阳光保险 SUNSHINE INSURANCE | 6963.HK

Sharing the sunshine to win the future together

2025 | Sustainability Report



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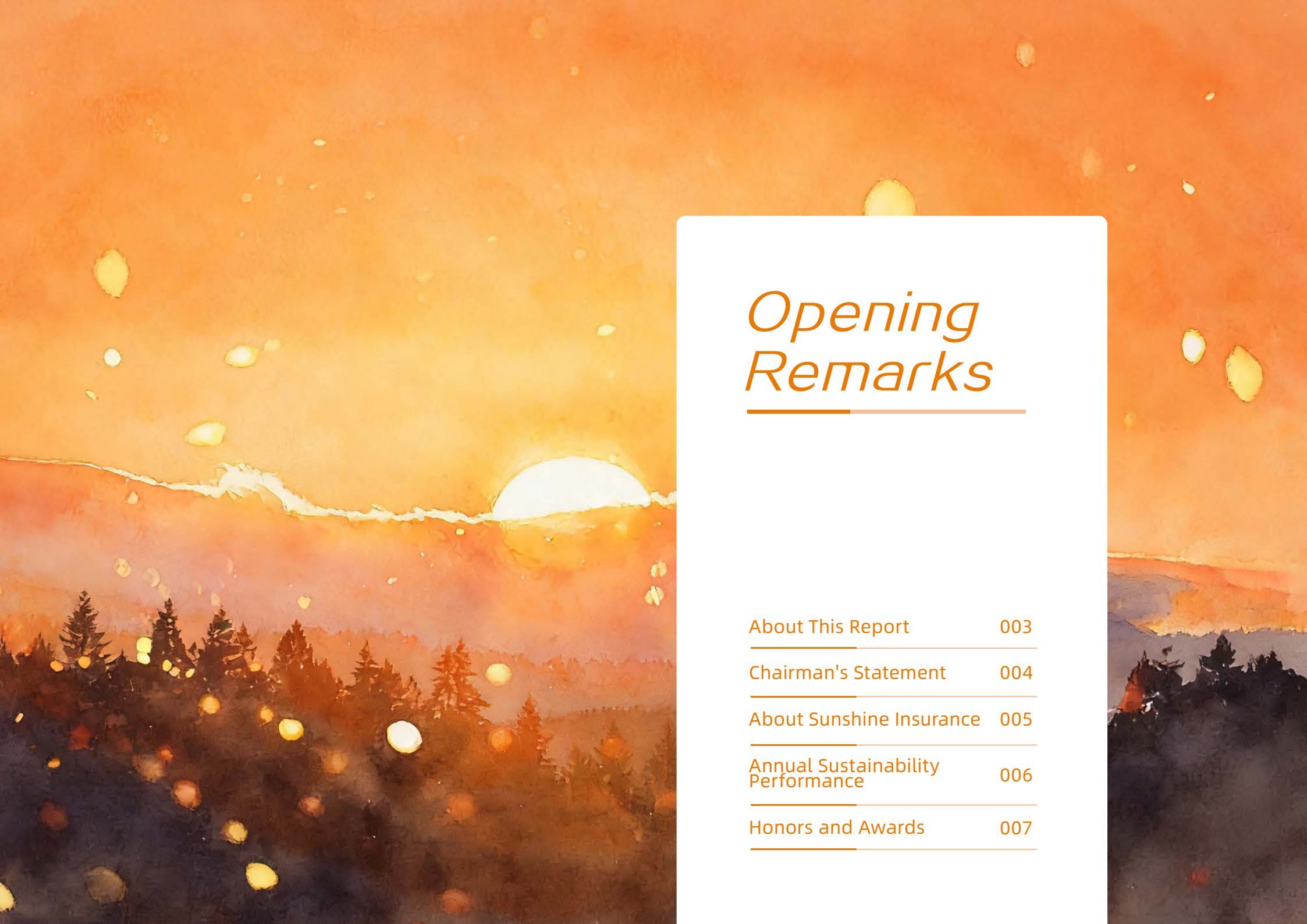
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About This Report

To better respond to stakeholders' expectations, Sunshine Insurance Group Company Limited released its *2025 Sustainability Report*. This Report presents our key practices and achievements in sustainable development.

Reporting Scope

Organizational Scope: Sunshine Insurance Group Company Limited and its major subsidiaries.

Reporting Period: From January 1, 2025 to December 31, 2025.

Reporting Cycle: This is an annual report.

Basis of Preparation

This report is prepared in accordance with the Hong Kong Stock Exchange's *Environmental, Social and Governance Reporting Code* (hereinafter referred to as the "ESG Reporting Code"), with reference to the United Nations Sustainable Development Goals (SDGs).

Data Statement

Financial data presented in this Report are sourced from Sunshine Insurance's *2025 Annual Report*, while other data are derived from the Group's and its subsidiaries' systems or manual submission. Unless otherwise specified, all monetary amounts in this Report are denominated in RMB.

Language Versions

This Report is prepared in Simplified Chinese, with Traditional Chinese and English versions available. In case of any discrepancies, the Simplified Chinese version shall prevail.

Reporting Principles

Materiality: In accordance with the Hong Kong Stock Exchange's ESG Reporting Code, this Report has conducted stakeholder engagement and materiality assessment, and defined the content and scope of the Report based on the results.

Quantitative: The Report applies a quantitative approach to relevant KPIs, with reference to applicable standards and management practices. Measurements, methods, assumptions and/or calculation tools, as well as sources of conversion factors used (where applicable) are explained in the relevant sections.

Balance: The Report objectively discloses both positive and negative information to ensure an unbiased presentation of the Group's ESG performance during the reporting period.

Consistency: Unless otherwise stated, the scope and statistical methods of disclosure in this Report are consistent with those used in previous sustainability reports.

Access to the Report

The electronic version of this Report is available for viewing and download on Sunshine Insurance's official website (www.sinosig.com), and is also published on the Hong Kong Stock Exchange website (www.hkex.com.hk).

Definitions

"Sunshine Insurance", "Sunshine", or "we" refers to "Sunshine Insurance Group Company Limited".

"Sunshine P&C" or "P&C" refers to "Sunshine Property and Casualty Insurance Company Limited".

"Sunshine Life" or "Life" refers to "Sunshine Life Insurance Corporation Limited".

"Sunshine AMC" refers to "Sunshine Asset Management Corporation Limited".

"Sunshine Surety" refers to "Sunshine Surety Insurance Company Limited".

"Sunshine DIG & AI TECH" refers to "Sunshine Digital Intelligence Technology Co., Ltd".

Third-Party Assurance Report

To ensure the accuracy and reliability of this Report, PricewaterhouseCoopers was engaged to perform a limited assurance on the selected key data disclosed in this Report in accordance with the *International Standard on Assurance Engagements 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and *International Standard on Assurance Engagements 3410: Assurance Engagements on Greenhouse Gas Statements*, and to issue a third-party assurance report.

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Chairman's Statement

In 2025, Sunshine Insurance marks the important milestone of its 20th anniversary. Over the past two decades, we have weathered challenges while remaining steadfast in our original aspiration. Looking back, we have consistently upheld our founding mission of "serving society and safeguarding people's livelihoods", remained committed to the pursuit of strengthening the nation through finance, and integrated our corporate development into the broader journey of advancing national strength and rejuvenation through Chinese modernization. In 2025, we remained focused on Effectively Conducting the Work of the Five Major Areas of Finance , taking concrete actions to serve overall development, fulfill social responsibilities, and enhance public well-being, while working hand in hand with stakeholders–including shareholders, customers, and employees–to promote high-quality development and contribute to building a strong financial sector.



Founder and Chairman of Sunshine Insurance Group

Finance for the People, Creating Value through Expertise

During the year, we thoroughly implemented the CPC Central Committee's decisions and arrangements on financial work, advancing the Five Major Areas of Finance at the forefront of serving the real economy. Technology finance supported breakthroughs in innovation by providing RMB46.9 billion in risk protection for tech enterprises. Green finance facilitated the low-carbon transition, delivering nearly RMB15 trillion in green insurance coverage to nurture sustainable development. Inclusive finance strengthened the safety net, offering RMB147.5 billion in risk protection for "Agriculture, Rural Areas and Farmers", and nearly RMB15 trillion for micro and small enterprises. Pension finance responded to the needs of an aging population by continuously enriching product offerings such as individual pensions and critical illness coverage, while promoting a multi-tiered elderly care service network spanning institutional, community, and home-based care. In particular, we launched 12 "Better Life" series products tailored to senior customers, achieving innovations in product design, eligibility age, benefit receipt options, and supporting services, forming a distinctive Sunshine brand proposition for the silver economy. Digital finance reshaped service experience through the dual engines of "robotics engineering" and "data engineering", leveraging data intelligence to enhance customer experience and satisfaction, making every interaction simpler and warmer.

Advancing Toward Green, Safeguarding the Future through Action

During the year, we closely aligned with the "dual carbon" strategy and embedded green development principles into the fabric of our operations and management. Focusing on three key areas–green ecosystems, green industries, and green lifestyles–we continued to enhance a distinctive green insurance product system, providing more comprehensive risk protection to support enterprises in their low-carbon transition. We further deepened our sustainable investment framework, guiding capital toward green development and transition areas. As of the end of 2025, our sustainable investment balance exceeded RMB66 billion, with green investment surpassing RMB23 billion. At the same time, we advanced the development of a full-chain green and low-carbon operational system, leveraging digitalization to improve energy efficiency and promote conservation, while advocating green office practices to foster low-carbon lifestyles. By integrating ecological responsibility into our daily operations, we contribute Sunshine's strength to building a Beautiful China where humanity and nature coexist in harmony.

Acting for Good, Delivering Warmth with Responsibility

During the year, we remained firmly committed to the people-centered nature of financial services, upholding our sense of responsibility and delivering Sunshine's warmth. We continued to deepen our engagement in inclusive programs such as critical illness insurance and Huimin Insurance, providing nearly RMB14.8 trillion in risk protection. We steadily advanced industrial and consumption-based assistance, supporting the improvement and efficiency of local specialty industries in regions including Henan, Inner Mongolia, and Jilin, and helping broaden income channels for farmers. We also carried out ongoing initiatives in education support, elderly care, and poverty alleviation, mobilizing over 10 thousand volunteer participations and contributing more than 25 thousand hours of volunteer service. We measure our responsibility through concrete actions. Through the "Ten Thousand Village Doctors Capacity Enhancement Program", we have strengthened the foundation of rural healthcare, with over 24,000 training participations of village doctors to date. As of the end of 2025, we had supported the construction of 78 Bo'ai Schools across 25 provinces nationwide. We also extend sincere care to our employees and their families, having distributed RMB680 million in parental support subsidies, benefiting more than 70,000 employees' parents.

Disciplined Execution, Building Long-term Resilience with Prudence

During the year, we upheld a long-term approach, embedding sustainable development principles into our operations and throughout our management processes. By continuously improving a governance structure with clear accountabilities and effective checks and balances, we translated ESG principles from strategic priorities into day-to-day operations, making responsible business practices, inclusive development, and sustainable value creation a shared commitment across Sunshine. We consistently regard compliant operations as a non-negotiable baseline and risk management as the lifeline of our development, pursuing innovation with prudence and progress with stability. By deepening the cultivation of an integrity-driven culture, we foster a clean and upright ecosystem and strengthen the foundation for long-term, sustainable growth through enhanced governance.

Over twenty years, our original aspiration has remained steadfast as a rock; looking ahead, we move forward with renewed purpose. Two decades may be but a fleeting moment in the long course of history, yet for Sunshine they represent a journey of growth–from taking root to flourishing. Standing at a new starting point, we will continue to be guided by sustainable development, remain true to our mission of serving the people through insurance, and foster a deep sense of responsibility to our country and society. Together with our shareholders, customers, employees, and all sectors of society, we will move forward hand in hand toward a greener, more inclusive, and more prosperous future.

About Sunshine Insurance

Sunshine Insurance Group Company Limited ("Sunshine Insurance" or the "Group") is a private insurance service group established and developed in China in accordance with the market-oriented mechanism. In July 2005, Sunshine Property and Casualty Insurance Company Limited was established, and in June 2007, the Group was founded. After years of development, the Group now comprises a number of specialized subsidiaries, including Sunshine P&C, Sunshine Life, Sunshine Surety, Sunshine AMC, Sunshine Union Hospital, and Sunshine DIG & AI TECH, among others. On December 9, 2022, Sunshine Insurance was listed on the Hong Kong Stock Exchange.

Since its establishment, Sunshine Insurance has remained focused on its core business, approached financial services with an industrial mindset, and pursued value-driven development. The Group has steadily built its core competitiveness and responsibly fulfilled its social responsibilities. Through high-quality development, professional management, and excellent service, it established a strong reputation and brand, ranking among the Top 500 Chinese Enterprises and Top 100 Chinese Service Enterprises just five years after its founding. It has been included in the Top 500 Chinese Enterprises for 15 consecutive years and recognized as one of China's 500 Most Valuable Brands for 14 consecutive years, emerging as a dynamic force in China's financial sector.

Sunshine Insurance adheres to the core value of "all for customers" and takes "to be a professional and leading family insurance protection service provider and a trustworthy enterprise risk management partner" as the business pursuit to provide clients with professional risk protection and comprehensive solutions covering retirement, health, education, wealth management, and risk management throughout the entire life cycle. Adhering to the core values of "obeying the national strategy, benefiting the society and people's livelihood, warming customers and employees, and rewarding the shareholders of the Group", we have always been a distinctive, valuable, caring, and socially responsible enterprise in the new era, putting into practice the corporate mission of "bring more sunshine to people".

Within just five years of the establishment,ranking among

- The Top 500 Chinese Enterprises
- Top 100 Chinese Service Enterprises

For 15 consecutive years, selected as one of

- The Top 500 Chinese Enterprises

For 14 consecutive years, recognized as one of

- China's 500 Most Valuable Brands



Annual Sustainability Performance

Business-related

Sustainable insurance coverage over RMB **113** trillion

Sustainable investment balance over RMB **66** billion

Served small and micro enterprises nearly **11.45** million

Provided risk coverage nearly RMB **15** trillion

"Belt and Road" coverage a total of **641** projects

Insurance coverage RMB **130.3** billion

Environmental

GHG emissions per unit area **0.03547** tCO_2e/m^2

down **16%** year-on-year

Conducting carbon emissions inventories of the investment portfolio, with carbon emissions of the investment portfolio totaling **12.36** million tCO_2e and **100%** coverage of the equity and bond assets in the Group's investment portfolio, achieving a high PCAF data quality rating

Provided green insurance coverage nearly RMB **15** trillion

Green investment balance exceeding RMB **23** billion

Social

Total number of employees **45,748**

of which 57.91% are female

Employee satisfaction survey score **8.88** (on a 10-point scale)

satisfaction continues to improve

Resolution rate for customer complaints **100%**

Volunteer service **10,673** person-times

Total volunteer service time **25,931** hours

Governance

The anti-money laundering training courses covered **133,092** person-times with full coverage of positions at all levels for many consecutive years

Anti-corruption training exceeding **56** thousand attendances

Female directors **2** accounting for 15%

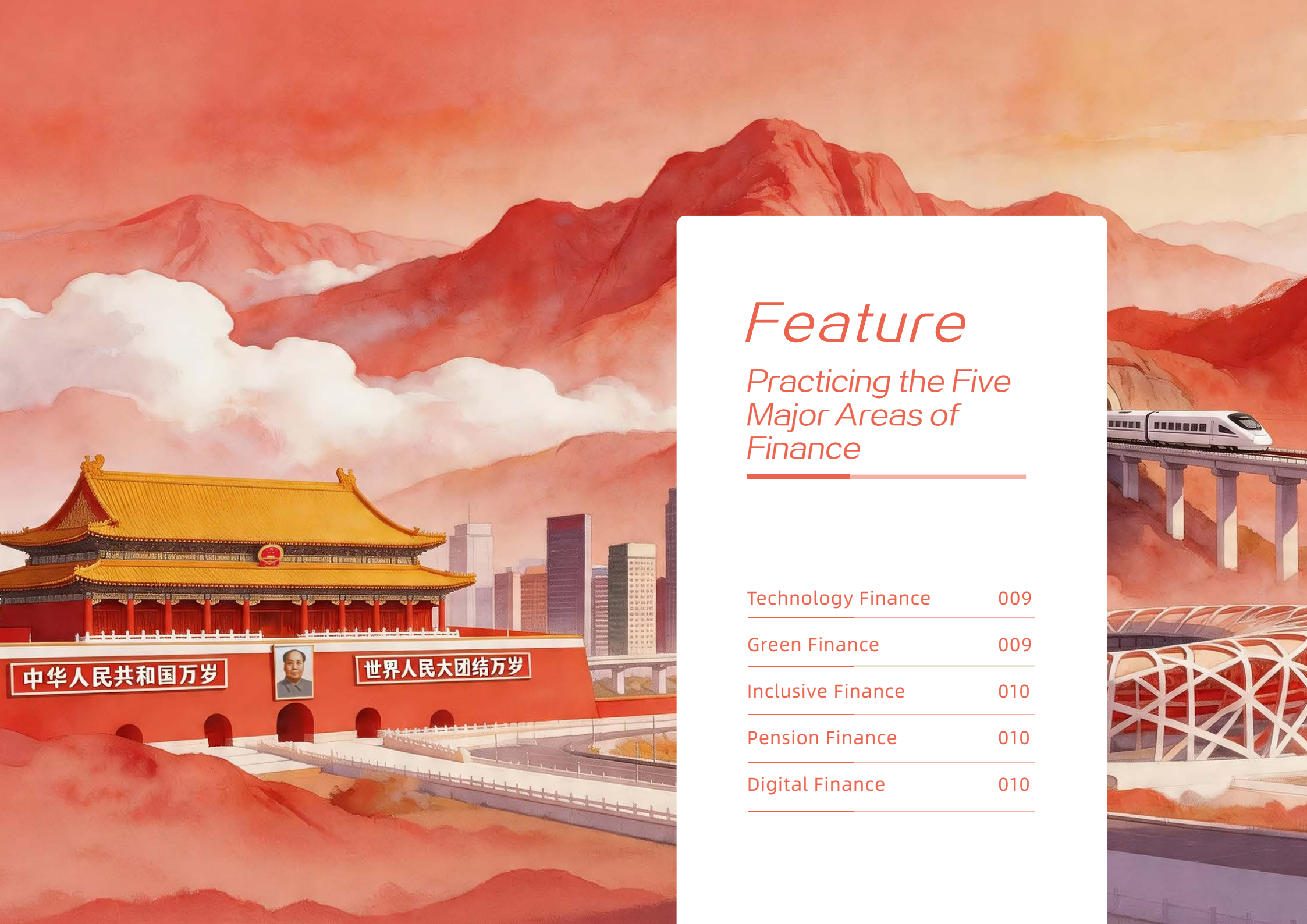
In executive appraisal, weighting of sustainability-related KPIs no less than **20%**

Honors and Awards



Sustainability Awards

Awarded by	Honors and Awards	Recipients
Financial Times	Excellent Cases of the Five Major Areas of Finance	Sunshine Insurance Group
Securities Times	2025 Ark Award for Insurance Companies with Social Responsibility	Sunshine Insurance Group
Zhitong Finance	Best ESG Company Award	Sunshine Insurance Group
China Banking and Insurance News	Excellent Cases of Financial Consumer Protection Mechanism Innovation	Sunshine Life
Financial Times	Outstanding Cases for Rural Revitalization	Sunshine Life
Securities Times	2025 Ark Award for Insurance Service	Sunshine Life
Shanghai Securities News	Annual Insurance Service Award	Sunshine P&C
21st Century Business Herald	Annual Outstanding Green Financial Institution	Sunshine P&C
CaiLian Press	ESG Financial Innovation Award	Sunshine P&C
The People's Bank of China	Third Prize in the Financial Technology Development Award	Sunshine DIG & AI TECH



Feature

Practicing the Five Major Areas of Finance

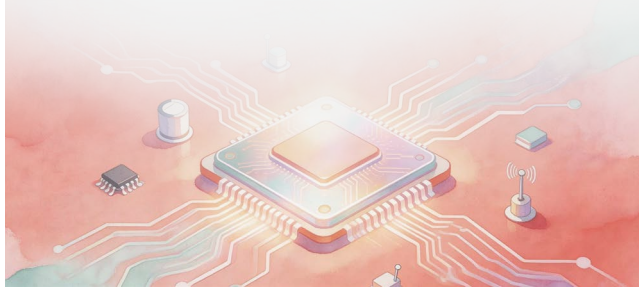
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Sunshine Insurance remains committed to its core business, approaches financial services with an industrial mindset, and diligently implements the key directives of the Central Financial Work Conference, effectively conducting the work of the Five Major Areas of Finance - technology finance, green finance, inclusive finance, pension finance, and digital finance. Viewing high-quality development as an imperative task of our era, we fulfill our financial mission through concrete actions, continuously injecting positive momentum into economic and social development.

Technology Finance

Provided risk coverage for technology innovation enterprises RMB **46.9** billion

- Introduced insurance for R&D expense losses in technology projects, provided customized solutions across **11** dimensions
- Facilitating the implementation of technological achievements in key low-altitude economy sectors, including inspection and monitoring, firefighting, logistics, and manned transportation
- Accelerating the development of intellectual property insurance, life science liability insurance, and cybersecurity insurance, and strengthening risk mitigation services



Green Finance

Provided green insurance coverage of nearly RMB **15** trillion with claim payments totaling approximately RMB **6.1** billion

Green investment balance exceeding RMB **23** billion

- Piloting innovative services of "Insurance + Risk Mitigation + Technology" in wind power projects in North China and Northeast China
- The "Meteorology + Insurance" full-chain service collaboration model selected for the People's Daily Online "2025 Innovative Practice Case Library for Building a Financial Powerhouse"



Inclusive Finance

Provided inclusive social security coverage of RMB **25** trillion, with compensation totaling approximately RMB **9.9** billion, targeting specific groups such as the elderly, people with disabilities, new urban residents, and workers in emerging industries

Provided agricultural insurance, agricultural-related insurance, and personal insurance coverage for rural populations totaling RMB **147.5** billion

Provided various types of inclusive insurance coverage of nearly RMB **15** trillion to small and micro enterprises

- Implementing critical illness insurance, employee high-value insurance, and multi-regional Huimin insurance programs, strengthening the social security network



Pension Finance

- Establishing a multi-tiered elderly-friendly product system encompassing individual pension plans, term critical illness insurance, whole life insurance, and tax-advantaged nursing insurance
- Achieving comprehensive construction and layout of institutional, community-based, and home-based elderly care services, providing tailored services

Expanded the coverage area of long-term care insurance services, provided nearly RMB **300** billion in insurance coverage for approximately **15** million people

- Improving offline accessibility facilities and green channels, and added one-click manual customer service as well as text and audio broadcasts online



Digital Finance

- Promoting the construction of "Robotics Engineering" and "Data Engineering" to create a panoramic map of digital and intelligent transformation

Developed intelligent robots independently, including sales, underwriting, and claims processing, covering over **60** core scenarios

- Innovatively constructing a siphon-type database to integrate the entire data lifecycle from collection to analysis and application
- Publishing the *White Paper on Deep Empowerment of Insurance Industry by Large Model Technology* for three consecutive years, aggregating resources from government, industry, academia, and research institutions





Sustainable Development Management

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Sustainable Development Strategy and Planning

Sunshine Insurance has integrated sustainable development principles into its corporate strategy and business operations, guided by the Group's *2024 - 2026 ESG Development Roadmap* as its strategic blueprint, and steadily implemented various strategic initiatives. Focusing on overarching ESG objectives, we continuously optimize implementation pathways to ensure high-quality execution of ESG management measures. We have strengthened ESG management systems and frameworks, clarified accountability responsibilities, standardized operational mechanisms and processes, and comprehensively advanced governance structures, information disclosure protocols, and digital transformation initiatives. Through active engagement with capital markets and investors, we strive to collaborate with stakeholders in creating a shared vision for sustainable development.

