured users cumulatively.

Meeting the health needs of different groups

People with non-standard health including sub-health, chronic disease and disease

We developed a number of insurance products for cancer recurrences such as "ZhongAn Jia An Kang" covering the recurrence of thyroid cancer, "ZhongAn Sui An Kang" covering the recurrence of leukemia, "ZhongAn Fei An Kang" covering the recurrence of lung cancer and "ZhongAn Ta An Kang" covering the recurrence of four malignant tumours in women, to provide patients with life-cycle management to help delay disease recurrence.

The women, pregnant women, and newborns

We have launched 35 exclusive protection insurance plans for women, including the "ZhongAn Hao Yun Bao Insurance for the Pregnant and the Newborn", which provides coverage for over 30 types of pregnancy complications for the pregnant, and similarly, offers protection against more than 30 congenital conditions for the newborn. In 2024, we further launched the Hao Yun Bao (Plus version), additionally incorporating innovative coverage for accidental miscarriages, premature births requiring incubators, and also allowing for insurance applications related to assisted reproductive technology.

The middle-aged, the elderly and children

· For the middle-aged and the elderly

We launched two products, i.e., "Ba Ma Bao Inpatient Medical Insurance for the Middle-aged and the Elderly" and "Lao Wu You · Cancer Insurance for the Middle-aged and the Elderly". In 2024, the cumulative premium income surpassed RMB55.93 million.

· For children

We developed a number of products such as "Cheng Zhang Le Medical Insurance for Children", "ZhongAn Dun Dun Bao Bei Outpatient and Emergency Insurance for Children (Plus Version)" and "Jian Kang Fu 1-Year Critical Illness Insurance for Children", which served nearly 360,000 customers in 2024.

In 2024, we launched "Zun Xiang Bao Elite Pediatric Healthcare", catering to the demand for mid-to-high-end pediatric medical insurance products.

The highly stressed

For highly stressed adolescents, we cooperated with external institutions to develop a medical insurance product tailored for depressed adolescents, named "Kuai Le Bao · Psychological Care for Adolescents".

The hospitalized and the disabled

In response to the national policy of expanding long-term nursing insurance, we developed several nursing insurance products, including "Zhong Min Hu Hospital Caregiver Insurance", "Hospital Caregiver Insurance (Family Version)" and "ZhongAn Kang Hu Wu You". Such products were designed for customers aged 0-80 with no restriction on disease types or frequency and provided direct one-to-one nursing services.



Case Study: "Million yuan coverage medical insurance" products keep expanding coverage

ZhongAn keeps enriching the "million yuan coverage medical insurance" products and expanding product coverage to provide comprehensive health insurance for people.

In 2024, we comprehensively upgraded the "ZhongAn Zun Xiang eSheng mid-to-high-end medical insurance". Specific enhancements include the elimination of the deductible for outpatient and emergency medical treatment for critical illnesses, the expansion of the specialty drug catalog, the broadening of medical treatment access, the introduction of insurance coverage for public transportation costs associated with inter-city transfer for critical illness treatment, and the provision of full-course medical services, all of which continuously expand the scope of coverage and increase the diversity of services offered by the product.

Meanwhile, adhering to the concept of inclusive health, we actively updated our inclusive product, Zhong Min Bao, which is a "million-yuan coverage medical insurance product for people with substandard risk" that primarily caters to three types of individuals who are not covered by conventional medical insurance products, namely the super-elderly, people with pre-existing conditions, and people with chronic diseases. We have lowered the enrollment threshold for Zhong Min Bao, including by setting higher age caps for the insured (from 30 days after birth to 105 years old), waiving the health claims and removing occupational restrictions, so that our product could be more widely accessible and inclusive. We have also added high-perception services for substandard risk group, such as medical checkups, greatly expanding the product's inclusiveness.



Promoting inclusive insurance

We are committed to enhancing inclusive insurance services. For various groups including micro and small enterprises, flexible workforce, urban and rural households, as well as the elderly, we have developed a diverse range of inclusive insurance products to enhance their accessibility and affordability, effectively catering to their diverse risk coverage needs.

We attached great importance to the development and promotion of inclusive insurance across our business units, and formulated the *Inclusive Insurance Assessment and Evaluation Program of ZhongAn Insurance* in 2024. The assessment targets encompass all departments and their respective senior management in charge of the enterprise. Focusing on four dimensions: broad coverage, benefit to the people, fairness and integrity, and stable operation, the program emphasizes the assessment of accessibility, affordability, sustainability, and coverage effectiveness of the inclusive insurance business across all business units, fostering a top-down atmosphere for inclusive insurance development.



Case Study: Guided by inclusiveness, catering to the needs of micro and small enterprises

ZongAn Insurance adheres to the principle of inclusiveness and leverages insurance technology as a tool to innovate insurance products, expand application scenarios, and enhance the insurance penetration rate among micro and small enterprises. Through insurance, we empower these enterprises to achieve stable operations and high-quality development.

Firstly, addressing the financing difficulties faced by micro, small, and medium enterprises, we focus on small, fragmented, and short-term consumer finance assets, as well as sub-prime customers with relatively lower credit ratings who are overlooked by traditional large financial institutions. We offer financing credit guarantee business to help them overcome financing hurdles.

Secondly, to stabilize the daily operations of micro and small enterprises, we have launched the "Dian Dian Bao" program, a comprehensive risk protection solution for storefronts. It provides one-stop risk coverage services covering customer accidents, employee work-related injuries, property losses, food safety, and the like, assisting individual business owners in safeguarding against risks comprehensively and ensuring continuous and stable operations. Concurrently, we have lowered the barriers for micro and small enterprise owners to purchase insurance, enhancing their access to insurance.

In 2024, our "Dian Dian Bao" product has reached **14** major industries, including retail, catering, accommodation, business services, and residential services, covering over **150** types of stores and more than **60,000** micro and small enterprises, achieving a growth rate of **400%**. The program "Boss Who Makes Waves", produced to promote the "Dian Dian Bao" product, has surpassed **78** million views and generated approximately **3.9** million interactions across platforms such as WeChat Video, Douyin, Baijiahao, and Bilibili.





Case Study: Addressing the needs of new citizens and improving the quality of inclusive insurance services

To meet the risk insurance needs of new citizens, such as migrant workers, ZhongAn Insurance launched over 40 insurance products tailored to serve new citizens. These insurance products encompassed critical illness insurance, accident insurance, employer's liability insurance and the like, covering nine major industries including logistics, construction, engineering, transportation, property management, freight transportation, security, housekeeping, and express delivery. They provided safeguards for over 300 million new citizens in areas such as hospitalization medical care, accidental injury, and flexible work. Tailored to diverse scenarios, we offered comprehensive risk coverage for key sectors like ride-hailing, providing vehicle owners with health insurance products such as critical illness and medical insurance. Simultaneously, we provided group insurance products to the logistics and construction industries and collaborated with nearly 70 enterprises to offer them risk coverage services. Furthermore, we launched the "Flexible Work Insurance", which targets industries with flexible work such as catering services, marketing and media, manufacturing, agriculture, and information technology services. We handled over a thousand accident injury claims for flexible workforce, providing them with robust risk coverage.



Case Study: Developing inclusive household property insurance to meet the needs of urban households

In 2023, ZhongAn officially joined the alliance of "Hu Jia Bao", an inclusive household property insurance tailored for the city of Shanghai, as the 6th co-insurer. Adhering to the inclusive finance orientation, the product is priced based on a cost structure featuring "high claim payout and low expenses" to provide consumers with comprehensive risk coverage for their homes, third-party liability, and accidental injuries, with a maximum coverage of up to RMB2.3 million. It covers common accident scenarios in daily life such as pipeline ruptures, falling objects from height, elevator accidents, and gas incidents, meeting the property insurance needs of urban families.



Case Study: Developing inclusive household property insurance to meet the needs of rural households

Currently, most household property insurance products on the market exclude rural self-built houses from coverage or fail to provide protection for damage to self-built houses caused by natural disasters, thereby inadequately addressing the risk coverage needs of rural families. In response to this situation, we launched the "ZhongAn He Jia An" rural household property insurance. This product fully considers the realities of rural areas, offering coverage for both rural self-built houses and commercial residential properties. It also covers fire and explosion risks, as well as 13 types of natural disasters. The accidental injury component covers accidental risks and travel safety for up to nine family members spanning three generations. Additionally, it includes third-party liability coverage for multiple scenarios such as falling objects, fires, and water leaks, effectively addressing the significant financial losses faced by rural families due to damage to their homes and property, as well as accidental risks.

By the end of 2024, the premium of the product had surpassed RMB19 million, providing comprehensive home and accidental injury insurance services to over 47,000 households and more than 420,000 individuals. The user base has covered approximately 30 provincial-level administrative regions and over 220 municipal-level administrative regions.

In 2024, four typical cases of ZhongAn's inclusive insurance, namely *Addressing the Gap in Security for the Senior People and Promoting the Universal Application of Senior Accident Insurance*, *Flexible Work Insurance: Warmly Guarding the Better Life of New Citizens with Insurance Power*, *Revolutionizing Traditional Insurance by Tuan Ti Zun Xiang Yuan Fu Medical Insurance: Helping Small and Micro Enterprises Rebuild Their Health Welfare System*, and *Comprehensive Insurance "Hui Min Bao: Focusing on Guaranteeing People's Livelihood and Building a Multi-tiered Social Medical Security System*, were selected as *2023 Typical Cases of Inclusive Insurance* by the China Insurance Association. Among them, the case of *Addressing the Gap in Security for the Senior People and Promoting the Universal Application of Senior Accident Insurance* was recognized as one of the top 20 typical cases nationwide.

ZhongAn's practices and achievements in the field of inclusive insurance have also gained wide recognition within the industry. At the 10th International Forum on China Financial Inclusion (IFCFI) in 2024, ZhongAn, leveraging its pioneering awareness and innovative exploration in the field of inclusive insurance over the years, won the "Inclusive Insurance Achievement Award".



ZhongAn won the "Inclusive Insurance Achievement Award"

Enriching digital life

We launched a variety of other products to meet the diverse needs of people for travel, sports and pet care. In the realm of sports insurance, we refined scenarios and populations, offering customized products tailored to different sports and perfectly aligning with customer needs through a combination of insurance and services. For travel insurance, we deepened our cooperation with external institutions, enhancing our ability to serve overseas insurance needs and catering to the risk coverage requirements of diverse outbound travelers. We further enriched our product portfolio of pet insurance and upgraded our service capabilities to meet the growing demands of pet owners.



Case Study: Innovating pet insurance products to safeguard pet health

In 2024, building upon our existing offerings such as medical insurance for pets, third-party liability insurance for pets, accident medical insurance for pets, and comprehensive insurance for pets, ZhongAn Insurance continued to drive product innovation and service enhancements. For instance, we explored whole-lifecycle insurance products for pets in specific scenarios like newborn kennels. In response to the high treatment costs of certain pet illnesses, we launched pet critical illness insurance differentiated by condition. Simultaneously, we have actively expanded pet insurance scenarios, developing new areas such as pet travel and food safety insurance. Furthermore, to better establish an ecological closed loop for medical insurance for pets, we have explored novel cooperation models with pet clinics and Internet platforms.

By the end of 2024, the GWP of pet insurance nearly tripled compared to the previous year, with 1.53 million new pet owner customers increasing throughout the year.

The offline service network for pet insurance further expanded, covering over 20,000 pet hospitals and service institutions in major cities nationwide. The number of pet service users continued to grow, with one out of every three pet insurance users actively opting for our pet services on average.

In recent years, the rapid development of the low-altitude economy has brought new opportunities to the insurance industry. We joined hands with DJI, the global leader in civilian drones and aerial imaging technology, to enable accurate pricing for different drone models and different service models based on the features including the usable environment of drones and user usage frequency, and then launched solutions such as drone damage insurance and third-party liability insurance, which have served more than one million drone owners cumulatively. In addition, in active response to the requirements of the State policies, we have provided protection for more than 100,000 farmers to cover their risks related to production and operation. In the future, the Company will continue to actively expand its investment in R&D and innovations of insurance products tailored to low-altitude economy.

In the e-commerce sector, with precise insight into consumer needs, we have launched various insurance products for online shopping, such as shipping return policy and product quality insurance. E-commerce insurance products not only effectively reduce risks faced by consumers during the online shopping process, but also enhance online shopping experience, thereby contributing to more active e-commerce transactions. Our e-commerce business, represented by shipping return policy, covers the mainstream integrated e-commerce platforms and various emerging vertical e-commerce platforms in the market, and recorded a year-on-year increase of 30.6% in GWP in 2024.