Sunshine Insurance's Core Sustainability Objectives for 2024–2026

Topic	Core Objective	2025 Annual Progress
Sustainable Insurance	◦ Achieve at least 20% growth in sustainable insurance premium income by 2026 relative to 2023 ◦ Innovate in sustainable insurance products and services	◦ Sustainable insurance premium income reached RMB118.247 billion in 2025, a year-on-year increase of 21.5% ◦ Developed medical insurance products such as "Sunshine Life Good Luck Health Medical Insurance" to meet the demand for high-quality medical resources among elderly populations with chronic conditions Launched weather index insurance for the three major staple food harvest periods, helping farmers mitigate natural disaster risks and ensure stable grain production and income
Sustainable Investment	◦ Achieve at least 20% growth in the sustainable investment balance by 2026 relative to 2023 ◦ Review and update the sustainable investment framework annually	◦ By the end of 2025, sustainable investment balance exceeded RMB66 billion ◦ Reviewed and updated the sustainable investment framework, including the positive and negative lists, twice in 2025
Consumer Rights and Interests Protection	◦ Achieve full coverage consumer protection training ◦ Implement "Consumer Protection Training by Senior Executives" every year ◦ Ensure specialized consumer protection audits at headquarters annually, with all secondary institutions covered on a five-year cycle	◦ Established a consumer protection training system covering all employees, including management personnel and specialized roles, with over 210 training sessions conducted across the Group and its subsidiaries in 2025, achieving full coverage ◦ Implemented the "Consumer Protection Training by Senior Executives" initiative with 100% coverage on all secondary institutions of Sunshine Life and Sunshine P&C, and Sunshine Surety, delivering more than 180 specialized sessions in 2025 ◦ Conducted specialized consumer protection audits in 2025 covering the Group, its subsidiaries (P&C, Life, Surety), and their 16 secondary institutions

Topic	Core Objective	2025 Annual Progress
Employee Development	◦ Conduct annual employee satisfaction surveys to maintain steadily improving results relative to 2023 ◦ Conduct annual group-wide talent assessments and provide career progression training for identified high-potential employees	◦ Conducted satisfaction surveys for all employees in 2025, with the overall score reaching 8.88, showing improvement from 2024 ◦ Conducted group-wide talent assessments in 2025 and provided targeted development programs for identified high-potential employees
Privacy and Data Security	◦ Conduct information security training for all employees ◦ Conduct emergency drills on information security annually ◦ Ensure no major data security incidents occur	◦ Conducted 21 specialized training sessions and awareness campaigns on network and data security in 2025, achieving a 100% pass rate and effectively enhancing employees' security awareness and knowledge ◦ Conducted cybersecurity emergency drills across the Group and major subsidiaries in 2025, identifying potential issues and optimizing response plans ◦ Monitored data leakage risks throughout the year, with no major data security incidents occurring
Sustainable Supply Chains	◦ Integrate sustainable development principles into 100% of supplier admission criteria ◦ Achieve 100% ESG training coverage for suppliers by 2026 ◦ Standardize supplier management by conducting audits and ratings for all partner suppliers	◦ 100% of suppliers signed the *Commitment Letter on Sustainable Supply Chain (ESG) Suppliers* in 2025 ◦ Completed standardized supplier ESG training materials in 2025, integrating compliance and practical guidance to enable 100% coverage target via system rollout in 2026 ◦ Completed the annual review and evaluation of partner organizations, updating the ratings of suppliers evaluated in 2025

Topic	Core Objective	2025 Annual Progress
Climate Change	◦ Establish capability to measure carbon emissions in the investment portfolio	◦ Measured Scope 3 carbon emissions for the investment portfolio and routinely conducted capacity-building activities
	◦ Deepen climate change management and develop capability to quantitatively assess its financial impact, enhancing corporate climate resilience	◦ Calculated the premium volume and proportion of business exposed to climate risks
	◦ Achieve orderly reduction in GHG emissions, energy consumption, and resource use intensity	◦ In 2025, total GHG emissions reached 48.5 thousand tCO_2e, a year-on-year decrease of 15%
	◦ Conduct at least one annual energy-saving and emission-reduction training or awareness campaign for all employees	◦ Subordinate institutions organized over 150 promotional campaigns, extensively disseminating low-carbon, green operations, and environmental protection concepts Conducted video-based training on green and low-carbon operations for all employees
Public Welfare and Community Building	◦ Mobilize 5,000 volunteer shifts throughout the year	◦ Mobilized 10,673 volunteer shifts in 2025
	◦ Achieve a total of 17,000 volunteer service hours throughout the year	◦ Completed a total of 25,931 volunteer service hours in 2025
Business Ethics	◦ Maintain a 100% whistleblowing case resolution and feedback rate	◦ 100% of reported incidents investigated and processed, with 100% of closed cases providing feedback to real-name whistleblowers
	◦ Ensure all positions at all levels receive anti-money laundering training	◦ Delivered anti-money laundering training to all employees in 2025, totaling 133,092 attendances, maintaining full coverage across all levels for consecutive years
	◦ Provide regular anti-corruption training to all employees	◦ Conducted anti-corruption training for all employees (including board members, supervisors, and senior executives) through mandatory courses, integrity awareness campaigns, and disciplinary case alerts, exceeding 56 thousand attendances in 2025

Sustainable Development Management System

Sustainable Development Governance Structure

Sunshine Insurance has been continuously strengthening its sustainable development governance framework by establishing a multi-tiered and fully integrated sustainable governance system. This initiative integrates sustainable development concepts into decision-making, management, and execution processes, clarifies management responsibilities and operational mechanisms, and enhances governance effectiveness. These efforts effectively promote deep integration and solid implementation of sustainable development strategies.

Sunshine Insurance Sustainable Development Management Framework

Decision-making Level	The Board of Directors ESG Committee of the Board of Directors	The Board of Directors bears full responsibility for ESG initiatives, overseeing the coordination and supervision of ESG matters, as well as guiding and deploying ESG efforts. The ESG Committee of the Board is responsible for coordinating the establishment of the ESG system, approving ESG-related strategic plans, reviewing ESG reports, and monitoring and evaluating the performance of management.
Management Level	Senior Management Sustainable Development Management Committee	The Group's senior management has established the Sustainable Development Management Committee responsible for coordinating ESG operations, formulating strategic plans related to ESG, implementing ESG strategies and management requirements at the decision-making level, establishing robust ESG management oversight processes and information communication mechanisms, and regularly reporting to leadership on ESG work plans, progress, and outcomes.
Execution Level	ESG Promotion Office ESG working groups (Environmental, Social and Governance)	We have established an ESG Promotion Office at the execution level to coordinate ESG management initiatives and established dedicated ESG working groups for each material topic (Environmental, Social, and Governance). The ESG Promotion Office is responsible for driving the concrete implementation of ESG strategic planning, effectively integrating ESG factors into business operations and risk management frameworks, while monitoring the execution progress of various ESG working groups. The ESG working groups are tasked with executing ESG deployment strategies, developing detailed implementation plans, tracking implementation progress and outcomes, and submitting regular reports to the ESG Promotion Office.

ESG Digital Management Platform

Sunshine Insurance continues to enhance the ESG information management system by establishing the ESG Management Cockpit that enables centralized coordination of ESG initiatives across the Group and its subsidiaries. The ESG Management Cockpit integrates multiple key ESG topics, including sustainable insurance, sustainable investment, social responsibility, green operations, and human resource management. This platform sorts out the needs of various departments for related issues, such as data collection and indicator calculation, and integrates data from different business departments and business lines. With a rigorously structured multi-level ESG data collection and accounting mechanism embedded within, the platform ensures vertical penetration and comprehensive coverage of data management at branch levels, establishing a holistic and precise ESG data management framework. It provides comprehensive and accurate ESG data management by adopting data analysis and visualization techniques, to enhance the quality of Sunshine Insurance's ESG information disclosure and capabilities for sustainable development.

Sustainable Development Management System

To effectively advance work related to sustainable development management, Sunshine Insurance has established a system of sustainable development-related policies. We strictly adhere to a series of standards, including the *Guidelines on Green Finance for the Banking and Insurance Sectors* by the National Financial Regulatory Administration (the formerly China Banking and Insurance Regulatory Commission), the Hong Kong Stock Exchange's *Environmental, Social and Governance Reporting Code*, the *Enterprise Sustainability Disclosure Standards–Basic Standards (for Trial Implementation)* jointly issued by nine ministries including the Ministry of Finance and the *Guidelines on Environmental, Social and Governance Information Disclosure for Insurance Institutions* by the Insurance Association of China and other relevant standards. We have developed and continuously optimized specialized policies and statements in sustainable development areas such as business sustainability management, privacy and data security, sustainable supply chains, and biodiversity conservation, providing clear and unified action guidelines for the entire Group to implement ESG practices and actively fulfill commitments and responsibilities in the field of sustainable development.

Sunshine Insurance Sustainable Development System Framework

Sustainable Insurance Policy Statement	*Anti-Bribery and Anti-Corruption Policy Statement*
Sustainable Investment Policy Statement	*Whistleblowing Management Policy Statement*
Commitment to Biodiversity Conservation	*Information Security Policy Statement*
Personal Information Protection Policy Statement	*Employee Rights Statement*
Sustainable Supply Chain Policy Statement	*Climate Change Management Policy*
ESG Investment Practices and Active Engagement Policy Statement	



Stakeholder Communication

Sunshine Insurance fully recognizes the critical role of stakeholder communication in corporate development, incorporating stakeholder needs as key references for implementing sustainable development management strategies. We prioritize interactive engagement with all stakeholders by establishing dedicated communication channels to identify and address their expectations. By dynamically enhancing internal capabilities aligned with stakeholder priorities, we continuously refine management practices in sustainable development initiatives, working collaboratively with stakeholders to drive sustainable progress.



Stakeholder	Expectations and Requests	Communication Channels
Government and regulatory authorities	◦ Compliance with laws and regulations ◦ Response to national strategies ◦ Promoting anti-corruption and integrity	◦ Implementing regulatory policy guidelines ◦ Participating in research visits ◦ Daily regulatory reporting
Shareholders and investors	◦ Solid operating performance ◦ Sound corporate governance ◦ Comprehensive risk management	◦ General Meeting of Shareholders ◦ Periodic reports and information announcements ◦ Investor research and communication meetings
Customers	◦ Protecting consumers' rights and interests ◦ Enhancing service experience ◦ Innovating product development	◦ Consumer rights protection education and awareness campaigns ◦ Digital platforms including the official website, WeChat official account, APP, and intelligent customer service bots ◦ NPS (Net Promoter Score) customer experience survey
Employees	◦ Protecting employees' rights and interests ◦ Occupational health and safety ◦ Compensation and benefits	◦ Employee Representative Congress ◦ Labor union cultural, sports, and welfare activities
Agents	◦ Humanistic care for agents ◦ Agent training system	◦ Daily work communication
Suppliers and partners	◦ Equal consultation ◦ Honesty and trustworthiness	◦ Exchange and visits ◦ Signing agreement
Community/ non-governmental organizations	◦ Public welfare programs ◦ Responding to social issues ◦ Popularizing the concept of environmental protection	◦ Sunshine Museum ◦ Beijing Sinosig Foundation ◦ Community building and public welfare activities

Materiality Assessment

Sunshine Insurance adheres to the Hong Kong Stock Exchange's ESG Reporting Code by establishing a systematic ESG materiality assessment framework. Aligning with regulatory requirements, industry standards, and business characteristics, we define ESG focus areas based on value chain operations, conduct extensive research and stakeholder feedback collection to gain deep insights into the impact of key issues on various stakeholders. Through comprehensive evaluation and prioritization of topics, guided by stakeholder feedback, regulatory mandates, and capital market expectations, we identify core concerns and establish clear disclosure boundaries. This ensures sustainable information disclosure aligns with corporate strategies and operational priorities, while enhancing the relevance, completeness, and effectiveness of responses to stakeholder expectations.

Issue collection

Sunshine Insurance identifies material issues related to business and operations. Data are collected from a wide range of sources, including the ESG Reporting Code of the Hong Kong Stock Exchange, GRI standards, stakeholder feedback, company policies and management strategies, industry benchmarks, and ESG rating systems.

Questionnaire survey

Sunshine Insurance conducts questionnaire surveys on a variety of stakeholders, including government and regulatory authorities, shareholders and investors, clients, employees, agents, suppliers and partners, and community/non-governmental organizations. These stakeholders are invited to evaluate the importance of each issue from their own perspectives. Based on survey results, Sunshine Insurance further analyzes, identifies and evaluates the importance of the issues.

Issue ranking

Based on comprehensive research, Sunshine Insurance conducts statistical analysis on the importance of issues based on their impacts on stakeholders and contribution to Sunshine Insurance's sustainable development, which results in the materiality matrix that provides an important reference for strategy planning, goal setting and information disclosure.

Impact analysis

Sunshine Insurance collects management input to evaluate the relevance and importance of issues at the group-wide level, clarifies the impact of these issues on corporate sustainable development, and conducts risk identification and management for key concerns.

Sunshine Insurance Materiality Issue Matrix



Issues concerned

1. Climate change response
2. Green operations
3. Sustainable investment
4. Sustainable insurance
5. Human resource management
6. Consumer rights and interests protection
7. Privacy and data security
8. Access to finance
9. Public welfare and community building
10. Science and technology innovation
11. Intellectual property rights protection
12. Sustainable supply chain management
13. Corporate governance
14. Business ethics code
15. Biodiversity conservation

Analysis of Sustainability-Related Risks and Opportunities for Key Issues

Issues Concerned	Sustainability-Related Risks	Sustainability-Related Opportunities
Sustainable Insurance	Environmental and social risks have led to increased underwriting risks, while traditional products fail to meet the market's growing demand for green and inclusive insurance, potentially resulting in diminished competitiveness.	By innovatively developing green insurance and inclusive insurance products while providing risk mitigation services, we aim to expand new markets and build long-term competitiveness.
Sustainable Investment	High-carbon or controversial assets are exposed to financial impairment risks, while non-compliance with ESG disclosure requirements may trigger regulatory and reputational risks.	Invest in green and sustainable sectors to unlock long-term growth potential and generate returns by issuing or investing in sustainability-related financial products.
Climate Change Response	The intensification of extreme weather events has led to increased catastrophic losses, while the economic transition toward low-carbon development, accompanied by policy adjustments, technological iterations, or shifts in market preferences, has triggered a surge in claims for related insurance products and structural adjustment pressures on business models.	Develop climate-resilient insurance products to enhance resilience, provide safeguards and financing support for green transition projects, and create new business growth opportunities.
Consumer Rights and Interests Protection	Misleading sales practices, claims disputes, and improper data usage may lead to regulatory penalties, trust crises, and legal litigation.	Establish customer trust and loyalty through transparent and equitable services, fulfill social responsibilities by developing inclusive insurance products, and explore new markets.
Privacy and Data Security	The leakage of customer sensitive data will result in significant financial and reputational losses and may violate increasingly stringent data protection regulations.	Position data security capabilities as a core competitive advantage and strengthen risk management for data security.
Business Ethics Code	Internal fraud, commercial bribery, and improper supplier conduct can lead to legal sanctions, operational losses, and severe damage to brand reputation.	By fostering a robust ethical compliance culture, companies can enhance their reputation, while managing supply chain ESG risks to strengthen business resilience and brand value.
Corporate Governance	Inadequate ESG governance performance may cause companies to miss sustainable development opportunities or misjudge associated risks.	Deeply integrating ESG into corporate strategy and risk management enhances decision resilience and long-term value, thereby attracting long-term capital that prioritizes sustainability.



Sustainable Business

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Sustainable Insurance

Sunshine Insurance actively promotes green transformation in economic and social development, striving to play a pivotal role in building a sustainable economic system. We continuously refine our sustainable insurance management system, innovate in sustainable insurance products, enhance our service capabilities, and broaden the reach of our sustainable insurance business, thereby steadfastly safeguarding environmental and social progress.

Sustainable Insurance Management System

Sunshine Insurance thoroughly evaluates ESG risks in its insurance operations, issuing the *Sustainable Insurance Policy Statement* [1] to clearly define ESG risk management requirements across all business processes. By establishing standardized sustainable insurance management frameworks and workflows, the Group actively promotes sustainable business development, committed to creating long-term value for clients, shareholders, and society through responsible practices.

Product development

For newly developed products, ESG-related risk factors are thoroughly considered during pricing. For instance, certain corporate property insurance products incorporate ESG evaluation rate adjustment coefficients based on social responsibility fulfillment, sustainability performance, and ESG ratings from rating agencies. Existing products undergo cash flow analysis and testing to address ESG risks such as climate change and demographic shifts.

Insuring

Based on clients' ESG risk assessment results, we develop customized insuring solutions and pricing strategies. For instance, in corporate property insurance insuring, we prioritize structural factors of buildings in typhoon-affected areas to enhance climate risk management and response capabilities. For litigation liability insurance, we analyze policyholders' financial status and assess claimants' intent to preserve assets to prevent improper sales practices and moral hazards. In group accident insurance insuring, we evaluate direct or indirect impacts of natural environmental risks, regional cultural factors, and organizational management risks on claim incidence rates, enabling targeted insuring strategy adjustments and corresponding premium rate adjustments.

Underwriting

Underwriters conduct risk assessments based on project documentation and provide recommendations for risk mitigation and management strategies. For instance, Sunshine P&C prioritizes natural disaster risks when evaluating coastal photovoltaic projects and geologically complex underground infrastructure. Sunshine Life utilizes its proprietary underwriting risk identification model to screen high-risk clients, while integrating with China Banking Insurance Information Medical Insurance Platform to assess health risks. In construction accident insurance underwriting, underwriters meticulously analyze all critical factors influencing accident incidence rates, including environmental hazards in project locations, local workers' risk awareness, educational backgrounds, economic circumstances, and risk management capabilities of the construction management team.

Claims handling

We establish contingency plans for major cases, specifying organizational safeguards, emergency case handling procedures, and information reporting mechanisms to ensure rapid, convenient, and transparent claims services for clients.

After-sales service

We establish an emergency response mechanism for major complaint cases, covering reporting procedures and on-site handling protocols, with clearly defined response timelines and processing steps. Through routine monitoring and early warning systems, as well as regular emergency drill exercises for major complaints, we aim to maximize the protection of consumer rights.

During customer service processes, we analyze various ESG issues, with key focus areas including risk pricing, audit fairness, and paperless application implementation, to enhance ESG management capabilities.

Risk pricing

We incorporate ESG-related factors such as climate change into the pricing mechanism of insurance products to ensure that ESG-related risks are scientifically accounted for in risk pricing. In addition, we enhance the application of intelligent technologies in risk pricing by establishing a risk pricing system centered on data-driven algorithms, thereby strengthening the identification and management of ESG risks within the pricing framework.

Fairness in review

We establish a consumer rights protection review mechanism for products and services to conduct evaluations and reviews of policies, systems, contractual terms, and promotional materials that may impact consumers during product and service design and development, pricing management, agreement formulation, and marketing promotion. Identify and highlight relevant risks and implement effective risk balance control measures.

Paperless application

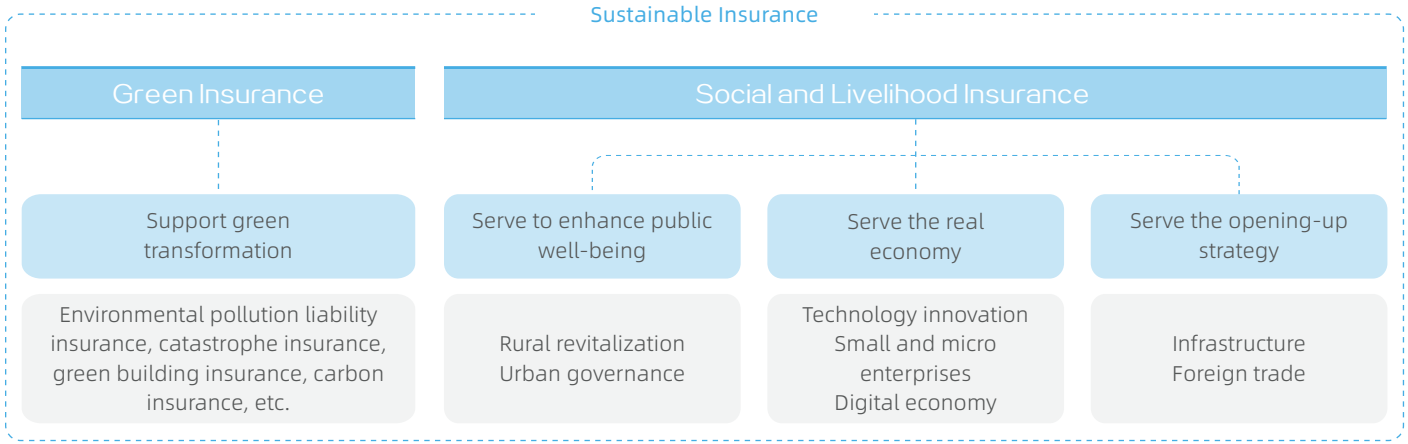
We continuously promote the use of electronic insurance policies and documents, further advance the digital transformation of online processes, enrich and improve customer self-service functions, establish streamlined service procedures, and strengthen the green service system.

1 *Sustainable Insurance Policy Statement*: https://static.sinosig.com/c/upload/cate/70/146/1713511900772056504.pdf

Sustainable Insurance Product System

Sunshine Insurance continues to deepen the development of sustainable insurance products and services, systematically building a sustainable insurance framework. We have established a statistical system for sustainable insurance and standardized data collection criteria along with business classification standards. Our digital business tracking platform enables real-time monitoring of operational processes and data collection, ensuring timely and accurate business data. This provides essential data support for performance evaluation, management decision-making, and operational tracking, thereby enhancing the Group's operational efficiency in sustainable insurance management.

Sustainable Insurance Product Categories



Sustainable Insurance [2] Performance

Business Type	Premium Income (RMB 100 million)			Insured Amount (RMB trillion)		
	2025	2024	2023	2025	2024	2023
Sustainable Insurance	1,182.47	973.21	748.94	113.11	124.94	107.61
Include: Green Insurance [3]	98.80	99.66	80.16	14.55	15.78	12.18
Social and Livelihood Insurance [4]	1,083.67	873.56	668.79	98.56	109.16	95.44

2 Sustainable insurance, aligning with the United Nations Sustainable Development Goals (SDGs), is formulated in accordance with domestic regulatory policy requirements and disclosure guidelines, integrating industry-referenced measurement standards.

3 Green insurance refers to insurance products designed to support economic activities that improve the environment, address climate change, and promote the efficient use of resources. These include risk protection for sectors such as environmental protection, energy conservation, clean energy, green transportation, and green buildings.

4 Social and livelihood insurance refers to personal insurance products designed to address high-frequency diseases and health threats arising from demographic and health trends in the Chinese population. It also includes insurance products related to food safety, public liability, medical liability, support for small and micro enterprises, "agriculture, rural areas and farmers", infrastructure construction, residential safety, and elderly care services. These products are categorized into three types: those that serve public well-being, those that serve the real economy, and those that serve the opening-up strategy.

Green Insurance

Sunshine Insurance is actively expanding green insurance practices, diversifying green insurance product offerings, deepening coverage tiers, and continuously strengthening risk data accumulation. Through innovations in green insurance products and services, we provide enterprises with comprehensive green protection, establish industry benchmarks for low-carbon transition, and support socio-economic transformation and sustainable development. In 2025, we provided green insurance coverage of nearly RMB15 trillion and paid out RMB6.1 billion in claims.

We continuously optimize the supply of green insurance products and service systems, driving sustained business growth and breakthroughs in product innovation. Focusing on three key areas, including green ecology, green industries, and green lifestyles, we expand product and service coverage scenarios while maintaining focus on traditional sectors such as catastrophe insurance, environmental liability insurance, new energy vehicles, and ecological forestry. We are accelerating the development and implementation of innovative products including carbon sink insurance and weather index insurance, while prioritizing green shipping transformation to build a distinctive diversified green insurance product portfolio. In 2025, we provided environmental pollution liability insurance coverage totaling RMB1.7 billion, supporting pollution reduction and carbon emission mitigation in key industries and sectors; we also provided green energy vessel insurance coverage of RMB460 million and paid out RMB124 thousand in claims.

We actively collaborate with green industry enterprises and professional research institutions to conduct in-depth data mining, integration, and analysis related to green insurance. This effort continuously strengthens the data foundation for pricing models while enhancing the scientific rigor and accuracy of risk assessment. By continuously improving risk management capabilities, optimizing claims processing teams, and exploring innovative claims service models, we provide more efficient and convenient services to meet the practical needs of the green industry.

In 2025

provided green insurance coverage of nearly RMB **15** trillion

paid claims RMB **6.1** billion

provided environmental pollution liability insurance coverage totaling RMB **1.7** billion

provided green energy vessel insurance coverage of RMB **460** million

paid claims RMB **124** thousand

Case Sunshine P&C Innovatively Develops Weather Index Insurance to Assist Farmers in Mitigating Meteorological Risks

Unlike traditional agricultural insurance, weather index insurance leverages deep collaboration between insurers and meteorological agencies, using authoritative weather data as the core reference to streamline cumbersome procedures such as on-site inspections, sampling, and loss assessment. By simply obtaining weather data during the coverage period, insurance companies can swiftly determine whether insurance claims are triggered. Once verified, they immediately initiate loss assessment and claim settlement processes, significantly reducing claim processing timelines. This enables farmers to receive compensation promptly after disasters, facilitating timely recovery of agricultural production.

In 2025, Sunshine P&C launched multiple weather index insurance products for corn, rice, tea, camellia oil, and bayberry in regions including Heilongjiang, Shaanxi, Zhejiang, Chongqing, and Liaoning, providing total risk coverage of RMB529 million and paying out RMB34.33 million in claims.



Sunshine P&C's Weather Index Insurance Case Series Selected as One of the "Top 10 Warm Claims Cases of 2025"

Social and Livelihood Insurance

Sunshine Insurance has consistently prioritized safeguarding social welfare as its core mission, steadfastly aligning with national policies and regulatory directives, serving the overall strategy of the country, and injecting vitality into local economic development.

Serve to Enhance Public Well-Being

Serving rural revitalization

Sunshine Insurance has been continually refining the service system in rural regions and exploring comprehensive financial insurance services tailored for rural areas, bolstered insurance support for rural industrial development, cultural enrichment, ecological conservation, urban-rural integration, and other sectors, gradually offering comprehensive financial insurance services that cater to the life cycles of rural household members and their individual needs in production and daily life.

Case Sunshine P&C's Full-chain Agricultural Insurance System Supporting the Development of "Agriculture, Rural Areas and Farmers"

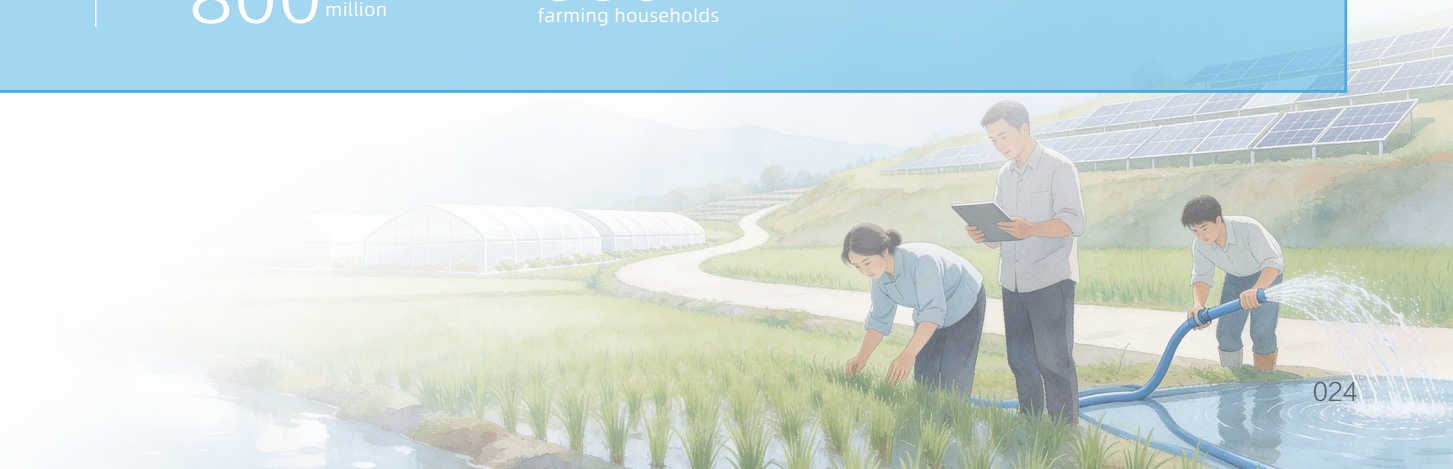
Sunshine P&C has established a multi-tiered product system covering a full range of agricultural products, from bulk grains and oils to diverse varieties, and from cost-based insurance to "cost + income" and "basic + innovative" insurance models, aiming to safeguard food security and promote an increase in crop productivity. In 2025, Sunshine P&C operated agricultural insurance business across 32 provinces, autonomous regions, and municipalities, underwriting 32.33 million mu of crops, 266.8 million heads of livestock and poultry, and 66.67 million mu of forest land, and providing risk coverage of RMB59.8 billion to farmers. Claims service efficiency improved, with total payouts exceeding RMB800 million, benefiting 360 thousand farming households. Online claims accounted for 30.62% of the total, and the average claims settlement time was reduced by 3.02 days compared to the previous year.

operated agricultural insurance business across **32** provinces

provided risk coverage of RMB **59.8** billion to farmers

total payouts exceeding RMB **800** million

benefited **360** thousand farming households



Serving urban governance

Sunshine Insurance has been dedicated to enhancing urban governance through insurance solutions, strengthening coverage in elderly care, childcare, and domestic services. The Group actively fulfills its risk mitigation and loss compensation responsibilities during major natural disasters, public safety incidents, and public health emergencies, thereby boosting urban resilience and safety standards. In healthcare coverage, we have expanded services across multiple provinces, including critical illness insurance for urban and rural residents, supplementary major medical insurance for urban employees, the New Rural Cooperative Medical Scheme, personal accident insurance, construction worker injury insurance, and Huimin Insurance, significantly alleviating medical burdens for policyholders. In 2025, inclusive programs like critical illness insurance and Huimin Insurance provided nearly RMB14.8 trillion in risk protection. We continued to expand long-term care insurance coverage and delivered approximately RMB300 billion in coverage in 2025, benefiting around 15 million individuals. Additionally, we tailor insurance products to meet the needs of new urban residents, such as group accident insurance for construction workers and occupational injury liability insurance for flexible employment personnel, ensuring appropriate risk protection for all stakeholders.

Case Construction Projects and Wage Payment Guarantee Insurance Safeguarding the Rights of Migrant Workers

To effectively safeguard the rights of migrant workers and mitigate wage payment risks, Sunshine P&C launched Construction Project Guarantee Insurance and Migrant Workers Wage Payment Performance Guarantee Insurance in 2014 and 2018 respectively. In 2025, the Group released over RMB6.6 billion in wage payment guarantees for more than 13 thousand enterprises, assisted in resolving 80 wage arrears disputes, and advanced RMB22.58 million in migrant workers' wages. These initiatives have effectively demonstrated the social governance role of insurance in protecting workers' rights.

Case Critical Illness Insurance Services in Gansu Supporting Medical Cost Relief for Vulnerable Populations

Critical illness insurance plays a pivotal role in alleviating public concerns about "difficult and expensive access to healthcare," serving as a cornerstone of social welfare systems. In 2025, Sunshine P&C Gansu Branch administered critical illness insurance programs in Jinchang, Qingyang, and Zhangye, covering 3.611 million insured individuals with total premium collections reaching RMB415 million. As of the end of 2025, the program provided coverage to 53.4 thousand urban and rural residents, disbursing RMB305 million in reimbursements with an overall fund utilization rate of 73.55%. With a focus on inclusive benefits while prioritizing vulnerable groups, the insurance scheme compensated 19.9 thousand impoverished individuals for critical illness medical expenses totaling RMB92.4298 million, significantly reducing healthcare burdens for patients, particularly those from disadvantaged communities.

Case Critical Illness Insurance Deepening in Henan, Accelerating Settlements to Benefit the Public

Sunshine P&C Henan Branch continues to deepen its critical illness insurance services. In 2025, it provided risk coverage for 8.5 million beneficiaries, with total payouts reaching RMB680 million. It prioritized system optimization for critical illness claims management, introducing automated case transfer functionality to accelerate settlement processes. This significantly improved average processing speeds, effectively alleviating patients' financial burdens during medical treatment. Through service quality enhancement and operational efficiency improvements, the branch has strengthened its role as a social "stabilizer".



Serve the Real Economy

Sunshine Insurance continues to expand its service coverage for small and micro enterprises while enhancing service precision. Through an integrated "insurance + services + technology" risk prevention system, we have redefined risk mitigation service concepts and continuously improved our capabilities in serving SMEs. Focusing on key sectors including the internet, technology manufacturing, business services, construction, financial consulting, and the Internet of Vehicles, we have innovatively launched a comprehensive cybersecurity risk management solution centered on "security protection + insurance coverage + risk management partners". In 2025, we provided cybersecurity insurance coverage totaling RMB133 million.





In 2025

provided cybersecurity insurance coverage totaling RMB **133** million

Serving technological innovation

Sunshine Insurance continues to advance technological insurance product innovation, providing coverage for risks faced by high-tech enterprises and technology-driven small and medium-sized enterprises in production activities, thereby meeting the diverse insurance needs of various tech businesses. The Group actively supports the development of the low-altitude economy industrial chain, providing risk coverage of RMB258 million for drone projects in 2025.

In 2025

provided risk coverage of RMB **258** million for drone projects

Case Jointly Establishing a Low-Altitude Economy Co-Insurance Consortium to Safeguard Low-Altitude Safety

As a key founding member of Chongqing low-altitude economy co-insurance consortium, the nation's first specialized insurance co-insurance entity dedicated to the low-altitude economy sector, Sunshine P&C has proactively taken the lead. Collaborating with 18 insurance institutions, it has achieved deep integration of insurance resources through a risk-sharing mechanism. This consortium aims to address industry challenges in the low-altitude economy supply chain, including novel risk types, significant insurance gaps, and supply-demand mismatches.

At the founding conference of the co-insurance consortium, Sunshine P&C launched its first exclusive insurance product, "Yu Low-Altitude Insurance". The coverage encompasses four critical areas, including technology R&D commercialization, aviation product liability, drone third-party liability, and cybersecurity. This product provided comprehensive risk coverage for 16 enterprises, including Aerospace Era Low Altitude Technology Co., Ltd.

Through the innovative co-insurance model, Sunshine P&C successfully underwrote the drone insurance project for Chongqing Fire and Rescue Corps, generating premium income of RMB570 thousand and providing risk coverage of RMB17.5 million. This achievement vividly demonstrates the Group's professional capabilities and commitment to serving the real economy through insurance innovation and supporting the development of the low-altitude economy.

Serving small and micro enterprises

Sunshine Insurance addresses the differentiated risk protection needs of small and micro enterprises across various industries by tailoring and continuously iterating innovative products such as "Fire Protection Insurance", the "Property + Accident" bundled renovation package, and study tour accident insurance, providing comprehensive coverage for property, personnel, and client liabilities. To tackle operational risk mitigation challenges, the Group offers end-to-end services including hazard identification, electrical safety inspections, IoT security monitoring, and emergency safety training, empowering enterprises to prevent accidents at the source. In 2025, Sunshine Insurance provided risk coverage of nearly RMB15 trillion to approximately 11.45 million small and micro enterprises.

Case Sunshine P&C's Differentiated Services Boosting the Development of Small and Medium-sized Arts and Crafts Enterprises

Sunshine P&C actively responded to Zhejiang Province's call for revitalizing historical classic industries. Leveraging its "Partner Initiative", the Group innovatively established an integrated model, the "Heritage Industry + Insurance + Services" model, creating a tailored "Zhejiang Gift Insurance" solution package for small and medium-sized arts and crafts enterprises. This comprehensive approach seamlessly integrates product traceability, intellectual property protection, and risk management, utilizing blockchain technology to enable full process tracking while providing legal rights protection support. The solution enhances market expansion capabilities and litigation effectiveness, effectively stimulating industrial innovation vitality.

In 2025

Served small and micro enterprises nearly **11.45** million

Provided risk coverage nearly RMB **15** trillion

Serving the digital economy

Sunshine Insurance conducts in-depth analysis of risk characteristics and protection needs across diverse digital scenarios, focusing on tailored solutions for different industries, enterprises, and individuals. The Group continuously develops customized property insurance products and collaborates with digital economy platforms to seamlessly integrate insurance services into multifaceted digital ecosystems. For instance, we developed tailored insurance solutions for e-commerce enterprises, covering return shipping losses and deposit replacement; we also provided comprehensive protection for local lifestyle platforms, including food safety liability, accident coverage, and order cancellation. Leveraging internet technologies to drive service innovation, the Group propels the digital transformation of insurance services toward online platforms and smart solutions, consistently enhancing customer experience and operational efficiency. In 2025, Sunshine P&C provided risk coverage of over RMB7.3 trillion in the digital economy sector.

Case Integrating Life Service Platforms with Scenario-Based Protection

Sunshine P&C partnered with a major life service platform to explore diverse consumption scenarios including food delivery and in-store services. We developed customized insurance packages such as "Safe Dining" and "Safe Recreation", covering core protections like food safety liability, public liability, and order cancellation. In 2025, these solutions provided over RMB5 trillion in risk coverage for the platform. By deeply integrating insurance products into the platform ecosystem, the initiative significantly enhanced user experience and service satisfaction, offering robust support for the digital transformation and high-quality development of the catering industry.

In 2025

over RMB **7.3** trillion risk coverage provided by Sunshine P&C in the digital economy sector

Serve the Opening-Up Strategy

Safeguarding infrastructure projects

Sunshine Insurance focuses on customers' full-cycle operational needs, providing one-stop comprehensive insurance solutions for infrastructure projects. These solutions comprehensively cover key areas such as clean energy construction and overseas expansion of Chinese enterprises, spanning the entire project lifecycle to build a robust safety barrier for critical sectors of the national economy. Deeply integrated into the "Belt and Road Initiative", the Group offers customized risk protection for numerous infrastructure projects along the routes. In 2025, Sunshine P&C provided RMB130.3 billion in risk coverage for 641 overseas projects of Chinese enterprises.

In 2025, Sunshine P&C

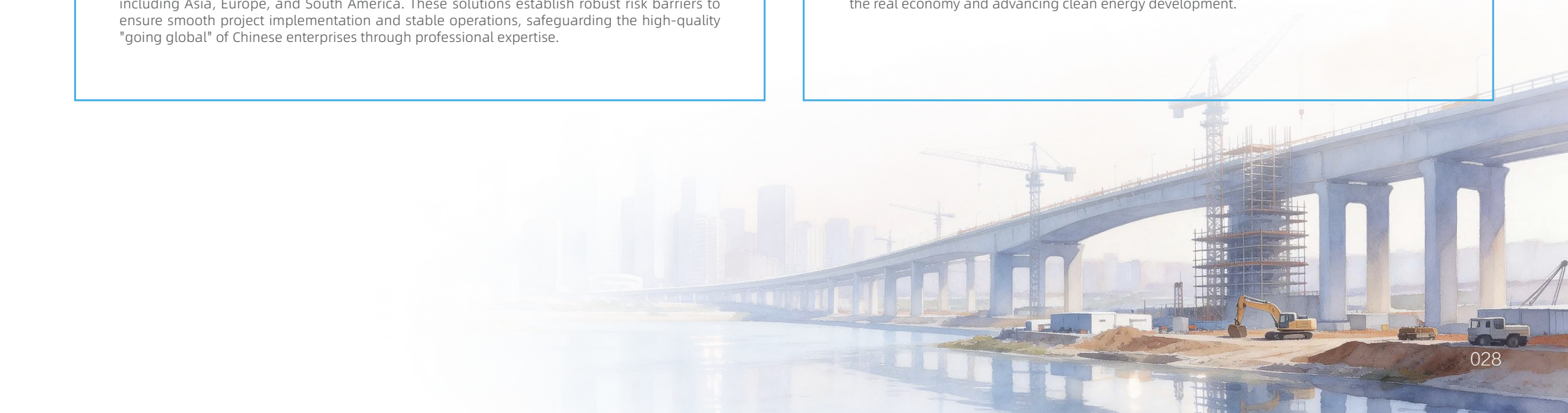
provided RMB **130.3** billion in risk coverage for **641** "Belt and Road" projects

Case Customized Insurance Supporting Steady and Sustainable Development of Overseas Projects for Central State-Owned Enterprises

Since 2021, Sunshine P&C has closely followed the overseas expansion pace of State Power Investment Corporation, continuously deepening strategic cooperation and steadily increasing the scale of cooperative premiums. In response to the complex cross-border operations and diverse country-specific risks faced by central enterprises overseas projects, Sunshine P&C has tailored refined insurance solutions for them, covering coal-fired power plants, aluminum ore terminals, and new energy sectors such as wind power and photovoltaics in multiple regions including Asia, Europe, and South America. These solutions establish robust risk barriers to ensure smooth project implementation and stable operations, safeguarding the high-quality "going global" of Chinese enterprises through professional expertise.

Case Supporting Fourth-Generation Nuclear Power Innovation to Promote Clean Energy Development

In 2025, Sunshine P&C became a co-insurer for a nuclear power engineering project under a major conglomerate, providing risk coverage for the world's first nuclear power plant with dual-reactor coupling (high-temperature gas-cooled reactor and pressurized water reactor) primarily for industrial heating. This landmark project, a national strategic initiative, marks the commercialization phase of China's fourth-generation nuclear technology. By leveraging the expertise to serve national strategies, Sunshine P&C demonstrates commitment to supporting the real economy and advancing clean energy development.



Supporting foreign trade

Sunshine Insurance has deeply integrated into the global trade ecosystem, consistently strengthening its maritime insurance operations while precisely addressing cross-border e-commerce risk protection needs through comprehensive solutions covering the entire transportation process. By leveraging technological innovation, the Group has independently developed cutting-edge technologies including "image recognition algorithms" and "semantic understanding algorithms", enabling accurate identification and dynamic assessment of complex international trade risks. Tailored products are specifically designed for small and medium-sized foreign trade enterprises to help reduce operational costs, enhance risk resilience, and ensure sustainable growth in global markets.

Case

Safeguarding Cross-Border E-Commerce with Expanded Cargo Insurance Coverage

Sunshine P&C actively aligns with national policies supporting cross-border e-commerce development. By conducting in-depth analysis of transaction models, logistics systems, and transportation processes between cross-border e-commerce and traditional trade, it accurately identifies emerging risk points and provides tailored products and services for e-commerce enterprises. In 2025, it underwrote 1.27 million cross-border e-commerce cargo insurance policies, providing risk coverage of over RMB71.5 billion. A total of 6,492 claims were properly handled, with payouts exceeding RMB26.58 million, thereby supporting cross-border e-commerce businesses to "set sail for global markets" through professional services.