Promoting responsible investment

ZhongAn actively responds to the development trend of responsible investment at home and abroad, integrates the principle of responsible investment into its investment philosophy and strategy, and incorporates ESG factors in investment due diligence and decision-making, so as to create long-term values.

Responsible investment policies

The Group has formulated the *Responsible Investment Statement of ZhongAn Online Property Insurance Co., Ltd.* and has clarified ESG investment strategy in asset allocation plan and investment guidance. Moreover, the Group actively deploys ESG thematic investment and fully considers its relevant attributes in the ESG field in the allocation of assets. On the one hand, an ongoing ban is put on to prohibit new investment in "two high and one leftover" industries², such as trust plans and debt plans, and investment directions contrary to the ESG concept must be excluded as well. 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. This allows us to form a strategic portfolio consistent with the characteristics of investment varieties and encompassing the entire spectrum of green investment.

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.



² "Two high and one leftover" industries: High-pollution, high-energy consumption and overcapacity industries include iron and steel, paper making, electrolytic aluminum and flat glass.

Responsible investment practices

With a focus on such industries as lithium recycling, new photovoltaic technology, energy storage and China Certified Emission Reduction (CCER), the Group 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 fulfillment of social responsibilities.

In the realm of equities, we maintain dedicated sector-specialist teams covering key sectors closely related to ESG such as renewables, deep tech, upstream chemical processing, automotive electrification, and circular economy solutions. Our stock and fund analysts also incorporate ESG-related analysis in their daily work. This high-caliber talent pool ensures the smooth implementation of responsible investment strategies.

In the realm of bonds, we emphasize the social impact of bonds as financing instruments, and invest in rural revitalization bonds for revolutionary base areas, which are specifically earmarked for the construction of highways in these regions, thereby fostering high-quality development in these historic areas.



Case Study: Investing in pure electric heavy-duty truck enterprises to propel the growth of the NEV sector

In 2024, an private equity fund invested by ZhongAn strategically expanded its portfolio in the NEV sector through an investment in a pure-electric heavy-duty truck manufacturer. The enterprise is pioneering the development of next-generation autonomous electric heavy trucks, with mass production readiness expected to be achieved imminently. Beyond its domestic operations, the enterprise is strategically expanding into European and American markets in parallel, accelerating the global deployment of its China-made pure electric heavy-duty trucks to demonstrate the nation's advanced smart manufacturing capabilities on the international stage.



Case Study: Investing in battery R&D enterprises to advance the upgrade of the energy storage sector

We keep a close eye on the development of emerging industries such as energy storage. An private equity fund invested by ZhongAn strategically expanded its portfolio in the energy storage sector through an investment in a lithium iron phosphate (LFP) battery R&D enterprise. The enterprise boasts substantial technical expertise in the field of LFP batteries and is poised to swiftly achieve mass production of safe and efficient energy storage cells, thereby accelerating the rapid development of the energy storage sector and contributing to the realization of China's "dual carbon" goals.



Case Study: Strengthening ESG investment dialogue & industry partnerships

In December 2024, ZhongAn participated in the seminar, "ESG Investment Development and Outlook for Insurance Institutions and ADB's Promotion of Environmental, Social, and Governance Investments by Insurance Funds", organized by the Insurance Asset Management Association of China. The seminar covered topics such as ESG integration market practices, climate risk management, and sustainable information disclosure. Together with experts, scholars, and peer companies, ZhongAn explored the latest trends in ESG investments by insurance institutions and enhanced their adaptability to climate change risks.



Providing quality services

ZhongAn endeavors to holistically improve customer satisfaction by means of strengthening organizational management, upgrading service model, enhancing customer service capability, sincerely listening to customers' voices and diversifying customer feedback channels.

Protection of customer rights and interests

The Group strictly abides by relevant laws and regulations such as the *Insurance Law of the People's Republic of China*, the *Measures for the Protection of Consumer Rights and Interests in Banking and Insurance Institutions* and the *Measures for the Administration of Consumer Complaint Handling in the Banking and Insurance Industries*, and formulates relevant regulations such as the *Administrative Provisions on the Protection of Consumer Rights*. In 2024, we formulated the *Administrative Measures for Compliance of Marketing and Promotion by Online Live Streaming and Stream Advertising of ZhongAn Insurance*, and revised the policies such as the *Administrative Measures for Intermediary Channel Business of ZhongAn Insurance* and the *Regulations on Data Classification and Tiering of ZhongAn Insurance*. In total, we formulated or revised over 10 policies, continually enhancing our consumer protection system.

The Group has established a sound consumer rights protection system. The Board formulates strategies, policies and objectives for the protection of consumer rights and interests, and incorporates the protection of consumer rights and interests into business development strategies and corporate culture construction. The Audit and Consumer Rights Protection Committee reviews the work reports of the protection of consumer rights and interests, annual reports and work systems, etc., and supervises the comprehensiveness, timeliness and effectiveness of the work of senior management and the department of consumer rights and interests protection. During the reporting period, the Group's Chairman, independent directors and external supervisors all provided guidance and supervision on the results of the regulatory evaluation of the company's consumer rights protection.

The terms and conditions of our insurance products are all reviewed and filed by the National Financial Regulatory Administration. In addition, the Group strictly abides by the *Advertising Law of the People's Republic of China*, the *Administrative Measures of Protection of Consumer Rights and Interests of Banks and Insurance Institutions*, the *Administrative Measures of Insurance Sales Practices* and other relevant laws and regulations to ensure that advertising, Internet sales activities and product instructions are compliant.

The Group fully practices the principle of "customer-centrality" throughout all segments of business process and takes multiple measures to optimize consumer rights protection.



Key management measures of customer rights protection in 2024

Launching a new consumer protection review system

In July 2024, ZhongAn launched a new consumer protection review system, achieving integrated consolidation and intelligent review of review items. This system enables batch uploads of materials, automatic identification of material types, multi-user online approval, and full-process task monitoring. It covers seven key review items, including products and services, further enhancing the Group's management capabilities in review operations, processes, and functions.

Upgrading traceability and rectification efficiency

In 2022, ZhongAn launched a traceability and rectification system, achieving dynamic tracking of complaint data and visualization of rectification progress. In 2024, the Group continued to optimize the traceability function, simplified the operation process, and achieved an improvement of over 30% in processing efficiency. The system now supports customized reports and multi-dimensional indicator analysis (including regulatory complaints, business risks, and customer satisfaction), providing management with precise decision-making basis.

Diversified resolution of contradictions and disputes

ZhongAn has developed a centralized case management platform for mediation, which supports online processing throughout the entire workflow and promotes judicial confirmation, resulting in a 40% increase in the efficiency of resolving disputes. ZhongAn has also established a tiered mediation mechanism with the Shanghai Banking and Insurance Mediation Center. Through the "rapid mediation and prompt handling" model, 85% of disputes were resolved within 30 days throughout the year, with customer satisfaction increasing by 22% year-on-year. The effectiveness of quickly resolving contradictions and disputes is remarkable.

Optimizing consumer rights protection performance evaluation

For functional departments, the performance evaluation indicators for consumer rights protection primarily encompass system and institutional development, cultural construction, complaint management, and response to major incidents. For each business unit, the performance evaluation indicators for consumer rights protection are categorized into three main types: consumer rights protection mechanism, and dispute resolution and reduction. Furthermore, in accordance with changes in regulatory notification standards and reporting requirements, we have adjusted the dispute resolution indicators to accurately and objectively reflect the actual situation of complaint control across all business units.

The Group has always been committed to conducting comprehensive training activities covering areas such as consumer rights protection regulations, marketing and promotion codes of conduct, and personal information protection requirements, which are available to all employees, with the aim of continuously raising the awareness of consumer rights protection among each employee. In 2024, the Group have conducted more than 80 training courses on consumer protection and 6 special exams, covering all staff in the form of "exams instead of training", with a total of more than 10,000 people participating in the training. We also organized the "2024 Consumer Rights Protection Examination" for 2,175 employees, with an attendance rate of 99% and an average score of 94.63.

The Group has been actively engaged in a wide range of financial education activities to fulfill the social responsibilities of financial institutions. The Group has been recognized as a "Demonstration Site for Anti-Fraud Publicity" by the local police station. As a corporate representative, it spoke at the "Fraud-Free World" public anti-fraud campaign. The county-level activities carried out by the Group in the suburban areas of Shanghai were selected as a "Featured Case" by the Shanghai Insurance Association. The National Financial Regulatory Administration has affirmed the Group's innovative achievements in the "3·15" campaign, where it launched the "Digital Window" to achieve broader coverage and more efficient dissemination. In September, the Group released the "2024 Consumer Rights Protection Service Report," which demonstrates the deep integration of consumer protection work and social responsibility.



Case Study: Carrying out a series of activities during "3·15 Consumer Rights Protection Education and Promotion Week"

During the "3·15 Consumer Rights Protection Education and Promotion Week", ZhongAn Insurance organized a series of innovative consumer protection education and promotion activities themed "Financial Consumer Protection by Your Side: Safeguarding Rights and Mitigating Risks", both online and offline, including educational programs on consumers' fundamental rights and awareness campaigns against financial fraud. During the event, we targeted key groups such as the elderly, children, and new citizens, organizing various cultural advancement activities themed around the "Eight Fundamental Rights of Consumers". Through demonstration and education by party members and collaboration with anti-fraud experts, we created innovative science dissemination approaches like "Live-action Role Play Game" and visited Baoxingli (known as the "First Resident's Committee in Shanghai") and Ruihongfang, bringing the warmth of insurance to the people. Meanwhile, ZhongAn's Super Showroom also hosted the "3·15 Super Service Day", conducting face-to-face education on consumers' risk awareness. Experts were invited on-site to guide consumers in establishing rational consumption concepts and correct values through various forms such as "Risk based on case", "Risk tips", and "Knowledge quizzes". The senior management of ZhongAn Insurance also gave public lectures "Senior Management Talks about Consumer Protection", gaining insights into consumers' pain points and procedural bottlenecks to drive tangible improvements in service quality.



Case Study: Carrying out a series of activities during the "7.8 National Insurance Publicity Day"

During the "7.8 National Insurance Publicity Day" in 2024, ZhongAn Insurance comprehensively launched a series of offline and online multi-channel publicity activities centered around the theme of "Insurance, Empowering Every Step Forward".

We actively organized the "Five-Sector Insurance Literacy Drive" publicity and service activities, collaborating with media outlets to enter communities to conduct publicity on insurance consumer rights protection, disaster prevention and mitigation services, and community free clinics. By establishing consultation booths in communities and utilizing methods such as distributing educational brochures, hosting live media broadcasts, and organizing prize-based engagements, we attracted residents' attention in various ways. Our certified experts conducted interactive sessions on insurance anti-fraud and telecom scams awareness within local communities, while also providing on-site healthcare consultations to address residents' medical inquiries.

Furthermore, in order to better fulfill our insurance-related social responsibilities and provide users with high-quality services, we organized a diverse activities, such as charity walks for insurance awareness, the selection of "Chief Customer Service Officer", and insurance knowledge dissemination programs, all aimed at improving insurance and financial literacy among the public.



Case Study: Selecting "Chief Customer Service Officer" to enhance service quality and efficiency

Starting from May 2024, ZhongAn launched a two-month-long "Chief Customer Service Officer" selection activity centered around the three themes of "Management Potential", "Warm Service", and "Innovative Thinking". The activity mobilized key customer service employees from various departments, attracting over 10,000 people's attention.

The candidates actively shared valuable experiences and unique insights based on their actual work cases, covering management innovation, customer experience enhancement, technological advancement, etc., injecting new vitality and inspiration into the company's innovative service development.



Focusing on customer feedback

The Group attaches importance to customer feedback. The Group has formulated measures such as the *Administrative Provisions on the Protection of Consumer Rights and Interests of ZhongAn Insurance* and the *Emergency Response Plan for Prevention and Treatment of Major Consumer Complaints and Group Complaints of ZhongAn Insurance* and has revised regulations such as the *Customer Reception Management Regulations* and the *Diversified Resolution of Contradictions and Disputes Management Regulations of ZhongAn Insurance*, to reinforce the system for standardized complaint management.

ZhongAn has established a 7-step complaint management procedure for handling complaints and realized the closed-loop management of complaints.