Case

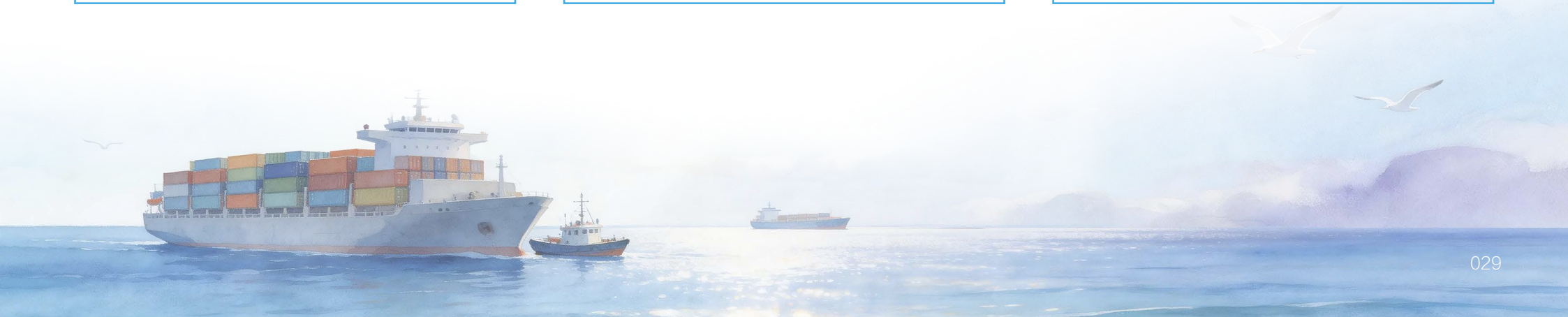
Innovative Quality Warranty Model Supporting High-Quality Global Expansion of the Automotive Industry

Sunshine P&C actively supports the national "going global" strategy, focusing on cross-border used car export business and innovating underwriting quality warranty insurance projects for exported used cars. This model connects domestic dealers with industry professional institutions to build an integrated service system featuring remote damage assessment, claims management, and overseas repair networks, helping to enhance the overseas after-sales service level of China-manufactured products and contributing to the establishment of a positive image for domestic brands.

Case

Deepening International Collaboration to Build a Cross-Border Professional Service Network

To better serve the "going global" strategy of Chinese enterprises and meet the growing localized insurance needs of overseas projects, Sunshine P&C and Portugal's Fidelidade Group signed a strategic cooperation agreement to integrate resources and deepen collaboration in areas such as overseas localized services, joint product innovation, and cross-border market synergy, focusing on supporting the international development of Chinas emerging industries. By establishing a cross-border service network, Sunshine P&C has effectively enhanced its comprehensive capabilities in serving Chinese enterprises going global, contributing professional expertise to high-level opening-up.



Sustainable Investment

Sunshine Insurance actively embraces the *2030 Agenda for Sustainable Development* of the United Nations and China's strategy for advancing ecological civilization, integrating sustainable development principles deeply into the investment decision-making framework, and consistently strengthens commitment to sustainable investments in ecological engineering, environmental protection facilities, and green industries. By constantly refining the allocation of sustainable funds, Sunshine Insurance drives the promotion and implementation of sustainable investment principles.

Sustainable Investment System

Sunshine Insurance, in accordance with the requirements of the *Guiding Opinions on Effectively Completing the Five Major Areas of Finance in the Banking and Insurance Industries*, the *Guiding Opinions of Further Strengthening Financial Support for Green and Low-Carbon Development*, the *Opinions on Maximizing the Role of Green Finance and Serving the Construction of a Beautiful China*, and the *Guidelines on Green Finance for the Banking and Insurance Sectors*, aligning with the *Catalogue for Guiding the Transition of Industries to Green and Low-carbon Energy (2024)* jointly issued by the National Development and Reform Commission, Ministry of Natural Resources, Ministry of Ecology and Environment, and other departments, along with the 17 Sustainable Development Goals outlined in the United Nations *2030 Agenda for Sustainable Development*, in line with Sunshine Insurance's green finance development plan, we have formulated and published the *Sustainable Investment Policy Statement* [5], established the *Statistical Specification for Green and Sustainable Investments of Sunshine Insurance Group Company Limited*, and revised the *Operational Guidelines for Sustainable Evaluation of Fixed Income Assets*, clarified the definition of "green and sustainable investment", delineated the statistical scope and boundaries of sustainable investment, and optimized the evaluation methods and indicators for sustainable investment. These measures aim to continuously improve the sustainable investment management system and ensure the standardization and sustainability of investment activities. By the end of 2025, Sunshine Insurance's sustainable investment balance exceeded RMB66 billion, including over RMB23 billion in green investments. Key investment areas included industrial innovation, green infrastructure upgrades, and health and welfare, with investment scales in these sectors reaching RMB28.7 billion, RMB13.1 billion, and RMB9.9 billion, respectively.

By the end of 2025

the sustainable investment balance exceeded RMB **66** billion

including over RMB **23** billion in green investments

Investment scales in industrial innovation reaching RMB **28.7** billion

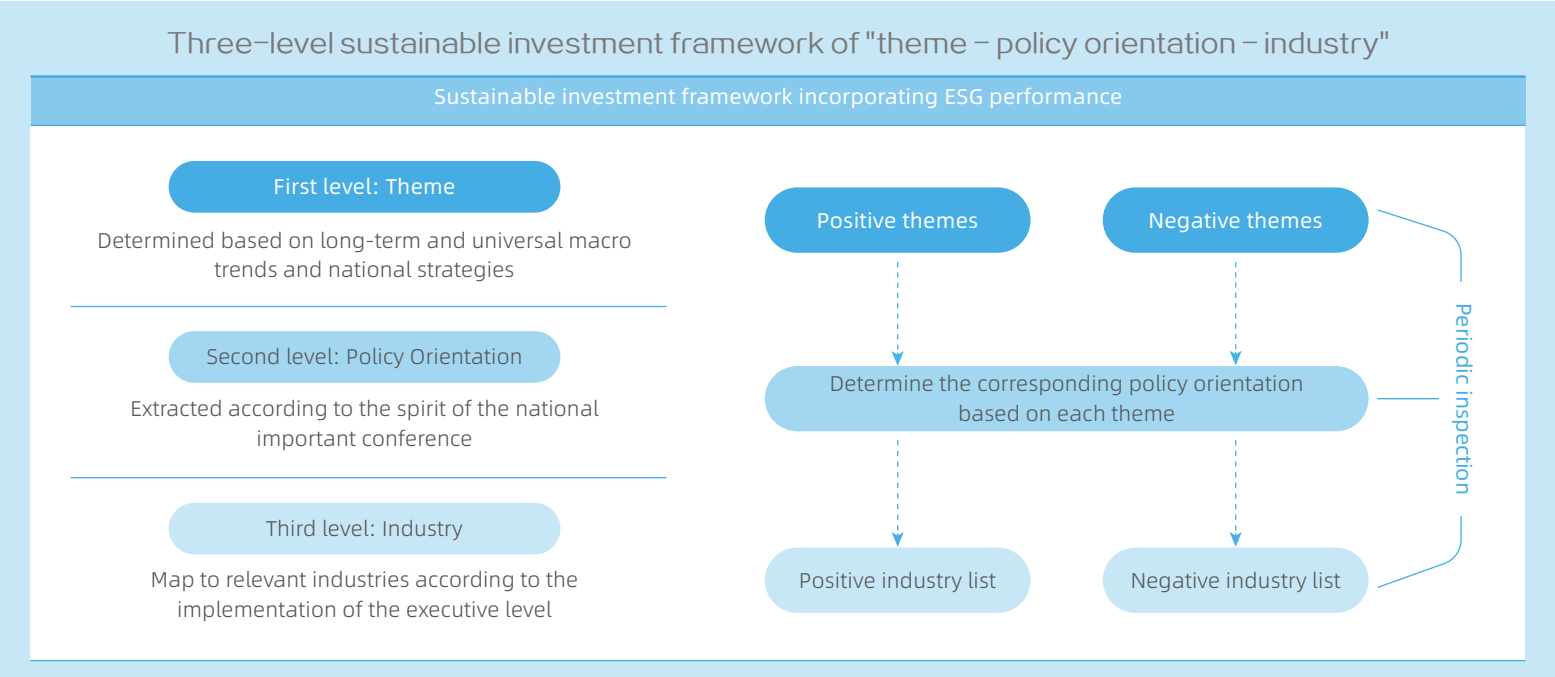
Investment scales in green infrastructure upgrades reaching RMB **13.1** billion

Investment scales in health and welfare reaching RMB **9.9** billion



5 *Sustainable Investment Policy Statement*: https://static.sinosig.com/c/upload/cate/70/146/1744877916767006979.pdf

Sunshine Insurance continues to deepen its sustainable investment philosophy by establishing a three-level sustainable investment framework encompassing "theme - policy orientation - industry". We standardize sustainable investment management processes and continuously optimize investment structures. We regularly review the sustainable investment framework, updating themes, policy orientations, and specialized industries to dynamically adjust the framework in response to evolving policy objectives.



In 2025, based on the "15th Five-Year Plan" proposal titled *Recommendations of the Central Committee of the Communist Party of China for Formulating the 15th Five-Year Plan for National Economic and Social Development*, the guidance and the latest policy orientations on the Five Major Areas of Finance, we reviewed the sustainable development investment framework and established new sustainable investment themes. Among them, the "Five Major Areas of Finance" "building a strong domestic market", and "expanding high-level opening-up" were included in the positive theme list. Meanwhile, the four original positive themes such as "modernizing the industrial system" "strategy for invigorating China through science and education and the new system for mobilizing resources nationwide" "improving the people's wellbeing and building a healthy China", and "green development" were merged under the "Five Major Areas of Finance" theme. The positive theme "national security system" was retained, along with the negative themes "issue of polarization" and "security challenges". The negative theme "economy restructuring and regulatory issues" was revised to "economy restructuring issues". After the review, four positive themes were identified: "Five Major Areas of Finance" "building a strong domestic market" "expanding high-level opening-up", and "national security system". Three negative themes were identified: "economy restructuring issues" "issue of polarization" and "security challenges".

Sustainable Investment Management

Sunshine Insurance incorporates ESG factors into its investment processes, covering all investment categories, including listed equity investments, emerging market listed equity investments, private equity investments, fixed income investments, and real estate investments. We have established a comprehensive sustainability management system spanning the entire investment lifecycle, with dedicated institutions and personnel responsible for sustainable investment initiatives to ensure ESG considerations are integrated into investment decisions.

We continuously enhance the professional competencies of sustainable investment managers, actively engage in industry exchanges, and respond to feedback on the *ESG Investment Guidelines for Insurance Institutions* by dispatching specialists to participate in on-site seminars organized by industry associations. These efforts involve in-depth analysis of policy orientations and market practices, maintaining professional sensitivity to cutting-edge trends in sustainable investment, and laying a solid foundation for advancing sustainable investment practices.

Pre-investment

Sunshine Insurance has deeply integrated ESG risk management into the investment evaluation and decision-making processes at the front-end, establishing an ESG due diligence mechanism covering all asset classes. By aligning with regulatory requirements and industry practices, we regularly update due diligence implementation guidelines and positive or negative lists to continuously enhance the rigor and practicality of our ESG framework, effectively embedding sustainable development principles into investment decisions.

ESG due diligence mechanism

We conduct comprehensive ESG due diligence in strict compliance with the sustainability evaluation requirements of the investment targets and regularly review and update our due diligence checklist.

For standardized investment products

We collect open market data, conduct ESG due diligence on enterprises, and perform sustainability investment evaluation scoring.

For non-standard investment projects

We conduct ESG assessments based on due diligence checklists, requiring enterprises to provide feedback on identified issues. These feedback results serve as critical references for corporate sustainability investment evaluations.

For investments in unlisted equities, real estate, and private equity funds

We implement ESG compliance documents and risk review checklists, incorporating ESG due diligence content into legal and internal compliance reports to support investment decision-making.

In our pre-investment compliance report, we conduct a comprehensive evaluation of ESG risk compliance to ensure that investment projects are free from ESG violations and risks. The investment contract template explicitly requires the financing entity to provide formal statements and commitments regarding ESG matters, including confirming that neither the financing entity nor the investment project faces significant ESG risk events, and ensuring that all operational phases of the investment project comply with ESG compliance requirements.

ESG due diligence checklist

Sunshine Insurance's current due diligence checklist comprises three core metrics: Environmental Assessment (E), Social Assessment (S), and Governance Standards (G), with first-level indicators and specific second-level metrics under each category. Environmental Assessment evaluates project impacts, including environmental effects, gas emissions, water resource consumption, natural disaster risks, land use efficiency, eco-friendly attributes, and third-party evaluation reports (if applicable). Social Assessment examines workforce diversity, social contributions, labor rights protection, and customer relationship management. Governance Standards assess corporate structure, regulatory compliance, disciplinary violations, corporate values, and controversial investments. We continuously enhance ESG due diligence processes to raise client awareness of ESG importance, guide due diligence documentation preparation, and strengthen our project information acquisition capabilities. Through objective evaluation scoring systems, we effectively identify and manage potential ESG risks.

ESG risk analysis and supervision

To advance ESG risk management during pre-investment decision-making processes, Sunshine Insurance has appointed dedicated analysts to analyze and oversee ESG-related matters throughout investment cycles, thereby enhancing the quality and efficiency of sustainable investment management. These ESG specialists conduct customized ESG reviews for individual asset portfolios in accordance with the Group's sustainability investment policies and due diligence checklists, generating structured evaluation reports while establishing integrated risk monitoring and reporting mechanisms to track the implementation effectiveness of sustainability investment strategies. The Group's Investment Management Department maintains quarterly monitoring of overall sustainability investment progress through dedicated staff, responsible for periodic framework reviews, updating sustainability investment frameworks, compiling positive/negative industry lists, and implementing ESG risk tagging for portfolio assets.

For investment operations across different asset classes, ESG specialists collaborate with operational workflows to define role responsibilities and workflows, assisting investment divisions in understanding ESG core elements, benchmarking industry management practices, and driving effective implementation of sustainable investment management policies. Taking equity investments as an example, the investment research division assigns dedicated personnel to review listed companies' governance structures and environmental performance. Governance assessments cover equity stability and concentration, major shareholder pledge status, board effectiveness and committee performance, team stability with performance-linked incentives, related-party transactions, disclosure compliance, and shareholder return mechanisms including dividends and share repurchases. Environmental compliance focuses on verifying corporate compliance with legal emission permits, environmental penalty records, and "three wastes" (waste water, waste gas, and solid waste) emission standards. Evaluations include environmental investment ratios relative to revenue, historical and projected capital expenditures, and analysis of policy impacts like "dual carbon" initiatives on core operations, product markets, and pricing strategies to comprehensively assess sustainable operational capabilities and potential risks.

Furthermore, we engage external professional institutions to conduct due diligence and evaluation on the sustainability performance of investment projects, thereby enhancing the professionalism and independence of pre-investment ESG risk management. In terms of environmental factors, we focus on pollutant discharge permits, project registration status, environmental internal control systems, and administrative penalty records. For social aspects, we assess labor dispatch and outsourcing management practices, personnel policies, labor arbitration and litigation cases, product certifications, and corporate social responsibility frameworks. Regarding governance, key elements include corporate governance mechanisms, control structure, shareholder disputes resolution, audit and tax compliance, as well as ESG compliance standards.



Post-investment

Sunshine Insurance has been continuously strengthening ESG risk management in post-investment phases, establishing a comprehensive post-investment management system that covers equity, debt, and real estate investments. The Group conducts routine ESG risk monitoring and implements corresponding mitigation mechanisms.

Based on a three-tier sustainable investment framework, we implement categorized management and dynamic evaluation of ESG risks across all investment targets and compile a "positive or negative entity list".

To address major ESG risks, we have established and continuously refined our complaint response mechanism to ensure timely and effective handling of risk feedback. For internal personnel who fail to report known major ESG risks as required, accountability measures will be implemented in accordance with regulations.

Proxy voting

Sunshine Insurance exercises proxy voting rights for allocated and portfolio-authorized stocks in compliance with internal regulations including the *Administrative Measures for Proxy Voting of Shares* and the *Administrative Measures for Equity Portfolio Authorized Accounts*. Voting methods primarily consist of on-site and online voting. When necessary, the Group dispatches directors or supervisors to select concentrated investment companies to strengthen governance oversight. We actively participate in governance practices such as shareholders meetings at invested companies, prudently review resolutions, and make responsible voting decisions on key ESG issues. Through concrete voting actions, we advocate for continuous corporate governance optimization, particularly emphasizing ongoing improvements in social responsibility fulfillment.



ESG engagement

Sunshine Insurance has formulated and released the *ESG Investment Practices and Active Engagement Policy Statement* [6], establishing a regular ESG engagement mechanism. The Group actively conducts ongoing supervision, maintains constructive dialogues, and performs periodic evaluations to drive ESG performance improvements among its portfolio entities. By systematically collecting ESG data from portfolio companies and integrating it into post-investment risk assessment frameworks, Sunshine Insurance ensures continuous monitoring of ESG compliance.

We establish multi-channel engagement to actively participate in the sustainable governance of our portfolio companies. Engagement methods include direct communication via teleconferences, email exchanges, and on-site visits, as well as shareholder speeches and proposal submissions. Additionally, we assign directors and supervisors to fulfill ESG engagement responsibilities, including timely review of ESG-related reports and meeting materials, prudent voting on key ESG proposals, and communication of positions with management to drive continuous improvement in ESG practices.

In post-investment ESG engagement, we establish dedicated ESG oversight roles and professionals within the post-investment management team to drive responsible governance and value enhancement. Following investment completion, relevant personnel implement continuous monitoring and proactive communication to improve ESG performance of portfolio companies. This involves regular tracking and collection of publicly available information from portfolio entities (funds), ongoing evaluation of their ESG performance metrics, and incorporating these findings into post-investment risk assessments. Such efforts provide strategic decision-making support for ESG participation across all investment lines.

We have established post-investment risk assessment guidelines, implementing categorized monitoring, supervision, and enhancement mechanisms for ESG engagement to ensure the effective implementation of the Group's due diligence management policies at the project level. Dynamic monitoring is conducted for key invested entities to track ESG improvement progress. For those failing to respond effectively or demonstrate improvement, measures such as reduced investment will be taken to some extent.

Post-investment ESG engagement supervisors conduct risk tracking on portfolio projects through daily risk monitoring and quarterly risk assessments, implementing differentiated management strategies for projects with varying risk levels.

When the project risk level is low

We maintain regular communication with the invested enterprise or real estate project company to continuously track the latest developments and solutions for risk events affecting the scoring results, and assess the potential for further deterioration of the risk indicator.

When the project risk level is moderate

Proactive management measures such as post-investment visits, management surveys, or specialized audit evaluations are implemented to analyze the current operational status and risk profile of the invested enterprise or project, and we formulate subsequent action recommendations as appropriate.

When the project risk level is high

We develop an exit contingency plan based on the aforementioned management measures.

6 *ESG Investment Practices and Active Engagement Policy Statement:* https://static.sinosig.com/c/upload/cate/70/146/1775786597087009715.pdf

Sustainable Investment Practices

Sunshine Insurance continues to advance the sustainable development investment strategy by integrating ESG factors into all investment categories of the Group's insurance funds. For various investment targets including equity investments and real estate investments, the Group has established specialized investment management protocols, risk management guidelines, and pre-investment operational standards. These measures explicitly incorporate ESG-related requirements into corresponding investment types, effectively promoting sustainable investment practices.

Fixed income investments

In fixed income investments, we focus on enhancing corporate environmental performance, fostering green industries, and mitigating environmental risks, with investments directed toward green development and carbon neutrality transition initiatives. In 2025, Sunshine AMC launched the "Sunshine-Hebei Transportation Investment Green Infrastructure Debt Investment Plan" with a registered capital of RMB3 billion, allocated to the Shitai and Hengde Expressway expansion projects. Notably, the Hengde Expressway expansion project was selected as one of the first pilot projects of building China's strength in green and low-carbon transportation by the Ministry of Transport. The investment plan received the highest green certification rating (G-1) from China Chengxin Green Finance, with 60% of proceeds directed toward projects compliant with the *Catalogue for Guiding the Transition of Industries to Green and Low-carbon Energy (2024)* and the *Green Bonds Endorsed Projects Catalogue (2021 Edition)*, issued by the National Development and Reform Commission and other authorities.

Listed equity/equity investments

In listed equity and equity investment strategies, Sunshine Insurance has systematically incorporated ESG factors into its investment target analysis framework to evaluate potential impacts across multiple dimensions. For instance, when selecting industry targets such as steel manufacturing, the Group prudently adjusts capital expenditure projections for enterprises that have not yet completed ultra-low emission retrofits. For companies involved in major environmental or labor litigation cases, Sunshine Insurance focuses on analyzing potential financial risks arising from disputes to enhance the prudence and foresight of investment decisions.

Private equity investments

In private equity investments, Sunshine Insurance integrates ESG considerations throughout the entire investment process. During an equity investment in an industrial gas manufacturing company, the Sunshine investment team conducted ESG due diligence prior to the transaction, identifying risks associated with the target company's clean energy business involving coal chemical processes, which posed potential "High Energy Consumption, High Pollution" certification challenges. After thorough evaluation, they established divesting these assets as a prerequisite for acquisition completion to mitigate ESG risks at the source. During post-investment management, the team continuously monitored the target company's ESG performance, analyzed its annual *Environmental, Social, and Governance Report*, and tracked progress in ESG governance initiatives. Additionally, in response to macroeconomic policy shifts such as "dual carbon" goals, they held regular strategic discussions with management, developed specialized analytical reports, and facilitated enhanced understanding and implementation of ESG policies among executives.

Real estate investments

In 2025, during an investment in a commercial plaza real estate fund, the Sunshine investment team conducted a comprehensive ESG pre-screening review of both the fund manager and underlying assets. The assessment focused on environmental compliance of the underlying assets, the managers' labor practices and employment standards, as well as the robustness of internal governance structures. Additionally, the team identified potential litigation risks associated with major shareholders to mitigate ESG risks in real estate investments at the source.



Sustainable Investment Research

Sunshine Insurance continues to deepen the research in sustainable investment, actively participating in industry exchanges and disseminating professional achievements externally, while strengthening capacity building and consolidating research foundations internally. With robust research capabilities, the Group empowers green finance and sustainable investment practices.

External Communication

Sunshine Insurance has transformed sustainable investment practices into replicable and scalable experience outcomes, earning recognition from authoritative institutions. Our innovative practice of *Constructing the Model for Sustainable Development with Chinese Characteristics* was selected as one of the "2025 Green Development Cases" guided by the Price, Cost and Certification Center of the National Development and Reform Commission and jointly initiated by the Beijing National Institute of ESG and the School of Finance at Renmin University of China, becoming one of only two insurance companies selected for this case.

Deeply involved in industry talent cultivation and standard development

As industry experts, the researchers from Sunshine AMC participated in the research on the statistical system and the formulation of standards related to insurance funds supporting the "Five Major Areas of Finance" carried out by National Financial Regulatory Administration, making positive contributions to the development of the industry and the construction of supervision. As a member of the review expert committee, Sunshine AMC participated in organizing the 2025 "Greater Bay Area Green Finance Skills Competition" hosted by Chinese Financial Workers' Union, advancing the competition preparation, question compilation and preliminary contest review work, contributing to the cultivation of professional green finance talents in the industry.

Actively promoting industry-academia-research collaboration

Sunshine AMC was invited to attend the ChinaBond Financial Valuation Center's Data Application Exchange Conference on the "Five Major Areas of Finance", delivering a keynote speech on implementing these financial strategies in insurance asset management. In 2025, the Group participated in the inaugural Applied Finance Annual Conference hosted by the Faculty of Applied Economics at the University of Chinese Academy of Social Sciences, presenting an academic report titled "Localization of Sustainable Finance in China and Insurance Investment Practices" to share cutting-edge insights in sustainable investment.

Deepening research on green finance and biodiversity conservation

In 2025, *Biodiversity Investment: Progress, Difficulties and Practices*, Sunshine AMC's research findings, was published in *Tsinghua Financial Review, emerging* as a cutting-edge outcome of research in this field by Chinese insurance institutions.

Internal Capacity Building

To further advance sustainable investment principles, Sunshine Insurance has actively implemented the Scope 3 greenhouse gas research and measurement project on the investment side. For detailed progress this year, please refer to the "Climate and Environment - Climate Change Response" section. In 2025, we conducted three specialized training sessions targeting key stakeholders across critical business lines, focusing on core topics such as portfolio carbon emissions and climate risk management. These initiatives aim to continuously enhance team's professional expertise in sustainable investment analysis and provide talent support for deepening green finance practices.



Sustainable Health Management

Sunshine Insurance deeply serves the "Healthy China" strategy, actively responds to the trend of population aging, focuses on core needs in healthcare and elderly care, and deepens the development of the "Insurance + Healthcare and Elderly Care" model. By integrating industrial chain resources, the Group builds a health management system covering the entire life cycle, enhancing people's well-being through diversified services.

Healthcare Services

Sunshine Insurance continues to build an "Insurance + Healthcare" ecosystem for health services by integrating online and offline medical resources, deepening the synergy between the core insurance business and the healthcare industry, and providing customers with comprehensive, scenario-based health management experiences covering the entire life cycle.

As the core carrier of Sunshine Insurance's healthcare services, Sunshine Union Hospital adheres to establishing itself on medical quality, continuously strengthens refined operational management, focuses on enhancing medical technology and discipline development, and promotes the coordinated development of medical care, education, and research. Currently, the hospital boasts 6 municipal-level key laboratories, with 25 disciplines recognized as municipal-level key disciplines (specialties), renowned clinical specialties, and premium/advantageous specialty departments. It has also become a provincial pilot hospital for modern hospital management systems, providing professional safeguards for public health with solid medical capabilities. In 2025, the hospital successfully hosted the "Focusing on Private Enterprises" National Private Hospital Innovation and Development City Tour Forum and the China Medicine Education Association Academic Conference on High-Quality Development of Vertigo Diagnosis and Treatment in Frontal Lobe Medicine, promoting industry progress through academic exchanges and contributing to the improvement of regional medical standards.

Deepening the Integration of "Online + Offline" Healthcare Services

Sunshine Insurance continues to deepen the collaborative development between Sunshine Union Hospital and the internet-based healthcare platform, enhancing the "online + offline" medical service network and upgrading the comprehensive health management service system. In 2025, the hospital established the "Sunshine Internet Healthcare Division" and formed a professional internet-based diagnosis and treatment team as well as an operational management team to provide the public with more convenient online health services. Concurrently, the hospital launched the "Union Family Doctor" product and upgraded the WeChat service platform to effectively improve service accessibility and customer satisfaction. Current services cover multiple scenarios, including health records, online diagnosis and treatment, home medication delivery, examination appointment scheduling, report interpretation, medical assistance, inpatient accompaniment, post-hospital rehabilitation, and specialized health support, achieving a closed-loop management process from "pre-hospital prevention–in-hospital diagnosis and treatment–post-hospital rehabilitation". This approach precisely matches the diverse health needs of insurance clients, corporate employees, and the general public.

Health protection

- Sunshine Union Hospital provides precise ultra-early systemic health screening services to assist clients in understanding their physical condition, identifying, and intervening in potential health risks.
- The Life Science Laboratory provides storage services for human immune cells and neonatal umbilical cord mesenchymal stem cells, offering enhanced protection for clients' life and health.
- Specialized clinics have been established for weight management, alcohol detoxification, cosmetic suturing, sleep disorders, and reproductive health to meet the diverse and multi-level health needs of the public.

Medical consultation

- Sunshine Union Hospital has continuously strengthened talent team development and innovation in diagnostic and therapeutic technologies. It has established a comprehensive disciplinary system encompassing the National Stroke Center, the National Consultation Center for Complex Vertigo Cases, the National Clinical Trial Institution for Drugs/Devices, as well as 25 municipal-level key specialties, renowned clinical specialties, and premium/advantageous specialty programs. The hospital serves a wide patient population with professional technical capabilities.

Elderly rehabilitation management

- Sunshine Union Hospital has established the Sunshine Medical and Elderly Care Center, which has provided integrated professional services of medical treatment, rehabilitation, and nursing care to 206 disabled and semi-disabled elderly individuals.
- The hospital has established two community medical care stations and developed an "Internet+" smart home-based medical and elderly care service mechanism to enable seniors to receive professional care at their doorstep.
- Using Sunshine Union Hospital as a "testbed" for elderly care services, we integrate high-quality resources to establish a coordinated medical-care integration system encompassing institutional care, community-based care, and home-based care. We continuously expand the service network to provide seniors with integrated "medical - rehabilitation - living care" services.

Strengthening the "Insurance + Healthcare" Service Integration

Sunshine Insurance continues to deepen the integration of core insurance business with the healthcare industry, optimizing service processes and enhancing customer experience. In 2025, Sunshine Union Hospital further improved the one-stop insurance service platform and customer payment platform applications. Currently serving 26 insurance companies, including Sunshine Insurance, the hospital provides end-to-end convenient services for policyholders, covering medical consultations, hospitalization, health management, and claims consultation.

We deepen the integration of "Insurance + Healthcare" scenarios, promoting the innovative combination of specialized projects such as blood purification, herbal tea formulations, and the "three-in-one" approach combining PET/MR, hyperbaric oxygen therapy, and ozone therapy with insurance products. This expands the coverage of medical services, enabling more individuals to access high-quality healthcare resources. The Sunshine Aggregation Personal Injury Medical Audit Service Center focuses on key aspects of personal injury claim management, strengthening specialized support for disability cases and high-risk cases. By implementing proactive risk control measures and establishing an integrated model of "expense review + insurance liability review", we enhance the claims experience and satisfaction of insurance clients through professional services.

Building upon the enhancement of service platforms and specialized projects, Sunshine Insurance has further integrated cutting-edge life science medical technologies into the health protection system. Sunshine Union Hospital Cell Laboratory, as the first regional cell storage and preparation center approved by four departments including health, science and technology, market regulation, and development and reform in Shandong Province and established within a tertiary Grade A hospital, has implemented a quality management system constructed according to the highest international standards. The cell quality has been certified by CNAS as exceeding industry standards. The laboratory collaborates with top-tier institutions such as the Chinese Academy of Medical Sciences to conduct clinical research, committed to providing compliant and professional cell technology services for public health, thereby extending the benefits of advanced medical resources to a broader population.



Elderly Care Services

Sunshine Insurance has created the "Sunshine Home" pension brand, promoting the coordinated development of institutional and home-based elderly care. Through diversified high-quality service offerings, it empowers the construction of "Healthy China" and contributes to the improvement of a multi-tiered social security system.

Institutional Elderly Care

Sunshine Insurance has established a comprehensive elderly care service ecosystem tailored to all age groups through its dual-track model of "self-operated management + open collaboration".

Sunshine Home · Conghua Wellness Community

Positioned as a low-density Continuing Care Retirement Community (CCRC) for suburban wellness, it commenced operations in 2021 with a focus on elderly care services while catering to wellness travel needs across all age groups. In 2025, the community was honored with Guangdong Province's "Silver Economy Industry Innovative Enterprise" and first place in the "Conghua District Private Elderly Care Institution Operation Award" for its exceptional operational services, setting a benchmark for high-quality wellness living for senior citizens.

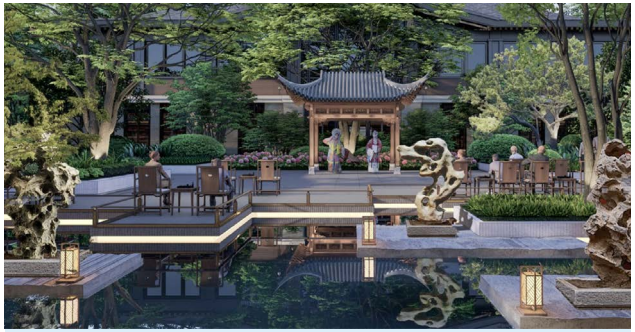


Honored with

- Guangdong Province's "Silver Economy Industry Innovative Enterprise"
- Conghua District Private Elderly Care Institution Operation Award

Sunshine Home · Sheshan Premium Wellness Community

As a flagship senior care project, it commenced operations in 2024 with comprehensive age-friendly design. The initiative has been honored with multiple accolades, including "Top 100 Brands of China's Silver Economy", the Gold Award of American Muse Design Awards, and the "2025 Global Financial Brands Conference · Yanshu Award" for outstanding case in elderly care finance. Designated as a 5A-rated retirement living base, it sets industry benchmarks through innovative premium elderly care services.



Honored with

- Top 100 Brands of China's Silver Economy
- "2025 Global Financial Brands Conference • Yanshu Award" for outstanding case in elderly care finance
- The Gold Award of American Muse Design Awards
- 5A-rated retirement living base

Home-Based Elderly Care

Sunshine Insurance has established a multi-tiered service ecosystem covering all life stages of elderly populations, encompassing active seniors, semi-dependent individuals, and those with full dependency, centered around three core pillars: "Home-based Health, Home-based Safety, and Home-based Living". The Group continuously refines the elderly care product portfolio and the self-developed smart terminal, "Xiaoyang Smart Screen", integrates medical consultations, health management, cultural entertainment, and daily assistance services, enabling seniors to enjoy convenient smart elderly care experiences at home. To date, over 10 thousand clients have benefited from the Group's home-based elderly care services, covering 29 provinces and 232 prefecture-level cities nationwide and serving more than 9,000 households. The Group consistently delivers premium services to meet senior citizens' expectations, leverages technological innovation to enhance home-based care quality, and genuinely strengthens seniors' sense of fulfillment and security in their daily lives.

home-based elderly care services covered

29 provinces and **232** prefecture-level cities nationwide

served more than

9,000 households

Access to Finance

Sunshine Insurance continues to drive innovation in product and service models while expanding its financial service network. By the end of 2025, the Group had established 2,743 branches, achieving comprehensive coverage across all provinces and municipalities in China. We have rigorously implemented our "online + offline" dual-channel service strategy, leveraging multiple channels to continuously expand service reach and enhance financial service accessibility.

By the end of 2025

Sunshine Insurance had established

2,743 branches

achieving comprehensive coverage across all provinces and municipalities in China



Multichannel Services

"95510"customer service hotline

Offering a wide range of services 24/7 throughout the year, including incident reporting. survey scheduling, policy inquiries, insurance appointment booking, consultation and complaints, roadside assistant, and disaster alerts

Sunshine Life "My Sunshine" App

A groundbreaking live person guidance mode for business processes, which creates an immersive online service experience, simulates the teller process through live videos and voice, and guides users through the process

Sunshine P&C"Sunshine Car . Life" App and Mini Program

Four major scenarios: policy service, claim settlement service, rescue service, and value-added service

Sunshine Insurance official website

Comprehensive information on insurance products and services is provided, including detailed introduction of various insurance products, purchasing process, claims service. Meanwhile, it provides interactive functions such as online customer service and intelligent Q&A, so that customers can ask questions online at any time and get professional answers and assistance

Innovation in Mobile and Online Service Channels

Sunshine Insurance continues to strengthen the insurance product service system by leveraging digital tools to build a full-process online service platform. This initiative addresses key challenges such as limited-service accessibility in remote areas and inefficient offline procedures, effectively reaching underserved populations including elderly individuals and rural households in isolated regions. Through accelerated service response, optimized process experiences, and enhanced inclusive capabilities, the Group enables diverse customer groups to enjoy convenient and efficient service delivery.

"Sunflower Agricultural Insurance" App

Expanding Agricultural Insurance Reach and Enhancing Claims Efficiency

To address financial service challenges in rural and remote areas, Sunshine Insurance has launched mobile solutions like the "Sunflower Agricultural Insurance" App, enabling convenient features such as remote video inspections and online submission of claim documents, significantly improving the responsiveness of agricultural insurance services. Through deep collaboration with meteorological departments, the Group has achieved rapid loss assessment and claims processing, substantially shortening claim cycles and helping farmers receive compensation promptly after disasters to resume production swiftly.

"Claim Service Robot"

Innovating Online Intelligent Claims Service

To address the challenges of random claim scenarios and limited service accessibility in auto insurance operations, we have innovatively launched a 24/7 online intelligent "Claim Service Robot" through the "Sunshine Car Life" App. This system provides round-the-clock instant response, automated step-by-step guidance, and end-to-end service support, delivering one-stop smart claims assistance. The robot enables real-time claim reporting responses and automatically creates personalized claim service groups. Customers can follow on-screen instructions to self-upload accident photos online, while remote video inspections are supported through agent connections. For on-site investigation cases, clients can track agent locations and estimated arrival times in real time, effectively alleviating waiting anxieties.

"One-Click Claim"

Remote Survey Tool to Enhance Claims Efficiency

We are continuously upgrading the "One-Click Claim" remote assessment tool for clients, integrating innovative AI-powered document validity verification capabilities and establishing a guided standardized workflow. This enables priority self-service processing during claims submission and streamlined case handling, effectively breaking geographical service barriers while enhancing operational efficiency across the entire service lifecycle. In 2025, leveraging the technological capabilities of this tool, the average settlement cycle for auto insurance claims was shortened by 1.30 days year-on-year.

"Enjoy Sunshine Healthily" and "Sunshine for Elderly Care"

Customized Elderly Service Plans

Leveraging the online service platform of the "My Sunshine" APP, we have innovatively developed the sub-brands "Enjoy Sunshine Healthily" and "Sunshine for Elderly Care" to promote the deep integration of insurance products with health and elderly care solutions. "Enjoy Sunshine Healthily" comprehensively consolidates premium resources to establish a "Large-Specialty, Small-Comprehensive" health product system, creating a full-process service loop that spans daily health management, specialized disease screening, and access to top-tier domestic and international medical resources. "Sunshine for Elderly Care" focuses on scenarios such as home-based and travel-based elderly care, offering diverse services including health monitoring, expert consultations, home nursing, intelligent safety systems, and travel benefits to meet the multi-level and multi-stage care needs of seniors.

"Sunshine Cloud Counter"

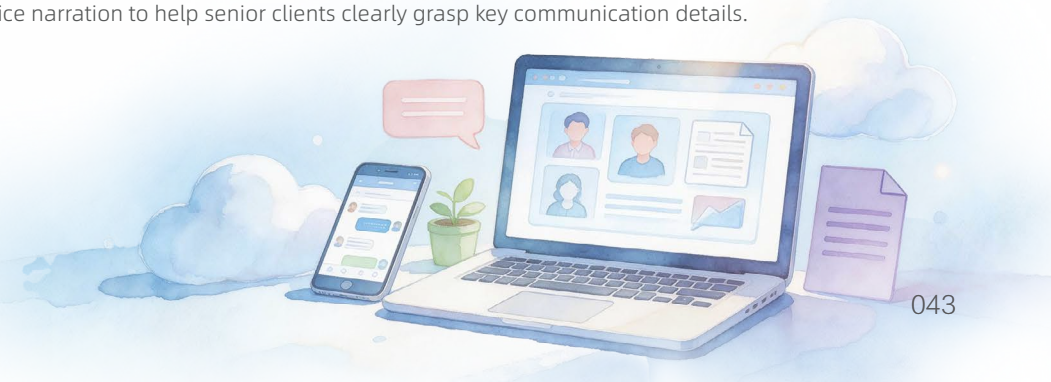
Leveraging Technology to Protect the Financial Rights of Vulnerable Groups

Sunshine Insurance has innovatively launched the "Sunshine Cloud Counter" service system, featuring a minimalist interface design and intelligent risk control technology to precisely address financial service needs of elderly individuals, people with disabilities, and residents in remote areas, enabling convenient insurance processing. Users can initiate service requests and engage in real-time communication through SMS redirection without app downloads. The system supports collaborative processing modes, allowing multiple users to conduct synchronized remote consultations and online signatures for transactions requiring cross-party verification, significantly streamlining offline signing procedures. Leveraging big data verification technologies like facial recognition, the system performs real-time identity verification by cross-referencing customer ID information with public security department databases, mitigating identity fraud risks. This solution effectively addresses issues such as information asymmetry and low risk awareness among seniors, thereby enhancing financial risk mitigation and providing accessible, personalized financial services.

"95510" Green Channel

Age-Friendly Upgrade and Renovation

Sunshine Insurance addresses the growing demand for online financial service accessibility among senior citizens by establishing a dedicated one-touch green channel for elderly customers within the nationwide unified customer service hotline "95510". This initiative ensures precise alignment with senior users' service needs while creating more efficient feedback mechanisms and streamlined transaction processes. Policyholders aged 60+ enjoy flexible options including traditional and electronic policy issuance, with voice prompts during recording sessions featuring slow-motion playback to enhance information comprehension and issuance experience. The online follow-up module incorporates voice narration to help senior clients clearly grasp key communication details.



Innovation in Emerging and Collaborative Service Channels

Sunshine Insurance continues to expand its service network layout by establishing collaborative mechanisms with diverse partners. Through innovative channel models, it breaks traditional service boundaries, effectively broadening the reach of financial services to enable various customer groups to access professional and efficient insurance services nearby.

Exclusive Agency Stores (EA Stores)

Deepening County-Level Presence to Build a Tailored Service Network

Sunshine Insurance is actively developing exclusive agency stores (EA stores) featuring community-oriented models such as insurance studios and neighborhood branches, with a focus on underserved areas like counties and townships where financial services are hard to reach. By enhancing brand visibility through promotional campaigns and digital expansion strategies, the Group leverages multi-model operations, tiered support systems, and diversified incentive programs to continuously improve operational efficiency and service capabilities. As of the end of 2025, we have established 2,030 exclusive agency stores, achieving comprehensive coverage across multiple provincial-level regions nationwide and effectively extending its services to frontline customers.

By the end of 2025

2,030
EA stores

Banking Cooperation

Focusing on Core Business and Expanding Financial Service Networks

Sunshine Insurance has proactively expanded the bancassurance collaboration channels, establishing in-depth partnerships with 40 banking institutions, including major state-owned banks, nationwide joint-stock commercial banks, and regional legal entity banks. Committed to building a comprehensive service network and extending financial service accessibility, the Group leverages its extensive branch network and robust customer base to seamlessly integrate insurance services into mainstream financial scenarios. This strategy has successfully established a multi-tiered, wide-ranging offline service network, effectively transcending traditional service boundaries and expanding financial service coverage. These efforts empower broader customer segments to conveniently access professional and efficient insurance protection solutions.

Internet Platforms

Empowering Industries and Expanding the Digital Service Ecosystem

Sunshine Insurance continues to pioneer innovations in online service channels, having established deep collaborations with leading internet platforms such as Ant Insurance and JD.com. Leveraging the platforms traffic advantages and scenario integration capabilities, we seamlessly integrate insurance products and services into users' daily consumption, travel, and health management routines. By transcending physical branch limitations and expanding online service coverage, Sunshine Insurance achieves extensive reach among young demographics, new urban residents, and users in remote regions.

Service Stations (Points) for "Agriculture, Rural Areas and Farmers", and Agricultural Insurance Teams

Rooted in Rural Areas to Strengthen the Agricultural Insurance Foundation

Sunshine Insurance aligns closely with the rural revitalization strategy, continuously expanding the grassroots agricultural insurance service network. By leveraging service stations (points) for agriculture, rural areas and farmers, we have established rural revitalization service teams to strengthen local support and enhance financial services reaching villages and households, ensuring comprehensive coverage and rapid response. As of the end of 2025, China had established 852 township-level service stations and 3,438 village-level service points, representing year-on-year growth of approximately 30.67% and 72.33%, respectively, compared to 2024; the agricultural insurance team grew to 316 professionals, while the co-insurance agent teams expanded to 3,367 members.

By the end of 2025, nationwide

852
township-level service stations for agriculture, rural areas and farmers
increased by 30.67% compared to 2024

3,438
village-level service points for agriculture, rural areas and farmers
increased by 72.33% compared to 2024

By the end of 2025

cultivated agricultural insurance personnel
316

co-insurance personnel
3,367

In collaboration with village committees, supply cooperatives, information centers for famer, and township agricultural technology stations, we deployed mobile service units and agricultural insurance promotional materials to remote villages and farmlands, delivering on-site services to bridge the "last mile" gap in insurance accessibility. The partnership with village committees was integral to the mobile service initiative: They conducted preliminary needs assessments to identify insurance requirements for critical farming phases like crop preparation, sowing, and livestock breeding, while coordinating service schedules and locations with our team. Village officials participated throughout the process, guiding farmers, explaining insurance policies, and assisting elderly or mobility-impaired households with policy enrollment and claims procedures, effectively addressing rural challenges of "long distances to insurance services and complex application processes".

We have achieved deep integration between the service stations (points) for agriculture, rural areas and farmers, village Party-mass service centers, and villager service halls. Service windows are established in the offices of the village's two committees to facilitate farmers' access to consultations and insurance services nearby. Collaborative efforts are being made to ensure accurate underwriting verification, guaranteeing the authenticity and precision of insurance application information.