Complaint Management Procedure of ZhongAn Online

In 2024, based on the complaint reporting criteria of the National Financial Regulatory Administration (NFRA), ZhongAn Insurance received a total of 647 regulatory complaints, with a complaint rate of 1.94 per hundred million yuan of premiums and 0.0003 per ten thousand policies. Among the complaints transferred by the regulatory authority in 2024, when viewed by product type, short-term health insurance, surety insurance, and accident insurance accounted for approximately eighty percent of all complaints, with respective proportions of 54.9%, 17.8%, and 7.7%. In terms of issue types, disputes over claims were the most concentrated, with claim-related complaints constituting 63.2% of all complaints. Looking at the regional distribution, complaints from the top ten regions accounted for about sixty percent of all complaints, with Jiangsu at 12.2%, Shandong at 7.6%, Shanghai at 7.4%, Guangdong at 7.3%, Zhejiang at 6.3%, Hunan at 6.2%, Sichuan at 5.7%, Jiangxi at 5.1%, Hubei at 3.6%, and Liaoning at 3.2%. In 2024, ZhongAn Insurance received a total of 81,200 complaints (after excluding duplicate complaints) across all channels.

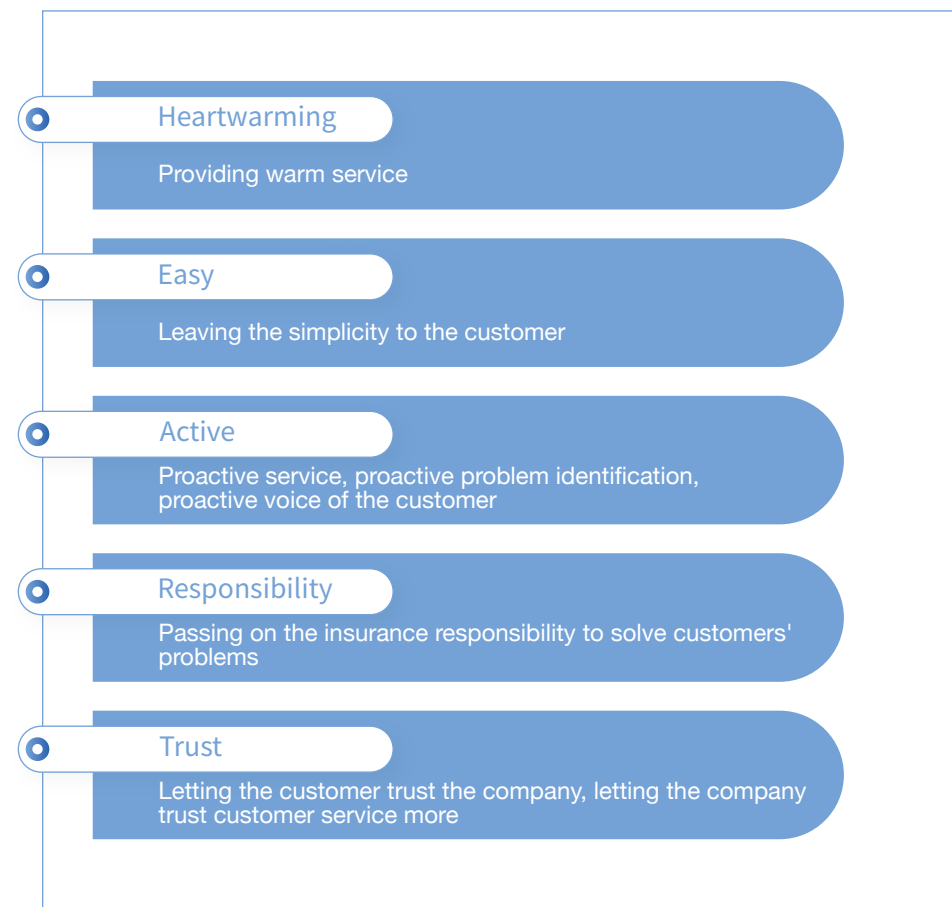


Improving customer experiences

Upholding the concept of creating "Heart" service, we are committed to providing customers with convenient and heart-warming services by enhancing the problem-solving ability and customer service experience with digitalized, intelligent and innovative methods.

We strive to refine our customer groups. We divided users into different groups such as VIPs, key customers, regular customers and high-demand users through data analysis. In 2024, based on customer stratification, we further enriched customer tags to provide differentiated services, meet the needs of diverse customer groups, and enhance customer satisfaction.

We introduced intelligent technologies to improve customer service efficiency. We developed various types of RPA robots³. For example, the work order handling robot can automatically close work orders; the picture uploading robot can automatically complete the picture records; the data collection/query robot can regularly query the data from the third-party system to perform statistics analysis, thus replacing human operators to finish repetitive mechanical tasks. We applied AIGC technology to scenarios such as online agent AI hosting, service summary automation and automatic test setting. In 2024, online agent AI hosting coverage has reached 100%, and agent capacity increased by 30%.



ZhongAn's "Heart" service concept



³ The RPA robot: Robotic Process Automation, where robots as a virtual workforce can interact with existing user systems and perform expected tasks based on predefined programs.

We are committed to developing a "Insurance + Services" system, which not only provides comprehensive risk coverage for consumers but also enhances customer experience through a variety of value-added services.

Household property insurance

We offer a range of lifestyle services including temporary rental subsidies, home appliance cleaning and maintenance, and plumbing services.

Health insurance

Taking the "ZhongAn Zun Xiang eSheng mid-to-high-end medical insurance" as an example, the 2024 version provides seven new value-added services in addition to the existing 13 services, including outpatient and inpatient companionship, domestic emergency rescue (including Hong Kong, Macao, and Taiwan), and postoperative psychological counseling.

Vehicle insurance

In 2024, we provided new services such as glass repair and charging.



Case Study: Keeping an earnest eye on the elderly group and providing warm and caring services

When purchasing insurance, middle-aged and senior people go through various troubles, such as "being incapable of the complicated operation procedure of insurance purchase" and "being confused by the complex insurance clauses". Based on their insurance consumption behaviors, we launched the "exclusive right" protection service for the elderly. To be specific, an exclusive customer service specialist is arranged for consistent services during the whole insured period. For the elderly group, three priority services of "timely response, explanation and claim settlement" are available. In addition, "full-process" warm and caring companionship is provided to assure the elderly group of a sound experience of insurance purchase and claim settlement so that they can save time and energy with fewer concerns.

We have implemented age-inclusive APP interface redesigns, launching a Senior-Optimized Mode with intuitive navigation and streamlined functionalities to bridge the digital divide for elderly users. Additionally, for common business scenarios such as claims reporting, we have provided easy-to-understand operational guidance in the form of short videos and other auxiliary materials to enhance the user experience for the middle-aged and the elderly.



Contribution to SDGs



05

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 the legitimate rights and interests of employees and encourage them to pursue self-worth while showing more love for them.

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Highlights and performance of ZhongAn Insurance's human resources management in 2024

- **81** newly recruited graduates. No incidents of child labor or forced labor have occurred.
- **11** leadership training sessions under the theme of "Seven Swords" for management have been conducted.
- **15** clubs have been established, covering various sports and fitness programs, with over **300** activities held throughout the year.

Safeguarding fundamental rights and interests

The Group abides by the laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Minors*, the *Law of the People's Republic of China on the Protection of Women's Rights and Interests* and the *Provisions on Prohibition of Using Child Labor*, and has formulated the *Regulations on Human Resources Management of ZhongAn Insurance* and the *Employee Handbook* and revised the *Employee Discipline Management System of ZhongAn Insurance*, the *Employee Code of Conduct of ZhongAn Insurance* and the *Employee Handbook of ZhongAn Insurance*. In doing so, we standardize human resources management and guarantee fundamental rights and interests including employment, paid leaves, salaries and welfare, equal opportunity and anti-discrimination to enhance employees' sense of belonging and loyalty.

Compliant Employment

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 are committed to employment equity and advocate a "harmonious, inclusive, equal, non-discriminatory and non-exploitative" workplace environment. We strongly oppose discrimination based on race, social class, nationality, religion, disability, gender, or any other factor. We prohibit the use of child labor. For this purpose, we strictly verify the authenticity of candidates' basic identity information, initiate background checks based on specific circumstances and check for risks arising from non-compete agreements, bad records and lawsuits to ensure employment legality. In case of any child labor, we will deal with it in accordance with the law. In specific, we will impose heavy penalties on the violator and require that the child be returned to his or her parents or any other guardians at the original place of residence within a specified period of time. In addition, forced labor is prohibited within the Group. During the reporting period, the Group had 2,395 full-time employees with a turnover rate of 18.84%, and no case of child labor or forced labor was found.



Case Study: Hosting campus open day events

In May 2024, we hosted two campus Open Day events, inviting students majoring in science and engineering from prestigious universities in Shanghai to visit and exchange ideas at our company headquarters. Through presentations, we brought university students closer to the insurance industry and attracted them to join ZhongAn. There were nearly 50 participants in the events. In 2024, the company recruited a total of 81 fresh graduates.



Salaries and benefits

We have formulated various compensation and performance appraisal systems such as the *Regulations on Human Resources Management of ZhongAn Insurance*, and the *Measures for the Management of Remuneration of ZhongAn Insurance*. We have established a fair and competitive compensation mechanism and scientific performance appraisal solutions to attract, retain, and motivate talents. In 2024, all employees were covered by performance evaluation.

Our salary package is determined based on the post sequence and rank. Employee compensation consists of four parts: basic salary, performance bonus, welfare income and allowances, and medium-term/long-term incentives. In addition, recognizing the importance of process incentives for our employees, we provide diverse incentives and mechanisms to energize the team.

A comprehensive welfare system covering all employees has been established. In addition to the statutory social insurance and housing provident fund, we have set up diversified and tiered welfare programs including paid annual leave, various on-the-job benefits, healthcare benefits, bonus for holidays and important occasions, educational care for employees' children and afternoon tea.

Leaves

- Annual leave
- Paid sick leave
- Marriage leave
- Bereavement leave
- Maternity/paternity-related leave

Healthcare benefits

- Commercial insurance
- Annual physical examination
- Chinese medicine
- Physiotherapy

On-the-job benefits

- Food and drink allowance
- Communication allowance
- Overtime meals
- Overtime taxi allowance

Bonus for holidays and important occasions

- Bonus for festivals
- Blessing and cash gifts for birthday, wedding, and maternity
- Condolence payment for employees on bereavement

Other featured benefits

- Education care for employee's children
- Afternoon tea
- Team building activities
- Clubs

Employee communication

We actively establish employee communication channels to ensure that employees' rights to information, participation, expression and supervision are fully exercised. We have set up a staff mailbox "We Care" (wecare@zhongan.com) to receive employee reports and feedback. If employees encounter harassment, abuse, or other issues expressly prohibited in the *Employee Handbook*, they may refuse, and if the refusal is ineffective, they can immediately give feedback to their supervisors or HRBP. If the feedback is still ineffective or the situation is serious, they can report to the Employee Rights Protection Committee in real name through "We Care". In 2024, we received no reports of violations of employee rights and interests.

We annually conduct employee satisfaction research covering 9 dimensions: organizational culture, job responsibilities and competencies, individual identity, strategic goals, team climate, systems and mechanisms, organizational structure, leadership and management practices, and motivation & incentives. In 2024, employee satisfaction was 83.7 (out of 100), basically the same as in 2023. Following the satisfaction survey, we conducted targeted survey among the management, new employees, and campus-recruited employees, identifying specific issues and continuously driving their resolution.

The Group has also established unique communication mechanisms, such as alumni associations, which have played an important role in employee performance evaluation and promotion, as well as in the building of a positive organizational atmosphere. During the reporting period, we successively held a series of employee communication activities, including the Long-serving Employee Celebration Ceremony, All-Staff Meeting, and Alumni Association for nominated employees of the "ZhongAn Role Model" program.

Long-serving Employee Celebration Ceremony

In July and November 2024, ZhongAn Insurance held two celebration ceremonies for long-serving employees, expressing gratitude and best wishes to those who have worked continuously for five and ten years, respectively. Over 200 employees participated in these events, experiencing the work ethic and methodologies of the long-serving employees.



All-staff Meetings of ZhongAn

In March and September 2024, centered around the theme of "Fighting Together in 2024", we organized two all-staff meetings, with a cumulative total of over 220 attendees in person and more than 1,700 participants online. During the meetings, the general manager shared the company's plans and progress for its five major battles in 2024, presented awards to the 2023 ZhongAn Role Model.