Product Development for Inclusive Client Groups

Sunshine Insurance focuses on addressing the core protection needs of inclusive client groups, driving product development and service upgrades through dual approaches of product iteration and demand insights. By continuously expanding the product portfolio and optimizing service efficiency, the Group strengthens the foundation of inclusive financial services. In 2025, Sunshine Insurance provided inclusive protection totaling RMB25 trillion for specific groups, including the elderly, people with disabilities, new urban residents, and workers in emerging industries, covering 88.46 million individuals (occurrences). Additionally, we offered agricultural insurance, rural-related insurance, and personal insurance for rural populations, amounting to RMB147.5 billion and serving approximately 1.25 million policyholders (occurrences).

We prioritize the core healthcare needs of the public, focusing on developing inclusive insurance services in the medical and health sector. These services effectively cover critical scenarios such as major illness insurance for urban and rural residents, high-value insurance for urban employees, and long-term care insurance, thereby strengthening the baseline of social welfare protection. In 2025, Sunshine Life implemented four major insurance programs, including critical illness coverage for urban and rural residents and high-value insurance for urban employees. Through its exclusive "Sunshine Life Urban and Rural Residents Critical Illness Group Medical Insurance (Type A)" product, the Group provided medical reimbursement services to 5.42 million basic medical insurance enrollees, offering total risk coverage of RMB4,146.1 billion and paying RMB740 million in claims. Additionally, Sunshine Life participated in two Huimin insurance programs, providing protection to 330 thousand insured individuals via the "Sunshine Life Sunshine Bathing Group Comprehensive Medical Insurance" product, with claim payouts totaling RMB1.36 million.

To accurately identify core needs of silver economy in health, medical treatment, elderly care, and wealth succession, Sunshine Insurance launched a nationwide large-scale demand research initiative targeting silver-haired clients in 2025. The study adopted a dual approach combining internal and external collaboration: conducting in-depth surveys among retired and active employees across the organization to capture internal perspective-driven demand characteristics, while simultaneously employing focus groups, one-on-one interviews, and quantitative surveys to comprehensively serve both "advanced-age" and "pre-elderly" populations. This methodology systematically identified pain points and expectations regarding retirement planning, health management, and wealth succession strategies. Based on systematic data integration and in-depth analysis, the Group released the *White Paper on Demand Insights for Middle-to-High Net Worth Senior Populations*, providing robust empirical evidence for customized product design and service optimization tailored to senior clients. This initiative drives inclusive finance evolution from broad coverage to deep service delivery.

In 2025

Sunshine Insurance provided inclusive protection totaling

RMB **25** trillion

for specific groups, including the elderly, people with disabilities, new urban residents, and workers in emerging industries,

covering **88.46** million individuals (occurrences)

Offered agricultural insurance, rural-related insurance, and personal insurance for rural populations, amounting to

RMB **147.5** billion

and serving approximately

1.25 million

policyholders (occurrences)

Case Long-Term Care Insurance Project - Deepening Inclusive Healthcare with Professional Services to Safeguard Health and Well-being

In 2025, we undertook the Chongqing Long-Term Care Insurance Project, supported by professional insurance products and driven by innovative services. This initiative not only effectively alleviates the financial burden on families with disabled members and enhances the quality of life for individuals with disabilities, but also actively responds to the national strategy of population aging and promotes the development of the elderly care industry.

Through our "Sunshine Life Group Short-Term Care Insurance" product, we have served 100 thousand disabled individuals, with total payments for nursing and assessment fees reaching RMB79.1 million. In collaboration with the Chongqing Healthcare Security Bureau, we have advanced service innovation by establishing a comprehensive long-term care insurance service network across all service areas, comprising administrative windows, training bases, and township/street service outlets. This initiative has replaced traditional fixed-point application methods, streamlined policy consultation and document submission channels for family members of disabled individuals, significantly improved long-term care insurance application efficiency, and made professional, efficient long-term care insurance services readily accessible.



Sustainable Operations

03

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Customers' Rights and Interests

Sunshine Insurance consistently adheres to a people-centered development philosophy, closely aligning with the corporate culture core of "earning customer approval - all for customers". We have established and improved consumers' rights and interests protection mechanisms to comprehensively safeguard customers' rights and interests, continuously optimized customer service processes, and empowered high-quality business development through superior customer service.

Protection of Consumer Rights and Interests

We strictly follow the Law of the *People's Republic of China on the Protection of Consumer Rights and Interests*, the *Measures for the Administration of the Protection of Consumer Rights and Interests by Banking and Insurance Institutions*, and the *Self-discipline Convention of the Insurance Industry on the Protection of Consumer Rights and Interests* and other laws and policies to ensure that consumers' legitimate rights and interests are fully respected and protected in every step of our business operations. Under the unified guidance of the Board of Directors and senior management, we have integrated consumer rights protection into corporate governance, corporate culture development, and business strategies, establishing robust foundations for consumer protection at the management level. In 2025, we implemented regulatory frameworks such as the *Product Suitability Management Measures*, the *Marketing Behavior Management Measures*, and the *Guidelines for Multi-Channel Consumer Dispute Resolution*, while revising the *Insurance Consumer Complaint Management Standards* to continuously enhance our consumer protection system. This ensures comprehensive coverage across all consumer touchpoints, including product services, marketing communications, information disclosure, dispute resolution, and information security.

We consistently adhere to the four core principles of consumer rights and interests protection, ensuring that every operational service initiative is thoroughly aligned with and fully consistent in upholding these principles.

The four core principles of consumer rights and interests protection

Compliance with the law

Consumer protection must comply with existing laws and regulations as well as the rules of the supervisory authorities, and we must conduct related work in accordance with the law.

Equality and voluntariness

The provision of products and services to consumers should follow the principles of voluntariness, equality and fairness, fully respect and protect the basic rights of financial consumers.

Honesty and trustworthiness

During daily operation and service to consumers, we should adhere to the concept of honesty and contractual spirit, effectively fulfill the responsibilities and obligations of an insurance company, and resolutely oppose any behavior that harms consumers.

Consumer centric

Adhering to the principle of focusing on the actual needs of consumers, providing consumers with valuable and meaningful products and services that meet their needs.

We strictly adhere to laws and regulations such as the *Advertising Law of the People's Republic of China*, the *Measures for the Administration of Insurance Sales Activities*, and formulated a marketing compliance framework centered on the *Measures for the Administration of Marketing Activities*, encompassing supporting systems for promotional material management, sales conduct standards, and compliance accountability mechanisms. This framework clearly defines core principles, operational benchmarks, and accountability mechanisms for responsible marketing, effectively eliminating violations such as false advertising and misleading sales practices at the institutional level.

We fully comply with information disclosure obligations by establishing a comprehensive omnichannel disclosure mechanism that integrates online and offline channels. This ensures accurate, complete, and timely product information disclosure to policyholders, insured parties, beneficiaries, and the public, with particular emphasis on clarifying key details such as product liabilities, coverage scope, and exclusion clauses. We have implemented a robust compliance review system for promotional materials throughout their lifecycle, enforcing tiered review and filing management for all external marketing materials. Through compliance audits, routine inspections, and targeted self-assessments, we rigorously mitigate sales misguidance risks. Our innovative "Life Insurance Sales Misconduct Detection Robot" enhances intelligent risk control and precise lead identification, ensuring promotional content aligns with product realities while eliminating misleading statements like exaggerated returns or concealed risks. Continuous compliance management is strengthened through strict salesperson qualification requirements, regular training programs, and performance evaluations to enhance professional ethics, expertise, and service capabilities. Dynamic monitoring systems and accountability mechanisms for sales violations further ensure standardized marketing practices.

Enhancing Education and Publicity on Protection of Consumers' Rights and Interests

We consistently regard enhancing consumers' financial literacy as a crucial component of fulfilling social responsibilities. We strive to establish a comprehensive financial education and publicity system characterized by "High-Impact Promotional Campaigns, Established Platforms for Ongoing Education, and Integrated Online-Offline Approaches", continuously disseminating positive financial messages to society.

Routine publicity platforms remain stable and effective

We have deeply integrated consumer protection with Party building. Specialized training sessions for Party Office Directors and Party Branch Secretaries on consumer protection recorded a 100% participation rate. A total of 186 "Party Building + Consumer Protection" integration events were held, effectively reaching over 22,000 attendances. Party members and cadres have set exemplary standards by actively implementing the principle of "Customer First, Consumer Satisfaction" in frontline services, effectively extending the warmth of the insurance industry to the general public.

Specialized training sessions for Party Office Directors and Party Branch Secretaries on consumer protection recorded a **100%** participation rate

Held a total of **186** "Party Building + Consumer Protection" integration events

Effectively reaching over **22** thousand attendances

We utilize online platforms including official websites, WeChat official accounts, and dedicated apps to disseminate case-based insurance explanations, risk alerts, and financial literacy education, establishing a sustainable digital education and outreach platform. We promote standardized educational infrastructure by requiring all business outlets to designate dedicated education zones, while establishing "Consumer Education Centers" in cities such as Hangzhou, Weifang, and Hefei to facilitate regular offline financial literacy campaigns.



Concentrated educational activities delivering diverse highlights

During pivotal events such as the "3·15" World Consumer Rights Day and the "September Financial Education Week", we focused on core priorities including rural revitalization, support for vulnerable groups, and anti-fraud initiatives. We developed tailored educational materials like reminder cards, Braille and sign language materials, and consumer protection pocket guides to enhance financial literacy outreach and ensure targeted engagement. During the "Nationwide Anti-Fraud Awareness Month", we launched a campaign themed "Anti-Fraud: A Mandatory Course – Strengthening Defenses and Fulfilling Responsibilities". Through various promotional materials, including graphics, text, and roll-up banners, we disseminated insurance fraud prevention knowledge across workplaces and public spaces, fostering a collective awareness of fraud prevention.

We actively explore "Finance+" cross-sector integrated communication models, leveraging AI technology, sand-painting videos, scenario-based short dramas, and Intangible Cultural Heritage + Finance live streams. These multidimensional approaches transform professional knowledge such as the "Three Proper Principles", rational insurance practices, and anti-fraud measures into intuitive and accessible interactive content. Through distinctive formats such as building a "Consumer Protection Drama City", holding Ferris Wheel-themed light shows, and integrating risk alerts with local sports events, we seamlessly integrate financial literacy into public life. This strategy embeds risk awareness into daily routines, effectively safeguarding citizens' financial security.



Targeted educational campaigns for differentiated groups yielding tangible results

Sunshine Insurance has been steadily advancing the "Five Entries" model, targeting rural areas, commercial districts, enterprises, campuses, and ethnic minority communities. By precisely focusing on the distinct needs of key target groups, including the elderly, children, and new urban residents, the Group organizes various offline activities around themes such as "prevention of illegal financial activities", "anti-fraud", and "campus loan safety". These efforts effectively enhance financial risk awareness and financial literacy among vulnerable populations.

Elderly customers

We establish "Senior Service Teams" to provide in-person care, developing large-print promotional materials and video tutorials, and launching a targeted "Smart Senior Assistance" campaign to help elderly customers bridge the digital divide. In addition, we regularly conduct financial literacy workshops and anti-fraud scenario simulations in communities, nursing homes, and rural areas through case studies and interactive Q&A sessions to disseminate anti-fraud financial knowledge, enhance risk awareness among elderly customers, and effectively safeguard their retirement savings.

Customers from ethnic minorities

We launch the "Financial Consumer Protection Ethnic Campaign", a themed event delivering consumer protection knowledge in ways that respect ethnic customs. This initiative has been recognized by industry associations as an outstanding example, establishing a benchmark for the industry. The Xinjiang branch innovatively introduces the *Animated Consumer Protection Lecture: "Dapanji & Nang" – Proverbs Edition*, utilizing AI technology to revitalize classic anime characters, deeply integrating Xinjiang's distinctive regional cultural elements, and featuring dubbing in minority languages. The engaging narrative scenarios closely reflect characteristic daily life, effectively improving the relevance and uptake of financial knowledge among customers from ethnic minorities.

Teen and student customers

We conduct the on-campus "Anti-Fraud Quick Guide" program, providing targeted education on high-frequency scam scenarios. Through animated demonstrations and scenario simulations, students learn to identify common fraud tactics like game top-ups and celebrity-related tipping scams, while strengthening rational consumption awareness and fostering sound financial awareness. Interactive activities such as "Financial Safety Mini-Lectures" and Anti-Fraud Fairs further strengthen youth awareness of risk prevention.

Rural customers

We employ community-focused approaches, such as "wall-based publicity campaigns" and repeated broadcasts via village radio stations to disseminate anti-fraud knowledge and key consumer protection messages directly to rural communities. Through key support initiatives, including the "Most Beautiful Courtyard" selection and charitable donation activities, financial literacy is integrated with rural cultural development efforts.

Customers with disabilities

We promote barrier-free renovations of service outlets by equipping them with promotional materials such as sign language videos and Braille manuals to effectively safeguard the fundamental rights of individuals with disabilities. We also establish "Caring Stations" and invite persons with disabilities to serve as "Customer Experience Officers" to continuously optimize barrier-free service processes based on practical needs, thereby comprehensively demonstrating the inclusiveness of financial services.

Customers from new urban residents

By establishing "New Urban Residents Financial Service Corners" in communities and commercial districts, we focus on core life scenarios such as employment, housing, and healthcare, delivering targeted education on insurance planning and financial management. We introduce insurance products tailored for new urban residents, effectively aligning with their lifestyle needs and affordability, while developing tailored financial service guides for new urban residents to comprehensively enhance their financial adaptability.

Enhancing Consumer Protection Service Awareness

Sunshine Insurance has steadily carried out specialized consumer protection training programs to strengthen employees' awareness and capabilities in consumer protection, ensuring the orderly execution of related initiatives. We have established a comprehensive, tiered, and sustainable training system that covers all employees. The training content is closely aligned with laws and regulations, regulatory policies, internal standards, and practical business scenarios, ensuring a balance between professional expertise and practical application. Tailored communications and differentiated capacity building are implemented for different roles: Senior and mid-level management participate in "Consumer Protection Training by Senior Executives" to deepen accountability and advance strategic implementation; frontline staff receive intensive practical training to enhance job performance; new hires complete mandatory modules to solidify compliance awareness; and ongoing training on consumer protection culture and the eight core rights reinforces a foundation of collective responsibility for all employees.

Leveraging the Sunshine Academy online platform and the "Wisdom Sunshine" knowledge base, we have established a digital learning support system to achieve on-demand learning and efficient coverage. Among them, the "Consumer Protection Column" has launched a total of 232 courses, with over 1.508 million learning participants, effectively promoting the systematic improvement of employees' consumer protection awareness and professional capabilities. Meanwhile, we actively promote the widespread dissemination of consumer protection culture for all employees, conducting a series of training programs such as the *Financial Culture with Chinese Characteristics*, the *Specialized Culture on Consumer Protection*, and the *Eight Fundamental Rights of Financial Consumers*. These efforts guide the internalization of consumer protection concepts from job requirements into voluntary actions by all employees, providing solid support for strengthening consumer rights protection work.

Consumer Protection Column

Launched a total of
232 courses

Learning participants over
1.508 million

Consumer Protection Audit

We place high priority on consumer protection and have incorporated internal consumer protection audits into our annual core work areas, establishing standardized and routine audit supervision mechanisms. The audit scope comprehensively covers key dimensions, including the development of the consumer protection system, operational service standards, mechanism efficiency, education and outreach implementation, dispute resolution, enforcement of consumer protection measures, and suitability management, providing end-to-end oversight. The internal audit department conducts annual specialized consumer protection audits at the corporate level, issuing audit reports for board review, while achieving full coverage of consumer protection audits across all secondary institutions within five-year cycles. In 2025, we conducted specialized consumer protection audits for the Group, P&C, Life, and Surety subsidiaries, as well as their 16 subordinate secondary-level institutions, while ensuring effective rectification of identified issues by audited entities.



Enhancing Customer Service Quality

We uphold the customer-centric philosophy of "ensuring customer satisfaction and doing everything for customers". We continuously refine our customer service systems and enhance service quality to provide every client with attentive and professional financial services. In 2025, we updated and enhanced the *Emergency and Risk Event Management Measures* and *Information System Disaster Recovery Management Measures*, and conducted emergency response drills to strengthen the security and continuity of financial services, ensuring that clients receive stable and seamless service.

Smooth Feedback Channels for Closed-Loop Service Management

Listening to customer feedback

We maintain a dedicated Customer Experience Officer team on a routine basis, conducting specialized research and immersive experience activities to systematically collect customer needs and pain points, and ensure that customer feedback is directly conveyed to decision-makers. In 2025, we organized 59 experience events across three key areas- insurance products, customer service, and technology applications-to gather customer suggestions and establish a closed-loop management mechanism of "experience-feedback-improvement-validation", effectively translating customer perceptions into tangible service improvements.

Enhancing customer governance

We continuously advance the transformation and upgrading of complaint management models, and establish robust mechanisms for traceable rectification and accountability, ensuring that complaint governance responsibilities are effectively implemented at the operational front line and driving tangible improvements from the source. We also implement targeted measures for key and high-frequency issues in customer complaints, actively expand diversified dispute resolution channels, strengthen preventive measures and proactive intervention during disputes, elevate complaint handling to a multi-level and systematic response framework, and comprehensively enhance the overall quality and efficiency of complaint resolution.

Enhancing data analytics

Leveraging the CRM Intelligent Customer Complaint Analysis System, we conduct multidimensional analysis and trend assessment of complaint attribution and customer feedback to precisely identify service gaps and process bottlenecks. We concurrently initiate root-cause rectification procedures, translating data insights into actionable service improvements, and continuously enhancing customer service experience and satisfaction.

Gaining insights into customer experience

For 11 consecutive years, we have used NPS (Net Promoter Score) as the core metric to measure customer satisfaction, covering key service processes and critical touchpoints including underwriting, claims handling, and value-added services. This approach enables us to gain deep insights into customer experience and feedback, ensuring the steady enhancement of customer satisfaction.



Hosting Customer Day to Warm Customers' Hearts

In 2025, we held a Customer Day themed "Step into Heartfelt Sunshine, Experience Love and Responsibility". Through a hybrid online and offline approach, we invite customers to step into Sunshine, explore its offerings, and experience its products and services firsthand. Through close interactions, we listen to customer needs and uphold our service philosophy, effectively enhancing customers' experience and perception of "Heartfelt Sunshine".

Step into Heartfelt Sunshine

Step into Sunshine online

We launched the online exhibition "Sunshine Cloud Panorama · Immersive Virtual Tour", inviting clients to virtually explore the history of Sunshine and the insurance industry. Exclusive storytelling initiatives, including "AI Time Machine: A Journey Through 20 Years" and "My Indelible Bond with Sunshine", attracted nearly 150 thousand attendances. Concurrently, the "Cloud Sports" health campaign received enthusiastic responses, attracting over 50 thousand attendances.

Step into Sunshine offline

We invited clients to visit Sunshine workplaces, providing senior customers with hands-on experiences of services, such as the "Xiaoyang Smart Screen", alongside health & wellness and financial knowledge seminars. For family clients, we provide educational lectures and interactive parent-child activities to enhance family education quality. Corporate clients are invited for face-to-face exchanges to accurately identify their needs and pain points, while leveraging the "Partner Initiative" to deliver risk mitigation services and strengthen collaborative relationships.

Experience Love and Responsibility

Enhancing claims service

Differentiated claims service strategies are developed based on the specific needs of different customer groups. Sunshine Life has launched an expedited claims service, enabling full automated processing of minor medical claims, with settlement completed instantly upon case closure. Sunshine P&C has implemented a "Pay First, Repair Later" model, streamlining service procedures to enhance claims efficiency and customer satisfaction.

Sincerely giving back to customers

By delivering services as a form of customer appreciation, Sunshine P&C focuses on critical periods of high natural disaster incidence during flood seasons and safety production risk prevention and provides risk assessment services to 1,920 key enterprises, offering professional support such as real-time meteorological disaster alerts and safety management training. These initiatives effectively enhance corporate risk control capabilities and significantly reduce accident-related losses.

Executive Service Day

We actively implement the "Executive Service Day" initiative, where managers at all levels engage directly on-site with service operations, participate in the entire customer service process, and listen attentively to customers' genuine needs. They identify on-site shortcomings in service processes and customer experiences, drive rapid rectification of issues, and implement timely service optimizations, ensuring that service improvements are effectively realized.

Caring for the Elderly Population and Enhancing "Age-friendly" Upgrades

We continue to advance the age-friendly transformation and upgrading of financial services, enhancing the service experience and sense of fulfillment for elderly customers through process simplification, experience optimization, and the implementation of targeted care initiatives.

Smart age-friendly online services

Tailored age-friendly solutions are designed for clients aged 60 and above, offering diverse service formats including traditional and digital policy issuance to precisely address the personalized needs of senior customers. The online interaction experience has been optimized with slower voice narration speeds to ensure clear communication. During critical transactions such as policy loan applications and partial claim processing, the system automatically integrates mandatory anti-fraud alerts to enhance financial security awareness and risk prevention capabilities among senior users.

Age-friendly services at business outlets

Continuous efforts are being made to enhance age-friendly environmental modifications across all business outlets nationwide, with dedicated senior service areas widely established. These areas are equipped with assistive facilities such as age-friendly seating, reading glasses, wheelchairs, and first-aid medications. Green service channels for senior customers have been established, providing comprehensive companion guidance and priority processing services throughout the entire service process.

Employee Development

Sunshine Insurance upholds the core concept that talent is the primary productive force. We establish fair, effective, and scientifically sound employment policies and benefits, provide a safe, comfortable, and equal work environment, and create a competitive training platform with development pathways. By mapping clear career trajectories for employees, we empower them to continuously enhance professional skills and overall competencies, striving to achieve a win-win outcome of personal value growth and sustainable corporate development.