Alumni Association for nominated employees of the "ZhongAn Role Model" program

In 2024, we organized two alumni associations for nominated employees for the "ZhongAn Role Model" program. Through these sessions, we gained insights into the nominated employees' key work achievements, challenges, suggestions, personal growth, and changes over the past year, and provided timely assistance accordingly.



Focusing on talent development

In order to promote the career development of employees, realize self-worth, and achieve talent incentive and retention, the Group has set up two talent development channels: professional channel and management channel. The professional channel requires employees to specialize in professional technology or business areas, 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.

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.

Training for directors, supervisors and senior management

We implemented the requirements of the NFRA and urged them to complete 100 hours of online and offline training.

Professional training

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.

New employee training

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.

Management training

We launched the "Seven Swords" leadership training program to help ZhongAn management improve leadership and build an excellent leadership team for the Group.

Regulation training

The training helps employees understand regulatory trends, familiarize themselves with the latest regulatory policies, and enhance compliance awareness.



Case Study: Cultivating the excellent management team with the "Seven Swords Training"

To improve leadership of the 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 management thinking framework through the exchange of management experiences and through open, experiential teaching methods. The training program evolves around seven core competencies for managers, encompassing role cognition, team building, driving results, cultural alignment, team empowerment, performance enablement, and influential 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 2024, ZhongAn carried out one training session of "Seven Swords", covering 25 mid-level managers. We invited senior managers to share their management experiences with mid-level managers, facilitating exchanges on management insights and addressing management challenges. We have carried out 11 training sessions of "Seven Swords" in total.



Case Study: Familiarizing new employees with ZhongAn with the "Shining Stars in ZhongAn" training

"Shining Stars in ZhongAn" is a training program for new employees (including those recruited from society and campus) to help them quickly understand the businesses and culture of ZhongAn. The training was conducted in both online and offline modes. The training covers corporate strategy, businesses, ZhongAn cultures, compliance and requirements, employee development and promotion. In 2024, we carried out 8 training sessions of "Shining Stars in ZhongAn", among which there were 2 training sessions for campus-recruited employees.





Case Study: Carrying out training on AIGC to enhance the ability to utilize AI tools

To enhance employees' ability to utilize AI tools in practical work, in 2024, we launched three training sessions of "Mastering AIGC", with a total participation of 258 persons. The courses introduced the application of AI tools in office scenarios from various aspects such as data analysis, image design, and production, aiding employees in improving quality and efficiency at work.



a total participation of
258 persons



Enhancing employee health

Complying with the *Regulations on the Supervision and Administration of Occupational Health in the Workplace*, the *Regulations on Work-Related Injury Insurance* and other laws and regulations, we give priority to the health and safety of employees and take measures to create a safe workplace. From 2022 to 2024, there were no work-related fatalities in the Group. During the reporting period, the number of working days lost by the Group due to work-related injuries amounted to 1.5 days.



Case Study: Opening a "Weight Loss Boot Camp" to help employees lose weight in a healthy way

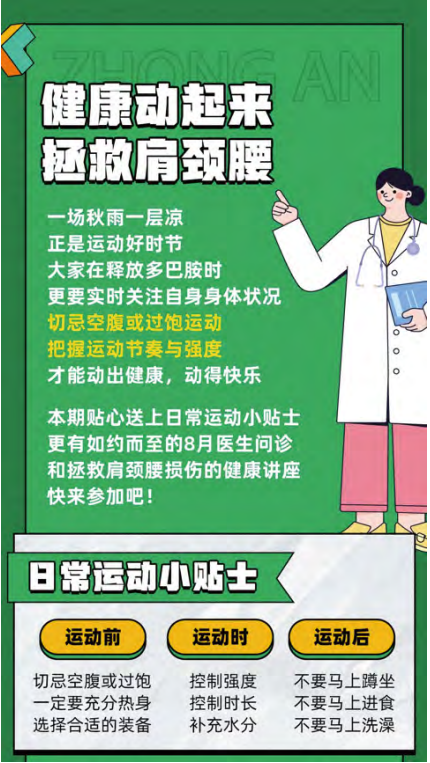
In January and July 2024, with the goal of healthy weight reduction, ZhongAn launched two sessions of "Weight Loss Boot Camp", attracting over 300 participants. Under the leadership of professional coaches, taking body fat percentage as the key indicator, the participants embarked on a journey of healthy fat reduction. We advocate that employees focus on healthy living and joyful work.





Case Study: Hosting health-themed lectures to enhance employee well-being

Starting from July 2024, ZhongAn has organized monthly on-site doctor consultations and health lectures on various themes at the workplace, offering employees easy access to medical services and health knowledge. By the end of 2024, we had successfully held a total of five lectures covering topics such as health maintenance during the Dog Days, care for shoulders, necks, and waists, children's growth and development, winter nourishment, and physical examination knowledge. These lectures addressed health issues of genuine concern to our employees.



To strengthen our ability to respond to health incidents, we annually carried out first aid awareness campaigns and professional training sessions certified by the American Heart Association (AHA). We have set up a volunteer team "ZhongAn Guardians" composed of employees with first aid certification. In October 2024, the "ZhongAn Guardian" conducted its first emergency response drill, practicing cardiopulmonary resuscitation (CPR) and trauma hemostasis in various scenarios such as company corridors and gyms. Through this drill, the team's professionalism and response efficiency was enhanced.

We also care about the mental health of our employees. The Group launched the "ZhongAn Physical and Mental Care Program" establishing a dedicated team of professional psychological counselors to address employees' mental health issues. During the reporting period, the "ZhongAn Physical and Mental Care Program" continued to help employees relax themselves and maintain a good working attitude by providing 24-hour psychological consultation hotlines, mental health related activities, etc..

We are committed to creating a warm and comfortable 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.



Employee Assistance Program (EAP)

Caring for employees

We pay close attention to the protection of the rights and interests of female employees. We grant reward points to all female employees that they can redeem for gifts on every International Women's Day. For Women's Day in 2024, we invited renowned physicians to share professional insights with our female employees on weight loss techniques and skin care, along with offering on-site consultation slots as a special benefit. For pregnant employees, if they are more than seven months pregnant, they can start work 1 hour later or finish 1 hour earlier to ensure sufficient rest. To support breast feeding employees, we provide baby care rooms. Female workers will have 1-hour breast feeding leave every day before their babies are 1 year old.



Maternal room in Hangzhou



Women's Day activities

With care for employees and their families, we work to improve their wellbeing. During the reporting period, we presented well-designed "children gifts" tailored to kids of different age groups of our employees.



Children gifts (0-5 years old)

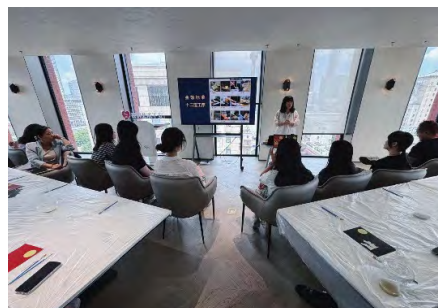


Children gifts (6-18 years old)

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 15 clubs for sports like night running, yoga, football, basketball and ping pong, and carried out more than 300 activities.



ZhongAn's First City Walk



My Artistic Afternoon Nap



ZhongAn's First Food Festival



"Moonlit Friends Gathering" on Mid-Autumn Day



Case Study: Organizing rich artistic activities to enhance employee well-being

In 2024, ZhongAn established a long-term partnership with the Rockbund Art Museum in Shanghai, providing employees with free access to art exhibitions. Concurrently, we launched monthly "Healing with the Art" workshop to enrich employees' cultural and recreational experiences. By the end of 2024, we had conducted seven "Healing with Art" workshops, including "Silkscreen Printing Workshop", "Walking with a Single Line", "Hand-Molded Ceramics", "Dopamine Silkscreen Prints", "My Body Map", "Invisible Bund Origin: Historical Influence Location Workshop", and "Healing with Knitting: An Emotional Outlet".



Contribution to SDGs



06

Giving Back to Society

We are committed to integrating public welfare practices with our business model "insurance + technology". Through efforts in environment protection, financial literacy promotion, and public welfare volunteering, we give back to the society and the public. In the past years, through the "Personal Clinic Policy: E-life", we have supported children with serious illnesses in regaining their health and tailored and donated health insurance to various vulnerable groups in society, fulfilling our corporate mission of "providing service-oriented insurance products to the market" through concrete actions.

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During the reporting period, the Group has collaborated with multiple renowned public welfare organizations, including Qiandao Lake Water Fund, Paradise Foundation, and Shanghai ADream Foundation, actively promoting the development of various social issues such as environmental protection, education, and health, and fulfilling ZhongAn Insurance's social responsibility and public welfare mission.

Highlights and performance of ZhongAn Insurance in social public welfare in 2024

- For **four consecutive years**, in collaboration with Qiandao Lake Water Fund, we have launched the "Guardians of Qiandao Lake" public welfare activities, providing personal health insurance coverage for volunteers.
- In response to Typhoon Yagi and floods in Guangdong and Guangxi, we promptly activated green channels for claims processing for affected customers, minimizing their property losses to the greatest extent possible.
- We have continued our efforts in public insurance education, enhancing consumers' risk prevention awareness.

Supporting public science education

The Group has been carrying out publicity and popularization activities on financial and insurance knowledge to enhance public awareness of insurance. Such activities guided the public to purchase insurance products rationally from the source, helping prevent and reduce sales misinformation and insurance fraud, and create a harmonious industry ecology. The Group strives to support public science education. On special occasions, such as "3.15" Consumer Rights Day and "7.8" National Insurance Publicity Day, we carried out online and offline educational and promotional activities based on the current development of the insurance industry and the needs of consumers. These activities aim to disseminate knowledge about financial consumer protection and proactively issue tips or warnings on potential risks. By doing so, we guide consumers to safeguard their rights and interests in a reasonable and effective manner, thereby strengthening their risk prevention awareness.



Case Study: Police and business join forces in the "Anti-Fraud Alliance", ZhongAn backs the "2024 Fraud-Free World" campaign

On May 31, 2024, ZhongAn partnered with the Bund Police Station of the Huangpu District Public Security Bureau and other relevant organizations to launch the "2024 Fraud-Free World" public welfare initiative, aimed at combating fraud. The campaign aligns with regulatory directives and reinforces efforts to protect financial consumers and strengthen defenses against financial risks. The Bund Police Station reenacted a case titled "Beware of Million-Yuan Medical Insurance Impersonation Scams", submitted by ZhongAn, through a series of short scenario videos. The case was further dissected and reviewed in engaging formats such as roundtable discussions and stand-up comedy performances. By leveraging these audience-friendly approaches, the event aimed to make anti-fraud knowledge more relatable and impactful, strengthening the public's ability to recognize and respond to scams effectively.





Case Study: ZhongAn partners with Lujiqiao village in Fengxian district to spread financial literacy and share the value of insurance

In late September 2024, ZhongAn partnered with the Village Committee of Lujiqiao Village in Fengxian District to organize a "Financial Education Workshop". The event aimed to educate villagers on topics such as preventing elder fraud and recognizing the risks of illegal insurance surrender schemes. This initiative sought to improve rural residents' understanding of financial products and strengthen their ability to identify and mitigate potential risks. Upon discovering the significant number of left-behind elderly residents in Lujiqiao Village, ZhongAn formed a dedicated financial education team to deliver tailored financial literacy workshops. Consumer protection experts used simple, easy-to-understand language to thoroughly explain financial concepts, ensuring the information was accessible and actionable for the villagers. The discussions covered a wide range of topics, including telecom scams, investment pitfalls, fraudulent elderly care schemes, and the eight fundamental consumer rights, all of which sparked strong interest among the villagers. ZhongAn remains committed to its mission, expanding its efforts in rural areas to protect financial security and deliver reliable, accessible, and high-quality financial services.



Water conservation

We recognize the importance of safeguarding water resources for enhancing the ecological environment. Since 2020, ZhongAn has launched a series of public welfare actions "Safeguard Qiandao Lake" with the Five Water Control Command of Chun'an County, Hangzhou City, Zhejiang Province, and Qiandao Lake Water Fund. We have conducted various public welfare activities from multiple dimensions. These activities include protecting water through technologies and education, protecting water across provinces in practice, and assisting in the sale of agricultural products. These efforts have achieved a win-win situation for both local ecological conservation and economic development.



Case Study: Launching "Safeguard Qiandao Lake" public welfare initiative again, donating insurance coverage to Xiaowudu Wetland Conservation Team

On April 29, 2024, the Spring Opening Ceremony of the Xiaowudu Wetland, a project under the Qiandao Lake Water Fund, was officially held in Qinglian Village, Weiping Town, Chun'an County, Hangzhou City, Zhejiang Province. ZhongAn's carried out "Safeguard Qiandao Lake" public welfare initiative once again with the Qiandao Lake Water Fund, presenting insurance coverage with a maximum coverage of RMB1.3 million per person to each member of the Xiaowudu Wetland Conservation Team during the opening ceremony. This donation brings additional peace of mind to the team members in their daily conservation work. The Xiaowudu Wetland Conservation Team

adopts nature-based solutions to restore wetland ecosystems, purify water quality, and improve the ecological environment of key watersheds in water source areas. The team members are primarily from local townships, serving as both residents and wetland guardians. This donation by ZhongAn not only represents continued support for water source ecological protection efforts, but also provides personal health protection for the volunteers of the conservation team.



Volunteer activities

ZhongAn strives to improve the people's wellbeing in communities. By leveraging the social security function of insurance and relying on the advantages of our products, we join forces from all sectors of society to help disadvantaged groups, achieving both economic and social benefits.



Case Study: "The Bund Cares for You, ZhongAn Safeguards You in Shanghai" campaign

Starting from August 2024, the Party Committee of Bund Street and the Party Committee of ZhongAn jointly initiated a campaign titled "Bund Cares for You, ZhongAn Safeguards You in Shanghai". Love stations were set up in public spaces such as the Nanjing East Road Love Service Center and the Bund Party-Masses Service Center. Visitors could participate in a charity step donation program at these stations, where they could receive emergency supplies such as umbrellas, fans, and sun hats. Every step donated converts into social impact credits. Delivery riders in the Bund area can redeem these credits for seasonal care packages (winter heating & summer cooling kits) or exclusive invitations to community initiatives. Together, we're transforming pedestrians, workers and visitors into active contributors to the Bund's development and storytellers spreading urban warmth. To date, nearly 6,000 care packages have been distributed through this campaign, marking a significant achievement as a new starting point for ZhongAn's deep involvement in community governance since the establishment of its Party Committee.



Case Study: "Love & Protection, Rescue Always Nearby" - public lecture on life safety education

On May 10, 2024, on the occasion of the 77th World Red Cross Day and Red Cross Humanity Week, ZhongAn, in collaboration with the guiding unit the Red Cross Society of Bund Street and the co-organizing unit the Science and Technology Volunteer Association of Huangpu District, Shanghai, among others, jointly held a public lecture on life safety education. Nearly 30 participants, including fitness enthusiasts, corporate white-collar workers, and community residents, were recruited for this event. Through theoretical knowledge popularization and vivid case sharing, participants were introduced to emergency rescue knowledge such as CPR (Cardiopulmonary Resuscitation) and AED (Automated External Defibrillator) operation methods, which were also demonstrated on-site. Additionally, knowledge about sports accident insurance was popularized, enabling everyone to better respond to unexpected risk scenarios.





Case Study: Volunteers unite, Revitalizing our community

On the afternoon of December 4, 2024, a thematic event for International Volunteer Day was held in Huangpu District, Shanghai. This event aimed to celebrate the festival of volunteers, showcase the achievements of volunteer service in Huangpu District, and inspire more citizens to engage in volunteer service to jointly create a better life. ZhongAn's volunteers also actively participated in this volunteer activity, providing diverse health services such as health consultations, blood pressure measurements, and insurance knowledge quizzes to passing citizens. They practiced the spirit of volunteer service, promoted in-depth and practical services for the people, and delivered health care from ZhongAn directly to the doorstep of citizens.



Supporting disaster relief

Insurance compensation and service support are of great significance for disaster relief. ZhongAn has developed a major emergency response plan and set up a claims green channel to ensure timely claims settlement services for affected customers as soon as possible after a disaster occurs, thereby alleviating their post-disaster burdens. Through these measures, we ensure that in the event of major disasters, we can rapidly respond and minimize economic losses afterward, contributing to the national disaster relief efforts.



Case Study: Actively responding to typhoon "Yagi" and floods in Guangdong and Guangxi

In September 2024, Typhoon "Yagi" caused disasters affecting approximately 1.227 million people across Hainan, Guangdong, and Guangxi. In response, ZhongAn promptly activated its emergency response plan for major incidents and opened green channels for claims processing for affected customers. It took six emergency claim service measures, including multiple reporting channels, emergency medical advance payments, and simplified claim procedures, ensuring that customers and their families could receive claim services as fast as possible. Additionally, during the summer of 2024, many southern regions of China experienced heavy rainfall and flooding disasters, with Guangdong, Guangxi, Fujian, among others severely affected. In the face of losses caused by severe convective weather, ZhongAn Automobile Insurance immediately activated its emergency response mechanism for major accidents, swiftly establishing an emergency response team to quickly initiate emergency rescue and claim services. Especially in Guilin, which was the most severely affected, ZhongAn Automobile Insurance opened green channels for claims processing, ensuring 7x24-hour rapid rescue and claims processing, which minimized customers' property losses and demonstrated ZhongAn's emergency response capabilities and customer care spirit during sudden disasters.



07

Opening a New Chapter in Green Development

The transition to green and low-carbon economy has become a consensus of the international community. ZhongAn adheres to green development, and practices green operations to improve green insurance service capabilities. Through a series of financial publicity and education activities, we promote public awareness of environmental protection, striving towards a sustainable future together with the society.

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Highlights and performance of ZhongAn Insurance's green operations in 2024

- Conducted a carbon inventory, with the total greenhouse gas emissions amounting to **4,773.31** tonnes CO₂e.

- Set the goal to achieve carbon neutrality for operational levels (Scope 1 and Scope 2) by the year 2030.

Response to climate change

The announcement of China's "dual carbon" goals is another important milestone in promoting high-quality national economic development. In this context, insurance plays a vital role in market-oriented carbon emission governance mechanisms. By providing innovative products and services for key areas under carbon emission governance in China, insurance can help achieve comprehensive green transition of economic and social development at lower costs. In this context, in active response to global climate governance, we analyze and assess climate-related risks and opportunities, striving to establish sustainable development strategies for carbon neutrality.

Climate Governance Structure

The Group integrates climate-related matters into its existing ESG management framework and promotes climate-related practices through a top-down approach. The Board of Directors regularly reviews climate-related policies and performance to ensure the effective implementation and oversight of climate initiatives. Under the guidance of the Board, the Strategy and Investment Decision Committee gradually formulates and refines climate-related strategic goals, and supervises and reviews the implementation of climate response actions. The ESG Working Group is responsible for executing climate-related policies and initiatives. In 2025, the Group will further enhance its governance structure, with full consideration given to climate risks and the fulfillment of green finance responsibilities.

Climate Transition Strategy

To advance the goal of achieving operational carbon neutrality by 2030 and to realize the Group's climate transition ambitions across underwriting, investment, and operations, the Group conducted a carbon inventory during the reporting period to gain a comprehensive understanding of its carbon emissions profile. Based on its business realities, the Group also identified, investigated, and analyzed climate-related risks and their materiality.

■ Identifying Climate Risks

The Group identifies, analyzes, and assesses potential climate-related risks and opportunities to lay the foundation for comprehensive climate risk management in the future.

To fully understand the potential impacts of climate change on its business, the Group considers climate-related risks across three time horizons. These timeframes are defined to reflect periods during which transition and physical climate-related risks and opportunities may reasonably emerge:

Short-term: 0-3 years

Medium-term: 3-5 years

Long-term: 5-10 years

■ Underwriting

During the reporting period, the Group conducted an in-depth analysis of the impact of climate risk factors on the categories, structures, and terms of its existing underwriting products. Through a systematic assessment, the Group identified motor vehicle insurance, cargo transportation insurance, delay insurance, and household property insurance as the major product lines most affected by climate risks. For these products, the Group will further optimize relevant terms to enhance their climate resilience and ensure more stable and reliable protection for customers in the face of extreme weather events.

Physical Risk	Category	Risk Description	Likelihood	Impact	Time Horizon
Physical Risk	Acute	Cargo Transportation Insurance: The increasing frequency of extreme weather events such as floods, heavy rainfall, and typhoons driven by climate change may lead to transportation disruptions, cargo damage, or loss, thereby increasing the frequency and amount of insurance claims.	Relatively High	Medium	Short, Medium and Long Term
		Household Property Insurance: Disasters such as typhoons, heavy rainfall, and floods may damage housing structures, home appliances, and personal belongings—for example, structural damage caused by storms, appliance damage due to lightning strikes, or increased risk of pipe bursts from cold waves and temperature fluctuations. Households in climate-sensitive regions face higher levels of risk.	Moderately low	Low	Short, Medium and Long Term
		Delay Insurance: The increasing occurrence of extreme weather events may lead to frequent delays or cancellations of transportation services such as flights, trains, and automobiles, disrupting travelers' itineraries. Severe weather conditions like heavy rainfall and typhoons may result in flight cancellations, airport closures, and road blockages. Hotels may also experience guest cancellations or property damage due to weather impacts, thereby increasing the frequency and amount of insurance claims.	Relatively High	Medium	Short, Medium and Long Term
		Motor Vehicle Insurance: Extreme climate events such as heavy rainfall, floods, and typhoons may increase in frequency and intensity, affecting the claims ratio of motor insurance. Vehicles may be damaged due to flooding, being overturned by strong winds, or being hit by debris, with repair costs rising as the severity of damage increases. A surge in claims may also complicate the claims process, adding pressure and increasing administrative costs.	Relatively High	Medium	Short, Medium and Long Term
Physical Risk	Chronic	Health Insurance: Long-term climate change factors, such as rising temperatures and the increased frequency of heatwaves, may contribute to chronic health issues including respiratory diseases, cardiovascular conditions, and waterborne illnesses. The rise in such health problems may lead to higher claim frequency and payout amounts for health insurance, particularly among high-risk groups such as the elderly and outdoor workers.	Medium	Low	Long Term
Transition Risk	Policy and Legal Risk	Increasingly stringent climate-related policies and legal requirements are putting traditional industries under growing pressure to undergo low-carbon transitions, which may in turn affect some clients of insurance institutions and transfer associated risks to the insurers. For example, new hazards may emerge during clients' low-carbon transitions, leading to a higher likelihood of insurance claims.	Low	Low	Medium to Long Term

■ Investment

The Group has prudently analyzed the composition and allocation of its investment portfolio to identify the potential impact of climate-related risks. It concluded that the overall exposure to climate risk within its investment categories is relatively low, with the most affected sectors concentrated in clean energy and end-use electrification. External research indicates that these sectors demonstrate a certain level of resilience against climate risks. Moving forward, the Group will continue to monitor long-term climate trends, further optimize its investment portfolio, and explore risk management measures to ensure the sustainability and resilience of its investments.