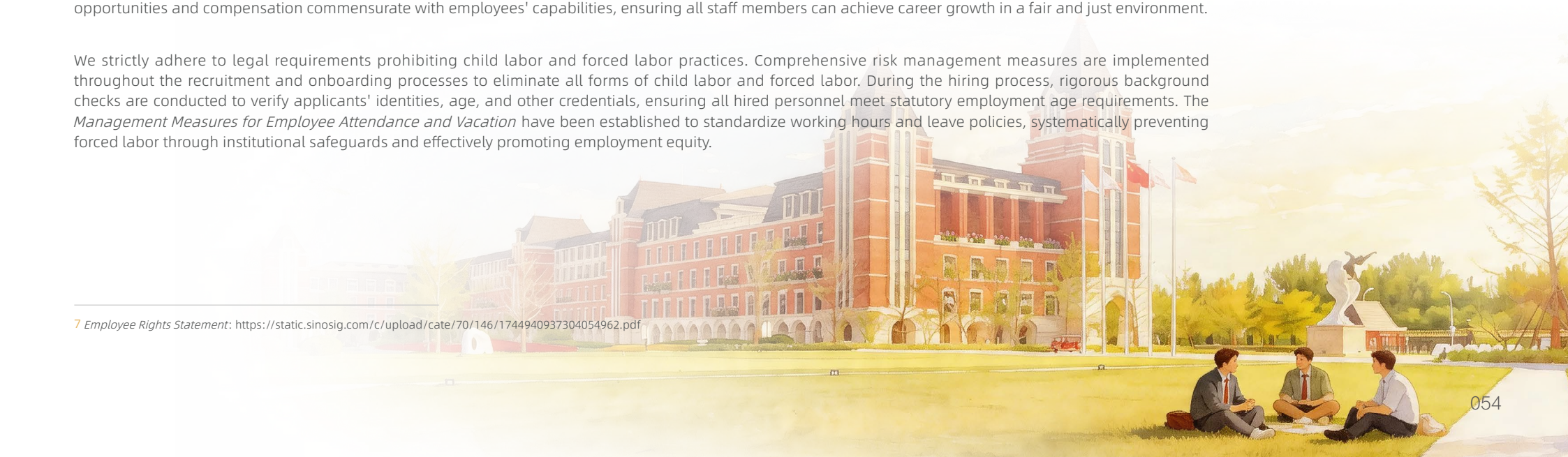
Safeguarding Employees' Rights and Interests

Recruitment and Employment

Sunshine Insurance strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China* and other laws and regulations. Adhering to the principles of equality, voluntariness, and mutual agreement, we establish lawful employment relationships with all new employees and sign formal labor contracts to effectively safeguard their legitimate rights and interests. We continuously improve our labor management systems by formulating and implementing policies, including *Management Measures for the Labor Contracts and Agreements of the Company*, *Management Measures for Employees' Entry and Exit*, *Management Measures for Employees' Attendance and Vacation*, *Management Measures for Employees' Performance*, etc. Besides, we have published the *Employee Rights Statement* [7] . We standardize the entire employment process through comprehensive, standardized management to foster harmonious and stable labor relations.

We have established and implemented the *Recruitment Management Measures* to clarify principles of fairness, impartiality, and transparency in hiring practices, standardize criteria for candidate selection and employment processes, and promote institutionalized and standardized recruitment management. We actively advocate for equitable employment practices and strive to foster a diverse and inclusive workplace culture. Throughout the recruitment process, we firmly reject discrimination based on gender, age, marital and childbearing status, ethnicity, religious beliefs, nationality, or other factors. We provide equal employment opportunities and compensation commensurate with employees' capabilities, ensuring all staff members can achieve career growth in a fair and just environment.

We strictly adhere to legal requirements prohibiting child labor and forced labor practices. Comprehensive risk management measures are implemented throughout the recruitment and onboarding processes to eliminate all forms of child labor and forced labor. During the hiring process, rigorous background checks are conducted to verify applicants' identities, age, and other credentials, ensuring all hired personnel meet statutory employment age requirements. The *Management Measures for Employee Attendance and Vacation* have been established to standardize working hours and leave policies, systematically preventing forced labor through institutional safeguards and effectively promoting employment equity.



7 *Employee Rights Statement*: https://static.sinosig.com/c/upload/cate/70/146/1744940937304054962.pdf

Employee Performance Appraisal and Feedback

We formulate management systems such as the *Measures for Employee Performance Management* and the *Measures for Remuneration Management*. Semi-annual performance appraisal and feedback sessions are conducted for all employees, covering the entire process from performance plan formulation, coaching support, precise evaluation, to outcome feedback and application. A clear, standardized, and efficient workflow has been developed, complemented by scientifically designed compensation incentive mechanisms that fully motivate staff engagement. These initiatives inject intrinsic momentum into the Group's sustainable growth, fostering both proactive participation and organizational vitality.

Performance goal and plan setting

Supervisors and employees participate together to conduct in-depth communication and acknowledgement based on the employees' work performance, work ability and expected work results within the specific assessment period and formulate the Performance Target Responsibility Agreement to clarify work directions and assessment criteria.

Employee performance appraisal

Following the principle of hierarchical responsibility and cross-level review, the direct supervisor rates the employees based on their work performance and submits the evaluation results to the upper management for review and confirmation to ensure the objectivity and rigor of the assessment outcomes.

Result appeal and handling

If employees have questions or objections to the appraisal results, they may fully negotiate and communicate with their direct supervisors. If the negotiation fails, employees can fill out the "Performance Appeal Form" within 10 working days after the performance result feedback and file a written appeal to the Human Resources Department to ensure the fairness of the assessment results.

Performance coaching implementation

Direct supervisors pay close attention to the work progress of employees, communicate with employees regularly to continuously improve employees' understanding of performance goals, and promptly identify and solve problems encountered in work to strengthen guidance and supervision of employees in daily work, ensuring steady advancement of performance goals.

Results feedback and communication

Supervisors promptly feedback the appraisal results to employees according to their management authority, and communicate with employees through face-to-face communication, email, etc. During face-to-face communication, both parties shall sign and confirm on the "Performance Feedback Record Form"; for feedback through other means, corresponding communication shall also be conducted to ensure that employees fully understand and recognize the evaluation results.



Employee Grievance and Communication

We place high importance on employee feedback and suggestions, establishing a comprehensive, diversified, and routine system for democratic communication and grievance resolution to effectively safeguard employees' right to speak while jointly promoting problem-solving and management optimization. Our multi-channel feedback system covers all departments and hierarchical levels, enabling employees to freely express opinions through various platforms including the Employee Representative Congress, employees' voice collection activities, OA innovation exchange forum, and the 95510 employee service hotline. To rigorously protect employee privacy, we strictly control access to personal information and feedback, implement robust confidentiality mechanisms, and ensure data security measures are fully implemented throughout the entire feedback processing workflow.

95510 employee service hotline

The 95510 employee service hotline serves as a dedicated channel for staff to submit inquiries, suggestions, or complaints regarding the work environment, management processes, personnel policies, and rights protection, whether under real-name or anonymous identification. We pledge to respond promptly to all requests, implement a comprehensive closed-loop tracking system, and maintain strict confidentiality of feedback. Employee privacy and complaint details will only be accessed within authorized parameters, ensuring efficient resolution of issues through transparent and effective solutions.

Employee Representative Congress

Sunshine Insurance legally safeguards employees' rights to participate in democratic management, decision-making, and oversight, while implementing the Employee Representative Congress system. The Congress reviews matters including employee training programs, corporate pension plans, welfare fund utilization policies, disciplinary regulations, and other rules and major matters that directly affect employees' interests. Resolutions on major matters are deliberated, decided, and voted upon by the Congress through anonymous voting, and are adopted upon approval by more than half of all employee representatives.

Employees' feedback collection activities

We have established a platform for frontline and young employees to voice their perspectives, collecting feedback through WeChat official accounts and interactive surveys. In 2025, we conducted opinion surveys targeting young managers, high-potential young professionals, and young specialists, focusing on topics such as home-based elderly care, digital intelligence technologies, and business development. This initiative encourages active participation in sharing their views and needs.

OA innovation forum

We have established an innovation forum within the Group's OA system to create a dedicated platform for employees to freely express their opinions, collecting feedback and suggestions from all staff members across the organization.

Case Establishing Communication Channels for Young Employees to Understand Their Development Needs

Sunshine Insurance precisely focuses on the core needs of young employees, establishing a diversified communication and service platform to empower employees and the Group to achieve mutual growth through platform-based services. In 2025, we implemented multi-dimensional initiatives for the care and empowerment of young employees.

- Conducting a targeted survey among Generation Z employees: Questionnaires were distributed across the entire system, with a total of 2,354 valid responses collected. This study provides precise insights into the core developmental needs of Generation Z employees, offering data support and directional guidance to facilitate their rapid integration and steady growth.
- Conducting targeted surveys of frontline sales key personnel: We extensively collect opinions and suggestions from young sales employees regarding career development and work practices, precisely focus on the growth needs of young frontline sales staff, and facilitate comprehensive enhancement of professional competencies.
- Establishing online interactive communities: We simultaneously manage multiple online interactive communities across the entire system to facilitate the transmission of grassroots youth voices, continuously listen to the ideas and demands of young employees, and empower their growth through regular communication.
- Launching the "AI Young Talent" intelligent service agent: A dedicated intelligent service platform is established to efficiently provide online self-service solutions for common questions among young employees, offering convenient smart support for their professional growth.

Employee Satisfaction Survey

Sunshine Insurance places great importance on employee perceptions and needs, and has established a multi-dimensional, multi-level employee satisfaction survey system. This framework provides in-depth insights into staff perspectives and improvement suggestions, with systematic analysis and data consolidation to drive continuous process optimization. Annually conducted for all employees, the survey identifies areas for enhancement related to cultural environment, organizational vitality, and employee experience. Targeted improvement measures are then developed based on findings, with progress monitored to ensure tangible management improvements. In 2025, the employee satisfaction survey achieved a score of 8.88 out of 10.

Caring for Employee Development

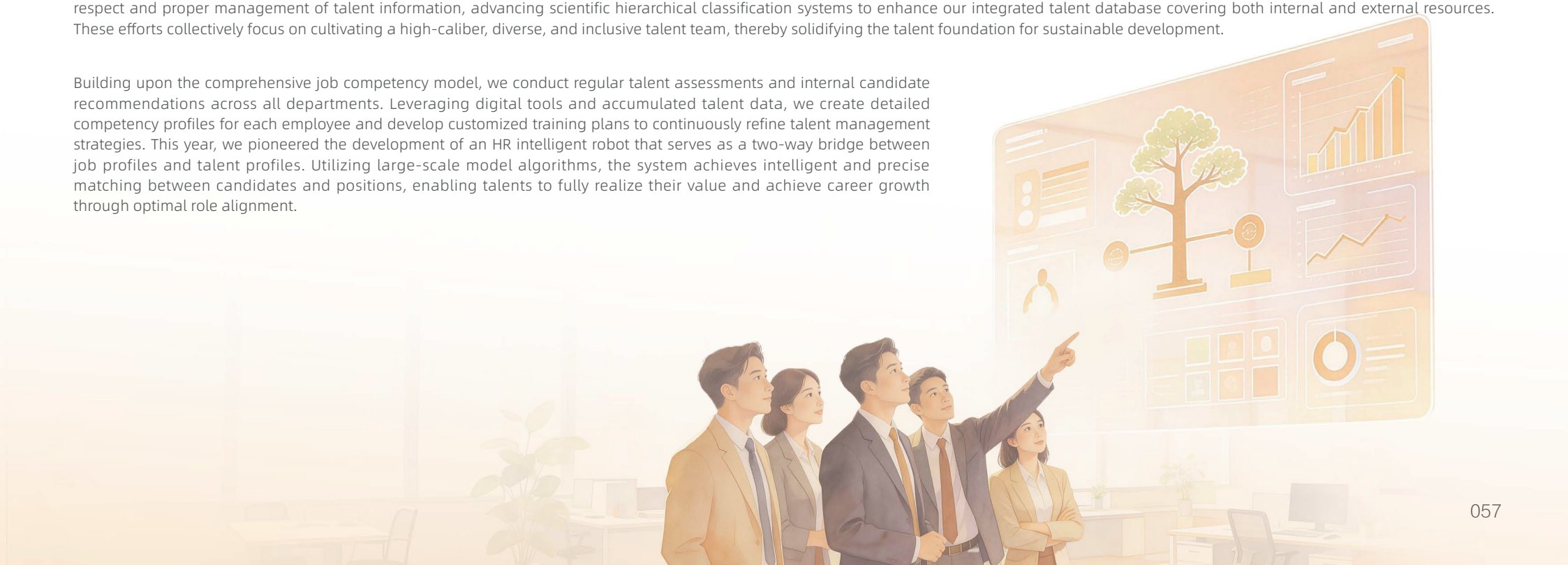
Talent Pipeline Development Strategy

Sunshine Insurance places high importance on talent strategy, regarding human capital as a core development element. We have established a talent management system that is strategy-oriented and spans the entire employee development lifecycle, providing robust support for driving high-quality sustainable development.

We align closely with strategic objectives and business development needs, guiding institutions at all levels to integrate operational strategies with talent pipeline planning. By conducting scientific forecasting of recruitment demands, we formulate rational annual hiring plans. Focusing on talent structure optimization and diversification goals, we prioritize cultivating professional expertise, young talents, and comprehensive management teams. We strategically recruit core professionals in strategic and scarce fields such as investment, healthcare, technology, actuarial science, and corporate governance, while simultaneously building multidisciplinary talent reserves across human resources, branding, translation, and administrative support. Through fair and standardized recruitment mechanisms, we ensure both quality and structural alignment in talent supply.

We leverage our professional talent pool as a core enabler for precise talent supply and dynamic talent reserve. In 2025, aligned with our strategic development objectives, we completed the recommendation of outstanding external talents across the system, establishing a comprehensive and diversified external talent pool that provides a solid foundation for the continuous optimization of talent allocation. We will progressively refine the data classification, usage, and operational protocols of our talent pool, transitioning talent information from "passive storage" to "proactive empowerment". This effort aims to establish stable and efficient talent acquisition channels while continuously enhancing the quality and efficiency of talent recruitment. Simultaneously, we prioritize full respect and proper management of talent information, advancing scientific hierarchical classification systems to enhance our integrated talent database covering both internal and external resources. These efforts collectively focus on cultivating a high-caliber, diverse, and inclusive talent team, thereby solidifying the talent foundation for sustainable development.

Building upon the comprehensive job competency model, we conduct regular talent assessments and internal candidate recommendations across all departments. Leveraging digital tools and accumulated talent data, we create detailed competency profiles for each employee and develop customized training plans to continuously refine talent management strategies. This year, we pioneered the development of an HR intelligent robot that serves as a two-way bridge between job profiles and talent profiles. Utilizing large-scale model algorithms, the system achieves intelligent and precise matching between candidates and positions, enabling talents to fully realize their value and achieve career growth through optimal role alignment.



Career Development System

We issued the *Management Sequence Employee Management Measures (Interim),* explicitly stipulating that participation in systematic talent development programs shall be a mandatory requirement for the internal selection of management personnel. This initiative has successfully established a seamless transition pathway from talent cultivation to selection and appointment, providing long-term safeguards for consolidating and optimizing the existing career development system.

Sunshine Insurance's employee career development system includes four major track-based development projects, namely Kunpeng Track, Swan Track, Eagle Track and Eaglet Track. Tailored to the varying maturity levels and development stages of managerial talent, these programs are further divided into cultivation phases, including launching, accelerating and navigating. Through a diversified training approach integrating centralized workshops, hands-on experience, and peer exchanges, the system comprehensively enhances employees' overall competencies and leadership skills, while accelerating the development and deployment of talent for key management positions.



- S-class management - "Kunpeng Program"

  For S-Class management (management other than the President's Office), the programs include the "Kunpeng Launching Program" "Kunpeng Ready Program" "Kunpeng Accelerating Program", and "Kunpeng Navigating Program". These initiatives focus on strategic decision-making and organizational leadership, enabling senior managers to achieve continuous breakthroughs and drive transformative changes in complex environments.

- U-class management - "Swan Program"

  For U-level management, we have established the "Swan Launching Program" "Swan Ready Program" "Swan Accelerating Program", and "Swan Navigating Program". Through systematic and progressive training, we aim to strengthen comprehensive management capabilities, elevate strategic vision and leadership skills, and ultimately transform management teams into drivers of business growth.

- N-class management - "Eagle Program"

  For N-Class management, the program includes the "Eagle Launching Program" "Eagle Navigating Program", and "Eagle Accelerating Program". It supports managers in rapidly adapting to their managerial roles, enhancing team management and business execution capabilities, and achieving a transition from individual contributors to team leaders.

- N-class employees - "Eaglet Program"

  The program targets N-Class employees and includes the "Eaglet Management Trainee Program" and the "Eaglet Navigating Program", establishing a clear "launchpad" for onboarding training. It guides career awareness and development planning, helping employees achieve a solid start in their professional journeys.

In 2025, six track-based training programs were conducted, totaling 175 participant-sessions. At the same time, employees selected in previous years underwent full-cycle cultivation tracking, which precisely identified gaps in development goals and addressed work experience deficiencies, supporting their rapid growth through practical experience. Over 400 participant-sessions of training and exchange were covered this year, including 36 cross-institutional and cross-entity participant-sessions for track personnel.

Employee Training System

We have formulated and implemented the *Employee Training Management Measures*, to establish a comprehensive talent development system. Through multidimensional initiatives including intelligent learning platform construction, instructor team management and operation, transparent curriculum system development, and key project implementation, we have enriched various training content and formats for employees, providing full support for their career growth and development throughout their professional journeys.

Implementing diversified training programs

Sunshine Insurance adopts a comprehensive and multi-level strategy to ensure that all employees have access to learning and growth opportunities that match their role and career development stage by promoting and implementing diversified employee training programs.

Graduate/Trainee training

We have launched the "Eaglet Management Trainee Program", which focuses on job-specific training and cross-departmental rotation experience for management trainees, with an emphasis on cultivating core competencies such as leadership and project management.

New employee training

We continuously implement the "Bathing in the Sun and Walking Together" cultural training program for new employees, which covers four major modules, including ideological concepts, management practices, refreshing environment, and practical implementation. After the training, examinations are conducted to assess learning outcomes, followed by a probationary period to evaluate the application effectiveness in actual work.

Manager and reserve talent training

We provide track-based development programs for newly appointed managers and managerial reserve talents at all levels, offering customized training across four major tracks, including Kunpeng Track, Swan Track, Eagle Track and Eaglet Track. Specialized training plans are formulated based on different developmental dimensions and training objectives to accelerate the talent pipeline for key management positions.

Training for non-management employees

We provide a variety of daily training and development opportunities for key employees. Daily training includes online learning tasks, offline training camps and workshops, etc. The content covers Sunshine culture, system and norms learning, strategic focus interpretation, work skills and techniques improvement and special work.

Individual Development Plans (IDP) training

Every year, supervisors and employees at all levels jointly develop individual development plans, establish compulsory training programs and individual capability development goals for all employees, determine key areas for improvement and clarify priorities based on work needs, inventory results and personal capability shortcomings, and develop specific and feasible training plans for the coming year, including estimated completion time, required resources such as training courses, personal practice, communication exercises and training programs, etc.

University collaboration training / Training in partnership with other external institutions

We have established specialized production and research bases with 18 universities, including Tsinghua University, Peking University, Fudan University, Renmin University of China, Central University of Finance and Economics, University of International Business and Economics, and carried out cooperation such as "teacher sharing", "qualification certification", and "production and research projects" based on business needs. In 2025, we partnered with Shanghai University of Finance and Economics to launch the "Financial Planner" certification program, certifying 88 outstanding life insurance sales professionals. Additionally, we collaborated with Fudan University to conduct the "Pension Planner" certification training, certifying 254 top-performing life insurance sales representatives.

ESG training

We conduct in-person ESG training and seminars for all directors, supervisors and employees in ESG core departments, covering the latest updates and requirements of domestic and international disclosure standards, climate risk management, and emerging trends in ESG investing.

Specialized training for sales personnel

We set up five learning areas for life insurance marketing, life insurance operations, property insurance claims, non-auto property insurance, and property insurance stores on the Sunshine Academy online learning platform for all front-line sales personnel according to their business channels. A number of courses are configured around themes such as sales capabilities, compliance operations, customer service, and professional skills, providing sales personnel with rich learning resources and skills development support.

Creating the Sunshine Academy online learning platform

Sunshine Insurance has created a top-tier online learning platform in China——Sunshine Academy. The platform builds an ecological learning environment with three core features of intensive management, diversified content and ecological operations.

Sunshine Academy supports multiple login portals such as PC webpage, APP and WeCom application. Its courses are divided into four categories: Sunshine culture courses, leadership, professional skills and general skills. Employees can not only learn online, but also upload and share their knowledge and experience at work. Sunshine Academy would comprehensively track the learning process of employees, provide report management, and support setting phased learning tasks. Through learning activities such as clocking in and case assignments, we create hybrid online-offline learning programs. Meanwhile, the online examination function of the learning platform fully supports the annual promotion assessment of each business line of Sunshine, the system/cultural examinations of all employees and the certification examinations for new employees, helping employees to better master business knowledge.

Employee Professional Qualification Training and Support

We prioritize the development of employees' professional capabilities and fully support all employees in participating in professional skill training and vocational certification exams that meet business needs. For employees who pass the China Association of Actuaries (CAA) exams, Society of Actuaries (SOA) exams, Casualty Actuarial Society (CAS) exams, Institute and Faculty of Actuaries (IFoA) exams, and Chinese Certified Public Accountant (CPA) exams, we provide reimbursement for exam fees and membership fees, along with dedicated exam leaves, to ensure resource support for talent certification training. For key roles and core employees in actuarial, finance, sales, and other critical areas, we offer more comprehensive and in-depth degree programs and certification support to comprehensively enhance their professional skills and market competitiveness.

We continuously integrate high-quality internal and external training resources, establish an internal lecturer training system, and refine the internal training framework. Simultaneously, we collaborate extensively with renowned training institutions and educational universities to develop a comprehensive training curriculum system encompassing internal certifications, degree programs, and professional qualification certifications, precisely aligning with employees' learning and development needs at various career stages.



Leadership Development Training

Sunshine Insurance builds upon the business development foundation while aligning with leadership competency enhancement requirements, prioritizing leadership development training initiatives. In 2025, we launched the "S-Class Cadre Rotation Training Program" for all S-class executives across the Group, covering department-level managers at headquarters and leadership teams at subsidiaries. The training program adopts a differentiated approach through three key dimensions, including "differences between property and life insurance operations", "differences between headquarters department-level management and subsidiary leadership teams", and "differences in role responsibilities between subsidiary leaders and team members". Six distinct training modules spanning eight sessions were implemented to deliver targeted empowerment, with a focus on enhancing strategic execution capabilities and operational management skills within the leadership team.

We continuously optimize our talent strategy and organizational structure, actively identifying, prioritizing, and selecting outstanding young professionals to fuel the Group's long-term sustainable growth. In 2025, the Group and its subsidiaries completed systematic talent assessments as planned, while updating key management talent pools at headquarters and all operational levels. This initiative cultivated over 900 strategic leadership candidates across critical management tiers.