Physical Risk	Category	Risk Description	Likelihood	Impact	Time Horizon
Physical Risk	Acute	Extreme weather events may directly damage coastal infrastructure and energy assets or cause business interruptions leading to revenue losses. Over the long term, these risks may significantly affect the overall value of the investment portfolio, especially in the absence of adequate insurance coverage.	Moderately low	Low	Long Term
	Chronic	Long-term climate change, such as persistently high temperatures, may indirectly accelerate the aging of equipment within the investment portfolio, leading to increased operational costs. However, over the long term, such impacts are not expected to materially affect the Group's financial costs.	Low	Low	Long Term
Transition Risk	Policy and Legal Risk	Changes in environmental and carbon-related policies—both domestically and internationally—may significantly affect the valuation of investment assets in certain industries. For example, stricter emission standards and carbon limits may compel companies to increase R&D spending to comply with regulatory requirements. If companies fail to timely adjust their strategies, upgrade technologies, or optimize operations, they may face the risk of asset impairment.	Moderately low	Moderately low	Medium Term
	Technology Risk	Climate change has accelerated the demand for green technological innovation, including the application of technologies such as artificial intelligence and the Internet of Things in climate adaptation. The rapid pace of technological advancement may render existing technologies obsolete, especially under policy-driven promotion of certain innovations. If companies within the investment portfolio fail to timely adjust their technology strategies, they may face the risk of technological substitution, resulting in loss of market share and asset impairment.	Low	Low	Long Term

■ Operations

Risk Type	Category	Risk Description	Likelihood	Impact	Time Horizon	Risk Type
Physical Risk	Acute	Tropical Cyclones, Tornadoes	In recent years, operational sites in coastal cities such as Shanghai and Shenzhen have been frequently affected by typhoons (e.g., Typhoon Jongdari and Typhoon Bebinca), which may lead to restricted employee commuting and damage to the Group's buildings and other assets.	Moderate	Moderately Low	Short Term
	Acute	Flooding (Urban Waterlogging)	Operational sites in coastal cities such as Shanghai and Shenzhen may face risks of urban waterlogging due to typhoons and extreme rainfall. However, the cities' well-developed flood control infrastructure significantly mitigates the potential impact.	Relatively Low	Moderately Low	Short Term
	Acute	Extreme Precipitation	Operational sites in coastal cities such as Shanghai and Shenzhen have experienced an increase in the frequency of extreme precipitation in recent years, which may restrict employee commuting. However, thanks to the Group's online business operations, there is no interruption to operations, and the overall impact remains limited.	Moderately Low	Moderately Low	Short Term
	Chronic	Temperature Change	An increase in the number of extremely hot days may lead to employee fatigue and reduced concentration, significantly affecting work efficiency. However, as the Group primarily operates in indoor office environments, the level of impact remains low.	Moderate	Low	Medium to Long Term
	Chronic	Sea Level Rise	Rising sea levels may result in the inundation of low-lying coastal areas.	Relatively Low	Low	Medium to Long Term
Transition Risk	Policy and Legal Risk	Enhanced Emissions Reporting Obligations	Under the Hong Kong Stock Exchange's new climate regulations, Hong Kong-listed companies are required to gradually disclose greenhouse gas emissions and other climate-related information to improve transparency and consistency.	Moderate	Moderately High	Short to Medium Term
	Reputational Risk	Growing Stakeholder Expectations	ESG rating agencies and international investors are increasingly focused on climate strategies and carbon targets. Enhancing transparency and communication helps improve stakeholder satisfaction and maintain a strong reputation.	Moderately Low	Moderate	Short to Medium Term

■ Climate Opportunity Identification

The increasing frequency and severity of natural disasters caused by climate change present both challenges and new opportunities for the global insurance industry. According to research, approximately 76% of natural disaster risks worldwide remain uninsured, with a total protection gap estimated at USD 1.8 trillion. This significant gap in insurance coverage, combined with the growing public awareness of the need for insurance, represents a major opportunity for insurers. To address this gap, insurance companies must develop new solutions—such as launching innovative products and service models, reducing energy and resource costs, and expanding into new markets—to better meet emerging needs and enhance climate resilience.

Opportunities	Description	Impact	Time Horizon	Response
Products, Services, and Market Opportunities	Insurance: As society transitions toward low-carbon development, demand for insurance services related to new energy and other low-carbon industries is increasing. At the same time, insurance companies can leverage their expertise in risk management to support client companies in assessing, monitoring, and providing early warnings of climate risks, as well as offering climate risk mitigation services.	Moderate	Medium to Long Term	<ul style="list-style-type: none">· Launch a range of climate-related insurance products, such as climate insurance and catastrophe insurance, and actively innovate in low-carbon technologies, carbon markets, ecological carbon sinks, and green transportation to expand the green insurance product portfolio.· Develop disaster early-warning and emergency response platforms; offer services such as risk screening, early warning, and risk mitigation.
	Investment: Since the introduction of China's "Carbon Peak and Neutrality" goals, the green finance sector has entered a new phase of rapid development, offering significant growth potential for insurance companies in the field of green investments.	Moderate	Medium to Long Term	<ul style="list-style-type: none">· Establish a specialized green investment and financing team to stay abreast of national green finance policies and implement responsible investment strategies.· Carry out practical green investment activities and strengthen collaboration with relevant government departments and institutions to jointly promote the development of a green investment ecosystem.
Resource Efficiency and Energy Source Opportunities	Operations: Improving energy efficiency and increasing the use of clean energy are key measures to reduce greenhouse gas emissions. These actions not only support carbon reduction goals but also help lower medium- to long-term operating costs.	Relatively Low	Medium to Long Term	<ul style="list-style-type: none">· Implement energy-efficient building retrofits, promote green office practices, and encourage employees to adopt low-carbon travel to reduce energy consumption and operational costs.

Risk Management

The Group has incorporated climate change into its overall risk management framework and closely monitors the impact of natural disasters—such as typhoons and floods in recent years—on its insurance products. In response to climate-related risks, the Group adopts measures such as appropriately arranging reinsurance and enhancing scenario analysis and stress testing.

■ Underwriting

The Group is committed to becoming a responsible and sustainable insurance institution. Robust risk management and underwriting are central to the Group's insurance business, enabling it to address climate-related risks through existing processes and tools. Based on an analysis of its underwriting portfolio as of the end of the reporting period, the Group considers the overall impact of climate change risks on its key underwriting portfolios and strategies to be limited and manageable.

Property and health insurance represent the core lines of business for the Group. According to current scientific research, climate-related physical risks are expected to moderately increase⁴ the anticipated losses from key weather-related risks in the Group's underwriting portfolio over the long term (i.e., by 2050). In its insurance risk pricing process, the Group incorporates different climate change scenarios—such as 1-in-200, 1-in-50, and 1-in-30 year events—to assess premium adequacy and determine reasonable premium rates. Additionally, for certain relevant insurance products, the Group has introduced exclusions for flood disasters caused by climate change, thereby reducing the insurance risk exposure arising from climate-related events. The Group also uses catastrophe modeling tools to simulate and predict the potential impact of climate-induced flood events on motor insurance claim volumes, with the aim of mitigating such impacts as much as possible. In particular, the demand for insurance coverage may increase among certain policyholders in high-risk regions or sectors, while potentially decreasing in currently low-risk areas.

In response to the impact of physical climate risks on various insurance products—particularly those more vulnerable to climate change, such as motor and household property insurance—the Group has adjusted policy terms and reinsurance contracts by modifying deductibles and claim limits. The Group is also actively developing pricing models for new energy vehicle insurance to increase its market share and better manage climate transition risks. For products like flight delay insurance, the Group leverages data analytics and operational experience to differentiate coverage. Distinct product designs are developed for regular seasons and high-risk rainy seasons, enabling timely adjustments to ensure business continuity and product availability during flood-prone periods. Furthermore, to mitigate adverse selection risks arising during flood seasons or under successive disaster conditions—where high-risk individuals may selectively purchase coverage—the Group has implemented waiting periods in relevant insurance policies. This measure helps reduce the impact of higher claims ratios from adverse selection on the overall product performance, thereby protecting product stability and the interests of the broader customer base.

In the area of health insurance, current scientific projections suggest a slight increase⁵ in disease incidence due to more frequent and intense heatwaves, air pollution caused by wildfires, and the spread of vector-borne diseases. However, the Group considers that climate change will not have a financially material adverse impact on its health insurance portfolio in the short, medium, or long term.



⁴ Insurance and climate change - ScienceDirect. (2024). <https://www.sciencedirect.com/topics/earth-and-planetary-sciences/insurance>

⁵ Extended analysis: Assessing climate risk for the insurance. <https://www.example.com/extended-analysis>

■ Investment

The Group identifies, analyzes, and manages the impact of climate-related risks on its investment portfolio and plans to monitor the greenhouse gas emissions associated with its assets, including listed equities and sovereign investments, at an appropriate time. The Group's investments do not involve real estate, industries restricted by national regulations, or sectors not endorsed by the United Nations Principles for Responsible Investment (UNPRI). Based on an assessment of investment proportions, industry classifications, and regulatory exposure, the Group currently considers the exposure of its portfolio to transition and physical climate risks to be low. Looking ahead, the Group will continue to support national green finance policies by increasing investments in renewable energy and social infrastructure, expanding its exposure to green, social, and sustainability bonds, and focusing on long-term, patient, and sustainable assets.

■ Operations

The Group's primary operational offices are located in Shanghai, Beijing, and Shenzhen. According to relevant research, these cities are relatively stable in terms of exposure to natural disasters and other physical risks. As such, the Group considers the overall impact of physical climate risks on its operations and financial performance to be low and not financially material. Nevertheless, to address potential emergency situations, the Group has established a range of contingency management measures. These include, but are not limited to, developing detailed emergency response plans, conducting regular emergency drills, and setting up emergency response mechanisms. These measures ensure that the Group can respond swiftly and effectively in the event of unforeseen disruptions, thereby safeguarding operational continuity and stability.

Indicators and Targets

In accordance with the requirements of the Greenhouse Gas Protocol, our group has conducted an inventory of greenhouse gas emissions for the year 2024, covering all listed entities within the group. The greenhouse gas emissions are as follows:

Greenhouse Gas Emissions of ZhongAn Online in 2024

Indicators	Unit	2024
Greenhouse Gas Emissions (Scope 1) ⁶	tonnes CO ₂ e	571.10
Greenhouse Gas Emissions (Scope 2) ⁷	tonnes CO ₂ e	1,593.27
Greenhouse Gas Emissions (Scope 3) ⁸	tonnes CO ₂ e	2,608.94
Total Greenhouse Gas Emissions (Scope 1, Scope 2, and Scope 3)	tonnes CO ₂ e	4,773.31
Greenhouse Gas Emission Density	tonnes CO ₂ e/person	1.99

The Group has set a goal to achieve carbon neutrality at the operational level (Scope 1 and Scope 2) by the year 2030. We will ensure the achievement of this goal by continuously improving resource efficiency, increasing the use of clean energy, purchasing green certificates, and other methods.



⁶ Greenhouse gas emissions (Scope 1) originate from the use of gasoline, natural gas, as well as the release from fire extinguishers and refrigerants. The parameters related to the use of gasoline and natural gas come from the missing provincial values published in the "Guidelines for the Calculation and Reporting of Greenhouse Gas Emissions from Onshore Transport Enterprises (Trial)" by the National Development and Reform Commission. The parameters related to the release from fire extinguishers and refrigerants come from the 2006 IPCC National Greenhouse Gas Inventory Guidelines.

⁷ Greenhouse gas emissions (Scope 2) originate from purchased electricity, and the emission factor comes from the average CO₂ emission factor of the national power grid published in the "Announcement on the Release of 2022 Electricity Carbon Dioxide Emission Factor" by the Ministry of Ecology and Environment of the People's Republic of China.

⁸ The greenhouse gas emissions (Scope 3) for 2024 include two categories: employee commuting and business travel.

Promoting green operations

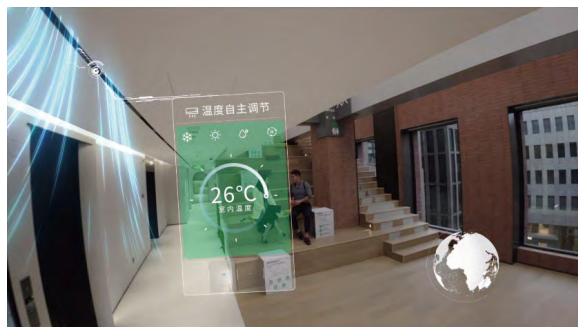
The Group strictly abides by the relevant national and regional environmental protection laws and regulations, such as the *Environmental Protection Law of the People's Republic of China*, and the *Energy Conservation Law of the People's Republic of China*, etc. By doing so, we continuously improve energy efficiency and resource utilization rate during business operations. In our daily operations, we continuously advance efforts in green office, energy conservation, and emission reduction by adopting a series of measures. These include rational disposal of waste, reduction of greenhouse gas emissions, and promotion of low-carbon initiatives, all aimed at minimizing the negative environmental impact of our business operations. In 2024, ZhongAn did not violate any environmental laws and regulations.

Energy saving

ZhongAn continued to advocate energy conservation, and integrated low-carbon operations, energy saving and emission reduction into daily operation management. From energy consumption management at workplace to reasonable planning of business travel, we promoted the low-carbon concept in daily operations to reduce energy consumption and emission during operations. The Group actively promotes a green office culture, encourages employees to adopt energy-saving and environmentally friendly work and lifestyle practices, and continually enhances their awareness and participation in energy conservation and environmental protection.



We Promote Stair Use for Health and Green Living



The Smart Office Systems Offer Numerous Functions, including Autonomous Adjustment of Office Temperature and Lighting, Smart Conference Systems, and Indoor Air Quality Monitoring



Lighting management

We have replaced traditional lighting fixtures with LED lighting systems, which not only effectively reduce energy consumption but also extend product lifespan and are free from harmful substances such as mercury. In unoccupied offices, we utilize intelligent control systems to automatically turn off lights, reducing unnecessary energy consumption after 10 PM.



Optimization of air conditioning systems

To enhance energy efficiency, we have introduced smart air conditioning systems that leverage intelligent control and timed adjustments to lower energy consumption, ensuring a comfortable working environment while minimizing energy waste.



Encouraging stair use

We have marked the calories burned on each flight of stairs, encouraging employees to use stairs more often and elevators less. This approach not only supports a green lifestyle but also contributes to maintaining healthy work habits among employees.



Smart conference systems

Our offices are equipped with smart conference systems, promoting virtual meetings and reducing additional carbon emissions and resource consumption associated with business travel. This practice embodies a more efficient and environmentally friendly meeting method.

Water resource management

ZhongAn attaches great importance to the conservation and comprehensive utilization of water resources. We continue to optimize various water saving actions and take various measure to reduce water resource consumption. In terms of equipment, we have installed water-saving sanitary wares and faucets in our offices to effectively conserve water usage. In terms of water-saving promotion, we post reminders about water conservation in various places of the office to enhance employees' awareness of water conservation. In terms of supervision, we regularly check water meter readings and promptly address issues of water pipe leaks to prevent any "wastage through leakage", thus avoiding the waste of water resources.

In 2024, The Group' s water sources came from municipal water supplies and did not involve any issues in sourcing water. As ZhongAn operates as a non-manufacturing enterprise with office-based functions, our water consumption is minimal. Consequently, we have not established specific water usage targets at this stage. We will continue to maintain efficient water resource management, and continuously improve the efficiency of water utilization in our operations to ensure sustainable water use.

Emission management

ZhongAn is committed to the principles of reducing, reusing, and safely disposing of solid waste. We rigorously categorize waste from our operations into non-hazardous and hazardous waste to ensure proper disposal. We have established a comprehensive waste categorizing and collection system in our offices to ensure effective management and disposal of all types of waste. For non-hazardous waste, we prioritize recycling and transforming it into reusable resources to minimize environmental impact. For hazardous waste, we ensure compliance with environmental regulations by arranging specialized treatment to prevent pollution. Simultaneously, the Group encourages employees to reduce waste generation in their work, further lowering the environmental burden.



Management of non-hazardous waste

In 2024, ZhongAn continued to implement various environmental protection initiatives. In employee cafeterias, we advocated for the "clean plate campaign" to reduce kitchen waste and implemented a paid takeout container system to decrease the use of disposable chopsticks and paper cups. In office printing areas, we set up waste paper recycling stations and encouraged employees to reduce the use of paper and printed materials. For promotional activities, we have shifted to digital bulletin boards, reducing reliance on traditional paper-based promotional materials and further supporting our transition to a paperless office environment. In addition, our Group's offices strictly implement waste sorting to enhance resource recovery and utilization efficiency.



Management of hazardous waste

Hazardous waste generated from the Group's production and operation activities mainly consisted of waste lamps, waste cartridge, batteries, etc. We strictly adhere to relevant environmental protection regulations and dispose of these wastes in compliance with the law, ensuring they do not contaminate the environment and minimizing their negative impacts.

Annex I: Tables of ESG KPIs

Social

Indicators	Sub-indicators	Unit	2023	2024
Employee basic information				
Total number of employees		no. of people	2,683	2,404
Employee count by employment type	Full-time employees	no. of people	2,679	2,395
	Part-time employees	no. of people	4	9
Full-time employee count by gender	Male employees	no. of people	1,571	1,390
	Female employees	no. of people	1,108	1,005
Full-time employee count by age	Over 50 years old	no. of people	8	14
	Between 30 and 50 years old	no. of people	2,090	1,919
	Under 30 years old	no. of people	581	462
Full-time employee count by employee category	Junior staff	no. of people	2,620	2,337
	Middle management ⁹	no. of people	48	47
	Senior management	no. of people	11	11
Full-time employee count by region	Mainland china	no. of people	2,677	2,393
	Employees from Hong Kong, Macau, and Taiwan	no. of people	2	2
Number of fresh graduates		no. of people	39	81
Number of minority employees		no. of people	80	73
Number of disabled employees		no. of people	17	19
Percentage of women in management ¹⁰		%	32.20	34.50

Indicators	Sub-indicators	Unit	2023	2024
Employee turnover statistics ¹¹				
Employee attrition rate		%	18.05	18.84
Employee attrition rate by gender	Male employees	%	18.01	18.90
	Female employees	%	18.10	18.76
Employee attrition rate by age	Over 50 years old	%	20.00	0.00
	Between 30 and 50 years old	%	17.70	18.10
	Under 30 years old	%	19.08	22.22
Employee attrition rate by region	Mainland china	%	18.06	18.85
	Employees from Hong Kong, Macau, and Taiwan	%	0.00	0.00
Employee training				
Percentage of trained employees by employee category	Junior staff	%	97.80	97.58
	Middle management	%	1.80	1.96
	Senior management	%	0.40	0.46
Percentage of trained employees by gender	Male employees	%	58.60	58.04
	Female employees	%	41.40	41.96
Cumulative average training hours per employee by employee category	Junior staff	Hours	11.33	10.26
	Middle management	Hours	111.46	7.29
	Senior management	Hours	111.20	150.32
Cumulative average training hours per employee by gender	Male employees	Hours	13.54	11.18
	Female employees	Hours	13.54	10.21



⁹ Middle management refers to employees with a position rank of department heads or above.

¹⁰ Percentage of female employees in middle management and above.

¹¹ The calculation of employee attrition rate only considered full-time employees, calculated as follows: Annual attrition rate for full-time employees = Number of full-time employees lost during the year / (Number of full-time employees at the end of the year + Number of full-time employees lost during the year) * 100%.

Indicators	Sub-indicators	Unit	2023	2024
Occupational health and safety				
Number of deaths due to work-related incidents		no. of people	0	0
Fatality rate due to work-related incidents		%	0.00	0.00
Number of workdays lost due to work-related injuries		Days	2.5	1.5
Supplier management				
Total number of suppliers		/	630	2,815
Number of suppliers by region	Mainland china	/	624	2,780
	Hong kong, Macau, and Taiwan	/	3	30
	Overseas	/	3	5
Supplier evaluation	Number of suppliers conducting environmental or social impact assessments	/	27	30
	Number of suppliers agreeing to improve after environmental or social impact assessment	/	8	10
	Number of suppliers certified by ISO 9001 quality management system	/	121	130
	Number of suppliers certified by ISO 14001 quality management system	/	12	30
	Number of suppliers certified by ISO 50001 quality management system	/	0	0

Indicators	Sub-indicators	Unit	2023	2024
Supplier evaluation	Number of suppliers certified by ISO 27001 quality management system	/	116	120
	Number of suppliers certified by ISO 45001 quality management system	/	5	5
Supplier termination/rejection	Number of suppliers suspended from cooperation due to non-compliance reviews	/	1	25
	Number of potential suppliers rejected due to noncompliance reviews	/	3	5
Customer service				
Customer satisfaction		%	98.82	98.27
Customer complaint resolution rate		%	100.00	100.00
Research and innovation				
Annual intellectual property applications		Cases	45	98
- Patents		Cases	17	15
- Software copyrights		Cases	10	17
- Trademarks		Cases	8	64
- Other (copyrights)		Cases	10	2

Governance

Indicators	Sub-indicators	Unit	2023	2024
Annual intellectual property licenses		Cases	66	72
- Patents		Cases	30	17
- Software copyrights		Cases	13	18
- Trademarks		Cases	13	35
- Other (copyrights)		Cases	10	2
Total granted intellectual property rights ¹²		Cases	1,501	1,169
- Patents		Cases	199	103
- Software copyrights		Cases	193	54
- Trademarks		Cases	1,076	974
- Other (copyrights)		Cases	33	38
Public welfare charity/community engagement				
Amount of external donations		RMB	1,205,874	500,000
Number of employee volunteers		no. of people	173	124
Number of volunteer activity participants		no. of people	153	136
Total duration of volunteer activities		Hours	314	449

Indicators	Sub-indicators	Unit	2023	2024
Anti-corruption				
Number of bribery litigation cases filed against zhongan or employees during the reporting period and already adjudicated		Cases	0	0
Annual audit discovery problem rectification rate		%	0.00	0.00
Annual petition reception problem verification rate		%	0.00	0.00
Director anti-corruption training	Number of anti-corruption-related training sessions conducted	Times	1	1
	Coverage rate of director anti-corruption-related training	%	100.00	100.00
	Average duration of director anti-corruption-related training per person	Hours	3.50	4.00
Employee anti-corruption training	Number of anti-corruption-related training sessions conducted	Times	8	11
	Coverage rate of employee anti-corruption-related training	%	100.00	100.00
	Average duration of employee anti-corruption-related training per person	Hours	1.03	1.16



¹² The reason for the decrease in the total number of authorized intellectual property rights of the Group in 2024 compared to 2023 is due to the fact that some intellectual property rights were contributed as equity investments.

Environmental¹³

Indicators	Sub-indicators	Unit	2023	2024
Ghg emissions				
Greenhouse gas emissions (scope 1) ¹⁴		tonnes CO ₂ e	57.61	571.10
Greenhouse gas emissions (scope 2) ¹⁵		tonnes CO ₂ e	279.02	1,593.27
Greenhouse gas emissions (scope 3) ¹⁶		tonnes CO ₂ e	30.72	2,608.94
Total emission of greenhouse gases		tonnes CO ₂ e	367.35	4,773.31
GHG emission density		tonnes CO ₂ e/employee	0.10	1.99
Energy consumption				
Total energy consumption		MWh	759.39	4,313.87
Energy consumption density		kWh/employee	202.65	1,794.46
Direct energy consumption		MWh	270.14	1,344.67
Natural gas usage		m ³	13,128.75	113,561.00
Gasoline usage		L	6,672.75	12,826.82
Indirect energy consumption		MWh	489.25	2,969.20
Purchased electricity		kWh	489,250.00	2,969,202.55
Water resource consumption				
Total water consumption		m ³	15,169.44	23,219.23
Water consumption intensity		m ³ /employee	4.05	9.69

Indicators	Sub-indicators	Unit	2023	2024
Management of wastes				
Non-hazardous waste		Tonnes	126.00	1.26
Non-hazardous waste intensity		Tonnes/employee	0.03	0.0005
Hazardous waste ¹⁷		kg	71.87	1
Hazardous waste intensity		kg/employee	0.02	0.0004
Paper consumption		kg	6,400.00	4,863.14
Paper consumption intensity		kg/employee	1.71	2.03



¹³ In 2024, we conducted an inventory of greenhouse gas emissions, covering all listed entities of our group. The statistical scope in 2023 was the Shanghai office location of ZhongAn Insurance. Therefore, various indicators have increased compared to those in 2023.

¹⁴ Greenhouse gas emissions (Scope 1) originate from the use of gasoline, natural gas, as well as the release from fire extinguishers and refrigerants. The parameters related to the use of gasoline and natural gas come from the missing provincial values published in the "Guidelines for the Calculation and Reporting of Greenhouse Gas Emissions from Onshore Transport Enterprises (Trial)" by the National Development and Reform Commission. The parameters related to the release from fire extinguishers and refrigerants come from the 2006 IPCC National Greenhouse Gas Inventory Guidelines.

¹⁵ Greenhouse gas emissions (Scope 2) originate from purchased electricity, and the emission factor comes from the average CO₂ emission factor of the national power grid published in the "Announcement on the Release of 2022 Electricity Carbon Dioxide Emission Factor" by the Ministry of Ecology and Environment of the People's Republic of China.

¹⁶ The greenhouse gas emissions (Scope 3) for 2024 include two categories: employee commuting and business travel, while for 2023, the emissions were from carbon emissions generated by waste paper.

¹⁷ Hazardous waste mainly included used toner cartridges and ink cartridges.

Annex II: Hong Kong Stock Exchange ESG Reporting Code Index

ESG indicator		Related sections
A1 Emissions		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	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 target(s) set and steps taken to achieve them.	Opening a new chapter in green development - promoting green operations
A2 Use of resources		
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	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	Water consumption in total 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.	Not applicable
A3 The environment and natural resources		
General disclosure	Policies on mitigation of the significant impact of listed companies on the environment and natural resources	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

ESG indicator		Related sections
A4 Climate change		
General disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact the issuer	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
B1 Employment		
General disclosure	Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare (a) the policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer	Fostering an employee-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
B2 Health and safety		
General disclosure	Relating to providing a safe working environment and protecting employees from occupational hazards: (a) the policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer	Fostering an employee-first workplace - enhancing employee health
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-related injury	Tables of ESG KPIs
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Fostering an employee-first workplace - enhancing employee health
B3 Development and training		
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Description of training activities.	Fostering an employee-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
B4 Labour standards		
General disclosure	Relating to preventing child and forced labor: (a) the policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer	Fostering an employee-first workplace - safeguarding fundamental rights and interests
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Fostering an employee-first workplace - safeguarding fundamental rights and interests
B4.2	Description of steps taken to eliminate such practices when discovered.	Fostering an employee-first workplace - safeguarding fundamental rights and interests

ESG indicator		Related sections
B5 Supply chain management		
General disclosure	Policies on managing environmental and social risks of the supply chain.	Revitalizing governance - reinforcing procurement management
B5.1	Number of Suppliers (by region)	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
B6 Product responsibility		
General disclosure	Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress (a) the policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer	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	Not applicable
B6.2	Number of products and service 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.	Not applicable
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Revitalizing governance - preventing information leakage
B7 Anti-corruption		
General disclosure	Relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer	Revitalizing governance - abiding by business ethics, anti-money laundering and anti-fraud
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 - abiding by business ethics
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Revitalizing governance - abiding by business ethics
B7.3	Description of anti-corruption training provided to directors and staff.	Tables of ESG KPIs
B8 Community Investment		
General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	Giving back to society
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor 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

Annex III: GRI Standards Table

Instructions for use	ZhongAn Online is complying with the GRI standards for the preparation of this report for the period 1 January 2024 to 31 December 2024.
GRI 1 used	GRI 1: Foundation 2021

Topic disclosures		Related sections
General disclosure		
GRI 2: general disclosure 2021	2-1 Organizational details	About ZhongAn Online
	2-2 Entities included in the organization’ s sustainability reporting	About this report
	2-3 Reporting period, frequency and contact point	About this report
	2-4 Restatements of information	About this report
	2-5 External assurance	Not applicable
	2-6 Activities, value chain and other business relationships	Company overview Supplying high-quality service Reinforcing procurement management
	2-7 Employees	Safeguarding fundamental rights and interests Tables of ESG KPIs
	2-8 Workers who are not employees	Reinforcing procurement management
	2-9 Governance structure and composition	Governance structure
	2-10 Nomination and selection of the highest governance body	Detailed information can be found in the Group's Annual Report 2024.
	2-11 Chair of the highest governance body	Detailed information can be found in the Group's Annual Report 2024.
	2-12 Role of the highest governance body in overseeing the management of impacts	Detailed information can be found in the Group's Annual Report 2024.
	2-13 Delegation of responsibility for managing impacts	Detailed information can be found in the Group's Annual Report 2024.
	2-14 Role of the highest governance body in sustainability reporting	ESG governance structure

Topic disclosures		Related sections
GRI 2: general disclosure 2021	2-15 Conflicts of interest	Adhering to Business Ethics
	2-16 Communication of critical concerns	Participation by Stakeholders
	2-17 Collective knowledge of the highest governance body	ESG strategy
	2-18 Evaluation of the performance of the highest governance body	ESG strategy
	2-19 Remuneration policies	Safeguarding fundamental rights and interests
	2-20 Process to determine remuneration	Safeguarding fundamental rights and interests
	2-21 Annual total compensation ratio	Due to the requirements of information confidentiality, it is not disclosed.
	2-22 Statement on sustainable development strategy	ESG strategy
	2-23 Policy commitments	Safeguarding fundamental rights and interests
	2-24 Embedding policy commitments	Enhancing internal control of compliance Reinforcing procurement management
	2-25 Processes to remediate negative impacts	Adhering to Business Ethics Supplying High-Quality Service
	2-26 Mechanisms for seeking advice and raising concerns	Participation by Stakeholders Safeguarding fundamental rights and interests
	2-27 Complying with laws and regulations	Seeing the sections of the report for details
	2-28 Membership associations	Protecting intellectual property
	2-29 Approach to stakeholder engagement	Participation by Stakeholders
	2-30 Collective bargaining agreements	The Group will gradually improve the relevant management measures.
Material topics		
GRI 3: material topics 2021	3-1 Process to determine material topics	Materiality assessment
	3-2 List of material topics	Materiality assessment
	3-3 Management of Material Topics	Materiality assessment

Topic disclosures		Related sections
Economic performance		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Detailed information can be found in the Group's Annual Report 2024.
	201-2 Financial implications and other risks and opportunities due to climate change	Response to Climate Change
	201-3 Defined benefit plan obligations and other retirement plans	Safeguarding fundamental rights and interests
	201-4 Financial assistance received from government	Detailed information can be found in the Group's Annual Report 2024.
Market presence		
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Due to the requirements of information confidentiality, it is not disclosed.
	202-2 Proportion of senior management hired from the local community	Due to the requirements of information confidentiality, it is not disclosed.
Indirect economic impacts		
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	Giving back to society
	203-2 Significant indirect economic impacts	Giving back to society
Procurement practices		
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	Due to the requirements of information confidentiality, it is not disclosed.
Anti-corruption		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Adhering to Business Ethics
	205-2 Communication and training about anti-corruption policies and procedures	Adhering to Business Ethics
	205-3 Confirmed incidents of corruption and actions taken	Adhering to Business Ethics Tables of ESG KPIs
Anti-competitive behavior		
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No relevant legal proceedings occurred in the Group.
GRI 207: Tax 2019	207-1 Approach to tax	Detailed information can be found in the Group's Annual Report 2024.
	207-2 Tax governance, control, and risk management	Detailed information can be found in the Group's Annual Report 2024.
	207-3 Stakeholder engagement and management of concerns related to tax	Detailed information can be found in the Group's Annual Report 2024.
	207-4 Country-by-country reporting	Detailed information can be found in the Group's Annual Report 2024.

Topic disclosures		Related sections
Materials		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not Applicable
	301-2 Recycled input materials used	Not Applicable
	301-3 Reclaimed products and their packaging materials	Not Applicable
Energy		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Tables of ESG KPIs
	302-2 Energy consumption outside of the organization	The Group did not carry out relevant statistics.
	302-3 Energy intensity	Tables of ESG KPIs
	302-4 Reduction of energy consumption	Promoting green operations
	302-5 Reductions in energy requirements of products and services	Promoting green operations
Water and Effluents		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	Promoting green operations
	303-2 Management of water discharge-related impacts	Promoting green operations
	303-3 Water withdrawal	Tables of ESG KPIs
	303-4 Water discharge	Tables of ESG KPIs
	303-5 Water consumption	Tables of ESG KPIs
Biodiversity		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
	304-2 Significant impacts of activities, products, and services on biodiversity	Not applicable
	304-3 Habitats protected or restored	Not applicable
	304-4 IUCN Red List species and national conservation list Species with habitats in areas affected by operations	Not applicable

Topic disclosures		Related sections
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Tables of ESG KPIs
	305-2 Energy indirect (Scope 2) GHG emissions	Tables of ESG KPIs
	305-3 Energy indirect (Scope 3) GHG emissions	Tables of ESG KPIs
	305-4 Greenhouse Gas Emission Intensity	Tables of ESG KPIs
	305-5 Greenhouse Gas Emission Reduction	Tables of ESG KPIs
	305-6 Emissions of ozone-depleting substances (ODS)	Not Applicable
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Tables of ESG KPIs
Waste		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Promoting green operations
	306-2 Management of significant waste-related impacts	Promoting green operations
	306-3 Waste generated	Tables of ESG KPIs
	306-4 Waste diverted from disposal	Tables of ESG KPIs
	306-5 Waste directed to disposal	Tables of ESG KPIs
Supplier environmental assessment		
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	Reinforcing procurement management
	308-2 Negative environmental impacts in the supply chain and action taken	Reinforcing procurement management
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Tables of ESG KPIs
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Safeguarding fundamental rights and interests
	401-3 Parental leave	Strengthening Employee Care

Topic disclosures		Related sections
Labor/Management relations		
GRI 402: Labor/management relations 2016	402-1 Minimum notice periods regarding operational changes	The Group had no significant operational changes.
Occupational health and safety		
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	Not Applicable
	403-2 Hazard identification, risk assessment, and incident investigation	Not Applicable
	403-3 Occupational health services	Enhancing employee health
	403-4 Worker participation, consultation, and communication on occupational health and safety	Enhancing employee health
	403-5 Worker training on occupational health and safety	Enhancing employee health
	403-6 Promotion of worker health	Enhancing employee health
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Enhancing employee health
	403-8 Workers covered by an occupational health and safety management system	Not Applicable
	403-9 Work-related injuries	Tables of ESG KPIs
	403-10 Work-related ill health	Tables of ESG KPIs
Training and education		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	Tables of ESG KPIs
	404-2 Programs for upgrading employee skills and transition assistance programs	Focusing on talent development
	404-3 Percentage of employees receiving regular performance and career development reviews	Safeguarding fundamental rights and interests
Diversity and equal opportunity		
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	Governance structure Safeguarding fundamental rights and interests Tables of ESG KPIs
	405-2 Ratio of basic salary and remuneration of women to men	Due to the requirements of information confidentiality, it is not disclosed.

Topic disclosures		Related sections
Non-discrimination		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Safeguarding fundamental rights and interests
Freedom of association and collective bargaining		
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The Group will gradually improve the relevant management measures.
Child labor		
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Safeguarding fundamental rights and interests Reinforcing procurement management
Forced or compulsory labor		
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Safeguarding fundamental rights and interests Reinforcing procurement management
Security practices		
GRI 410: Security practices 2016	410-1 Security personnel trained in human rights policies or procedures	The Group will gradually incorporate this into ESG management in the future.
Rights of indigenous peoples		
GRI 411: Rights of indigenous peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	The Group's core businesses are less relevant or of less importance to this topic.
Local communities		
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Giving back to society
	413-2 Operations with significant actual and potential negative impacts on local communities	The Group has not identified any operations with significant actual and potential negative impacts on local communities.
Supplier social assessment		
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	Reinforcing procurement management
	414-2 Negative social impacts in the supply chain and actions taken	Reinforcing procurement management

Topic disclosures		Related sections
Public policy		
GRI 415: Public policy 2016	415-1 Political contributions	The Group's core businesses are less relevant or of less importance to this topic.
Customer health and safety		
GRI 416: Customer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Not applicable
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable
Marketing and labeling		
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	Supplying high-quality service
	417-2 Incidents of non-compliance concerning product and service information and labeling	Supplying high-quality service
	417-3 Incidents of non-compliance concerning marketing communications	Supplying high-quality service
Customer privacy		
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Preventing information leakage
GRI 419: Socioeconomic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	The Group did not violate laws and regulations in the social and economic fields.

Reader feedback form

Dear Reader,

Thank you very much for taking time out of your busy schedule to read this report. In order to further improve the ESG management and practice of ZhongAn Online, we value and look forward to listening to your comments and suggestions.

Please tick "√" in the appropriate position.

1.Which of the following stakeholders do you belong to?

☐ Government ☐ Shareholders and investors ☐ Customers ☐ Community public

☐ Business partners ☐ Media ☐ Employees ☐ Others

2.What is your overall comment on this report?

☐ Very good ☐ Good ☐ General ☐ Relatively ☐ Poor

3.How do you think this report performs in terms of the authenticity, accuracy and effectiveness of information and data disclosure?

☐ Very good ☐ Good ☐ General ☐ Relatively ☐ Poor

4.How do you think this report performs in reflecting the comprehensiveness of ZhongAn Online's sustainability efforts?

☐ Very good ☐ Good ☐ General ☐ Relatively ☐ Poor

5.What do you think of the structure of this report?

☐ Very good ☐ Good ☐ General ☐ Relatively ☐ Poor

6.Do you think the description, content arrangement and layout of this report are easy to read?

☐ Yes ☐ No

7.Do you have any comments and suggestions on ZhongAn Online's sustainability work and this report?

You can reach us by phone or email:

Telephone: 1010-9955

Email: dongshihui@zhongan.com