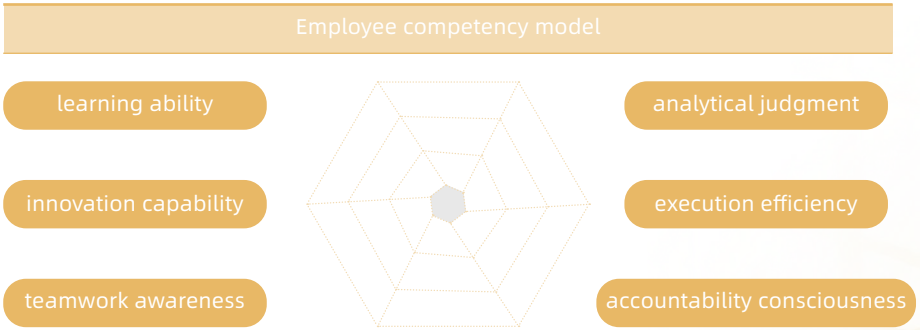
In 2025

cultivated over

900

strategic leadership candidates across critical management tiers

We prioritize leadership development for all employees by designing and delivering comprehensive leadership training programs. Based on the employee competency model, we have established six core competencies, including learning ability, innovation capability, teamwork awareness, execution efficiency, analytical judgment, and accountability consciousness. These competencies are categorized into four tiers, including negative indicators, Level 1, Level 2, and Level 3, according to job responsibilities and position requirements. Tailored courses are provided through the Sunshine Academy online learning platform to address specific skill gaps, enabling targeted empowerment and continuous professional growth. Currently, the Sunshine Academy platform offers 200 general courses across six competency areas, totaling approximately 720 thousand learner-sessions.



The Sunshine Academy platform offered

200

general courses across six competency areas, totaling approximately

720 thousand learner-sessions





Employee Incentive Plan

Since 2015, Sunshine Insurance has implemented the Employee Stock Ownership Plan, covering the Group's core cadres and key position personnels including executives. As of the end of 2025, the program had enrolled 3,688 participants. The Employee Stock Ownership Plan has significantly enhanced employee engagement in corporate governance, fostering shared benefits and risk-sharing among shareholders, the Group, and its employees. The plan has effectively boosted work motivation, improved operational efficiency, and increased employee satisfaction. These initiatives have provided solid foundations for refining corporate governance structures, establishing robust long-term incentive mechanisms, and driving sustainable growth for Sunshine Insurance.

To continuously optimize the Sunshine Compensation Management System, strengthen the long-term incentive and restraint mechanisms, and implement the core philosophy of "common growth" between the Group and its employees, Sunshine Insurance has specially established an Employee Long-term Service Contribution Program since 2023. This initiative aims to effectively enhance employees' sense of responsibility, mission, and loyalty in achieving Sunshine's sustainable and healthy development.

By the end of 2025

the Employee Stock Ownership Plan had enrolled

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Employee Non-pay Benefits

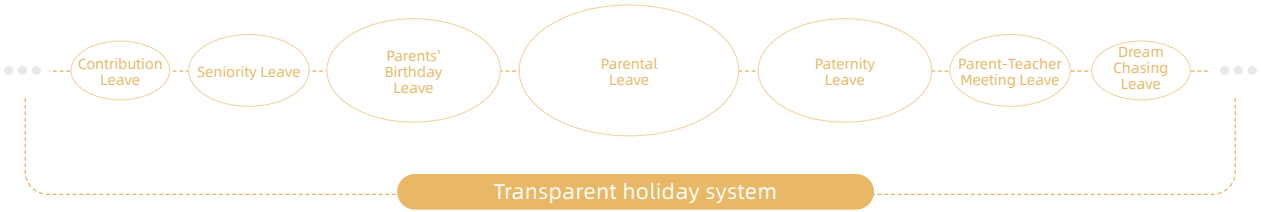
We adhere to the core philosophy of "people-oriented" and actively implement employee care strategies by establishing a multi-channel, comprehensive non-compensatory welfare system for all employees. This system precisely addresses employees' diverse needs, effectively enhancing their sense of happiness and belonging.

Exclusive welfare protection

Leveraging our core insurance expertise, we provide customized Sunshine Employee Benefits Plans with comprehensive coverage including accident insurance, medical coverage for accidental injuries, critical illness insurance, traffic accident insurance, term life insurance, and supplementary health insurance for employees and their children, creating robust safeguards for workforce well-being. We implement full support during key life milestones such as marriage, childbirth, and hospitalization, while distributing holiday gifts during traditional festivals. Our flexible internal benefits platform offers diverse customizable physical rewards through one-click ordering and home delivery services, perfectly aligning with employees' evolving welfare needs.

Special allowances and leave

In addition to covering the five social insurances and housing funds for all employees, we provide non-pay benefits, including holiday allowances, meal allowances, transportation allowances, communication allowances, and summer cooling and winter heating allowances to comprehensively meet daily needs. We rigorously safeguard employees' rest and vacation rights by establishing a transparent holiday system featuring: "Parents' Birthday Leave" for employees' parents or spouses, "Parent-Teacher Meeting Leave" during parent-teacher meetings, "Dream Chasing Leave" before cross-role position competitions, "Seniority Leave" for employees with three years of service, and "Contribution Leave" for outstanding employees, all designed to help employees balance work and life. Sunshine Insurance actively aligns with national policies by offering paternity leave for male employees and parental leave for those with children, with specific durations determined by national and local regulations (e.g., 15 days of paternity leave and 5 days of annual parental leave in Beijing). These measures ensure employees receive full support during family milestones and facilitate work-life balance.



Construction of "Employee Homes"

In 2025, Sunshine Insurance collaborated with 30 grassroots institutions to jointly establish "Employee Homes", "Small Employee Homes", and "Care Rooms for Female Workers", directing trade union support resources toward frontline workers. This initiative aims to enhance grassroots organizations' service capabilities and strengthen care services for frontline employees and female staff. Over the past three years, Sunshine Insurance has established a total of 107 dedicated employee care facilities across its grassroots branches.

Employee Parental Support

We have been implementing the "Employee Parental Support Allowance" care program for many years. The plan provides monthly parental support allowances to employees who have been with the Group for more than three years and whose parents meet the age criteria. As of the end of 2025, the program had distributed a total of RMB680 million in support allowances, benefiting over 70 thousand employee parents. Additionally, the Group introduced an innovative "Birthday Celebration Bonus", offering tangible benefits to encourage employees to spend quality time with their families, demonstrating heartfelt care for their households.

Support for Employees in Difficulty

We establish a regular assistance mechanism for employees in difficulty to ensure targeted and compassionate care. During New Year's Day and Spring Festival holidays in 2025, a special allocation of RMB1.836 million was made for consolation funds, enabling multiple forms of visits and condolences to over 500 employees in difficulty. Economic support was provided to alleviate their hardships and convey corporate warmth.

Childcare and Family Care

Conducted a series of family care activities titled "Let Sunshine Family Walk into the Group", including themed events such as Mother's Day, cherry blossom viewing event, and Children's Day, benefiting 251 families and 839 employees and their families. Seven summer camps for employees' children were organized, serving 104 participants and effectively alleviating the issue of "childcare difficulties" during summer vacation periods.

Diverse Cultural and Sports Events

In 2025, to celebrate Sunshine Insurance's 20th anniversary, we hosted employee cultural performances, calligraphy and art exhibitions, and other corporate anniversary activities to strengthen corporate culture. We have further enriched employee sports activities by hosting the 5th Sunshine Insurance Employee Badminton Tournament, while actively encouraging employees to participate in events such as the Beijing-Shenzhen Badminton Invitational, the Financial Sector Employees' Table Tennis Tournament, and the Tongzhou Canal Business District Basketball League.

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Employees' Health and Safety

We strictly abide by the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Regulation on Work-Related Injury Insurance* and other laws and regulations and formulate and regularly revise the *Safety and Security Management Measures*, continuously improving the occupational health and safety management system for employees. In 2025, we formulated and released the *Key Points of Work Safety*, which clearly defines annual safety objectives, tasks, and responsibility assignments, providing a clear roadmap for the orderly advancement of safety management efforts.

To comprehensively strengthen occupational health and safety defenses, we focus on critical workplace safety management areas and deepen comprehensive rectification across the entire "one-stop" process chain. Centering on five key tasks, including decoration materials, gas safety, hazardous chemical management, electric bicycles, and hot work operations. We have formulated and implemented targeted rectification plans to rigorously prevent all types of safety incidents. For core risks such as stability-related hazards and office building safety, we have established stringent control measures to continuously enhance safety management standards. Our safety management practices consistently adopt a "five-quantification" mechanism encompassing key priorities, accountability requirements, self-inspection and rectification, supervision inspections, and accountability enhancement. We systematically implement five inspection categories: institutional self-inspections, cross-checks, specialized inspections, escalated supervision, and joint sampling audits to ensure continuous improvement in safety management. In 2025, we conducted nearly 1,000 inspections in critical sectors and completed over 2,200 safety hazard rectifications, solidifying the foundation for comprehensive safety assurance.

From 2023 to 2025, Sunshine Insurance recorded 4, 5, and 1 work-related fatalities respectively, with fatality rates of 0.008%, 0.010%, and 0.002%. In 2025, internal office employees lost 1,679 workdays due to occupational injuries. Most accidents occurred during daily commutes or business trips. Upon incident occurrence, we promptly submitted work injury certification applications to local HR and social security authorities, strictly adhering to the *Work Injury Insurance Regulations* and regional government policies for compensation claims. Immediate support and condolences were extended to affected employees and their families.

Strengthen employee safety training

We continuously deepen the safety culture construction for all employees by organizing diverse safety training sessions, drills, and promotional activities to provide safety education and awareness campaigns, thereby effectively improving employees' safety consciousness and practical skills. By the end of 2025, more than 12 thousand safety culture initiatives had been carried out, engaging over 200 thousand participant-sessions.

Enhance emergency response mechanisms

By optimizing the entire emergency response process management, we achieve a rapid 3-minute response to emergencies and ensure 100% satisfaction in handling incidents. Leveraging multiple channels, including official documents, safety advisories, and instant messaging tools, we have issued over 4,000 safety and alert messages across the system, reaching more than 300 thousand participant-sessions. These efforts continuously consolidate the achievements in building fire safety capabilities through the "Four Understandings, Four Skills, and Four Abilities" framework.

Conduct workplace safety inspections

We strictly implement workplace safety management regulations, and routinely carry out safety audits, fire equipment maintenance, and coordinated management of security personnel. In 2025, we organized comprehensive safety inspections across all dimensions, focusing on key periods such as holidays to strengthen holiday safety measures for office premises. We maintain night patrols with on-site supervision and enforce a 24/7 duty cycle to ensure continuous personnel presence, enabling rapid response and resolution of potential hazards and emergencies.

Ensure the physical and mental health of employees

Comprehensive health protection is implemented through multidimensional approaches, including scientifically designed health examination programs for employees. Renowned medical experts are regularly engaged as health consultants to provide routine online health guidance and personalized services such as one-on-one interpretation of health examination reports. The "Sunshine Insurance Employee Assistance Program (EAP)" has been implemented, featuring dedicated psychological support hotlines to offer full-scenario online and offline psychological counseling services for employees and their families. Regular activities such as psychological team counseling sessions, mental health knowledge lectures, and psychological assessments are organized to continuously monitor and promptly address employees' mental health status.

Protect the health and safety of female employees

Strictly adhering to labor protection regulations for female employees, we continuously optimize working conditions by considering their physiological characteristics and job-specific requirements. Targeted occupational health and safety education programs are implemented to effectively reduce occupational hazards. Additionally, we comprehensively implement Four Stages of protection for female employees, including menstruation, pregnancy, childbirth, and breastfeeding. A dedicated Women's Care Room has been established and put into operation to address health challenges and safety concerns during the Four Stages, thereby safeguarding the health and safety rights of female employees.

Sustainable Supply Chain

Sunshine Insurance continues to strengthen the sustainable supply chain development, focusing on managing and monitoring sustainability-related risks across supply chain segments while fostering mutually beneficial and green collaborative partnerships with suppliers. We have established the *Measures for Supplier Management* to clarify behavioral standards and operational protocols for suppliers. The Group publicly released the *Sustainable Supply Chain Policy Statement* [8], implementing a supplier selection framework and comprehensive risk identification mechanism to drive sustainable supply chain growth. In 2025, we introduced the *Sunshine Insurance Group Smart Procurement Mall Management Measures (Trial)*, integrating ESG principles as fundamental criteria for supplier selection. This initiative further enhances green procurement practices, solidifying the foundation for long-term supply chain stability and sustainable development.

Supplier ESG Management

During the bidding process, Sunshine Insurance strictly requires suppliers to implement ESG risk management measures, mandating that all suppliers sign the *Sunshine Insurance Group Sustainable Supply Chain (ESG) Supplier Commitment Letter*. For procurement projects meeting specific criteria, winning suppliers must additionally include the *Integrity Responsibility Commitment Letter* in their signed contract terms. In 2025, we continued to enhance the development and application of the new bidding platform system, while conducting rigorous reviews of suppliers registered on the updated platform.

To further enhance supplier risk management efficiency, we have partnered with third-party data platforms such as Qixin.com, leveraging platform data to identify and alert potential risks associated with registered suppliers. During the supplier onboarding process, Sunshine Insurance utilizes third-party data to conduct quantitative assessments of corporate profiles through multidimensional models, establishing clear entry criteria. Key evaluation factors include baseline scores, performance records, and financial data as critical benchmarks for supplier ratings. In 2025, Sunshine Insurance continued refining the supplier risk identification framework, implementing comprehensive audits covering 100% of suppliers participating in annual projects. The audit scope encompasses basic business registration information and verification of valid certifications, including quality management system certifications, environmental management system certifications, occupational health and safety management system certifications, and other relevant qualifications.

We have optimized and consistently implemented a supplier rating update system. Based on comprehensive evaluations of suppliers, we conduct annual rating reviews for all listed suppliers and establish supplier blacklists according to project performance data. For "high environmental impact procurement projects" (those involving products, services, or engineering works with significant environmental consequences), Sunshine Insurance closely monitors suppliers' environmental certification compliance, incorporating it as a key evaluation criterion with corresponding score allocations. All project review details, and environmental certification scores are transparently documented in scoring records to ensure fairness and transparency throughout the evaluation process. In 2025, 100% of suppliers for such projects signed the *Supplier Energy Conservation Production Commitment Letter*.

Green Procurement

Sunshine Insurance adheres to the principles of green, low-carbon, and circular development. The Group has strengthened the green supply chain management system, rigorously implemented green procurement requirements, and actively guided suppliers to introduce more eco-friendly products and services, driving sustainable transformation across the supply chain. Upholding the values of transparency, fairness, and impartiality in procurement practices, Sunshine Insurance prioritizes environmental credentials as a key evaluation criterion for suppliers. We focus on verifying environmental performance during production processes, including the adoption of energy-saving technologies and compliance with waste management standards. By enhancing supplier compliance reviews and prioritizing green products, Sunshine Insurance demonstrates commitment to sustainable development through green procurement initiatives, injecting robust momentum into high-quality green growth throughout its supply chain ecosystem.

8 *Sustainable Supply Chain Policy Statement*: https://static.sinosig.com/c/upload/cate/70/146/1744941410399097587.pdf

Social Responsibility

Sunshine Insurance steadfastly fulfills corporate social responsibilities by leveraging core business strengths and integrating resources from various sectors to actively engage in rural revitalization and philanthropic initiatives. Through multifaceted support measures, including insurance assistance programs, village doctor programs, industrial development programs, consumer aid programs, and educational support programs, the Group vigorously responds to the national rural revitalization strategy. With diverse charitable activities and programs, Sunshine Insurance makes tangible contributions to assisted regions, demonstrating the mission and commitment of our Group.

Rural Revitalization

Sunshine Insurance has thoroughly implemented the requirements of the comprehensive rural revitalization strategy, leveraging the core insurance business advantages. By integrating professional resources from subsidiaries such as Sunshine P&C, Sunshine Life, and Sunshine Union Hospital, the Group has adopted four key approaches, including insurance assistance, industrial empowerment, infrastructure development, and health protection to facilitate the transformation, upgrading, and high-quality development of rural economies.

Innovative implementing insurance assistance to reinforce the poverty prevention baseline

Sunshine Insurance fully leverages the insurance protection functions, focusing on three key dimensions in assisted regions, including industrial development, social governance, and livelihood security, with preventing large-scale poverty relapses as the top priority. Targeting three vulnerable groups, including households with unstable poverty alleviation status, households at risk of falling into poverty, and households facing sudden severe hardships, the Group implements precise "Poverty Prevention Insurance" support measures. In 2025, Sunshine P&C provided poverty prevention safety nets totaling RMB80.14 million to over 8,000 key beneficiaries in Chahar Right Middle Banner, building a robust "floodgate" against poverty-induced relapse and effectively consolidating the achievements of poverty alleviation efforts.

Promoting rural infrastructure and cultural development to enhance living conditions

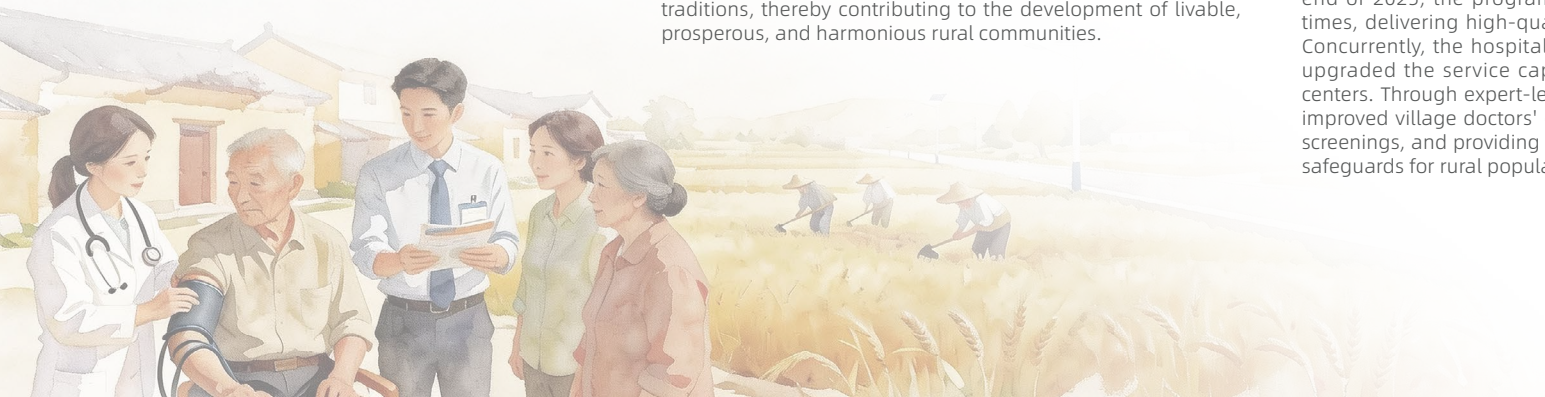
In 2025, Sunshine Insurance donated RMB300 thousand in special funds to Benhong Town, Chahar Right Back Banner, Inner Mongolia, to assist the local Happiness Home in completing renovations and upgrades, effectively improving living conditions for the elderly population. Additionally, the Group contributed RMB20 thousand to Wuzhadian Village and Yugong Village in Yunnan Province to support the selection activities for "Most Beautiful Courtyards" and "Model Households of Rural Civilization". These initiatives aim to cultivate exemplary rural customs and foster simple, honest folk traditions, thereby contributing to the development of livable, prosperous, and harmonious rural communities.

Focusing on industrial and consumer assistance to expand income channels

Sunshine Insurance has been actively advancing industrial and consumption-based poverty alleviation initiatives, facilitating the successful export of pancakes from Longquan Village, Antu County, Jilin Province, and promoting export of processed products from supported regions. By precisely aligning technological resources, we facilitated the establishment of the "pink wood ear" program between Longquan Village and the Sichuan Academy of Agricultural Sciences, effectively boosting collective village income. The introduction of the "courtyard economy" assistance program has driven income growth through sustainable green farming practices. In 2025, Sunshine P&C procured agricultural products worth RMB1.03 million from enterprises in Wusutu Town, Inner Mongolia. Sunshine Life developed customized support plans for Yugong Village, Yanmen Township, Deqin County, Diqing Prefecture, Yunnan Province, leveraging local advantages in planting medicinal herbs like Aucklandia lappa and Chinese angelica. Through comprehensive analysis of cultivation scale and market channels, we addressed farmers' sales challenges while conducting targeted procurement in Benhong Town, Inner Mongolia and Antu, Jilin, acquiring specialty agricultural products exceeding RMB600 thousand to expand income sources through consumption-based poverty alleviation.of cultivation scale and market channels, we addressed farmers' sales challenges while conducting targeted procurement in Benhong Town, Inner Mongolia and Antu, Jilin, acquiring specialty agricultural products exceeding RMB600 thousand to expand income sources through consumption-based poverty alleviation.

Strengthening the village doctor program to fortify rural healthcare

Sunshine Union Hospital has been continuously advancing the "Ten Thousand Village Doctors Capacity Enhancement Program", focusing on key competency modules such as standardized management of high-incidence chronic diseases at the primary care level, emergency rescue operations, and the application of appropriate Traditional Chinese Medicine (TCM) techniques, while optimizing a standardized training system. By the end of 2025, the program had cumulatively trained 24,036 village doctors in person-times, delivering high-quality medical knowledge and skills directly to grassroots levels. Concurrently, the hospital has deepened designated medical assistance programs and upgraded the service capacity of the "Sunshine Demonstration Site" in village health centers. Through expert-led teaching and practical case drills, the program has effectively improved village doctors' capabilities in diagnosing common diseases, conducting health screenings, and providing chronic disease follow-up services, thereby strengthening health safeguards for rural populations.



Public Welfare and Philanthropy

Sunshine Insurance has been consistently advancing social public welfare and charitable initiatives, mobilizing all the affiliated institutions to actively participate in philanthropic activities. Focusing on critical livelihood areas such as elderly care, educational support, and poverty alleviation, the Group has meticulously designed and implemented multiple volunteer service programs to build a high-quality public welfare service system. In 2025, a total of 10,673 volunteer participant sessions were mobilized, with 25,931 hours of service contributed. Through concrete actions, Sunshine Insurance has conveyed warmth and demonstrated its commitment to corporate social responsibility.

In 2025

Volunteer service

10,673 person-times

Total volunteer service time

25,931 hours

Case

Sunshine Smart Mobile Phone Course for Seniors

In 2025, Sunshine Insurance organized nearly 70 "Smart Senior Assistance" volunteer services across over 40 branches nationwide, benefiting more than 145 thousand senior citizens. The program focuses on seven key daily scenarios for seniors, including transportation, healthcare, shopping, entertainment, and administrative services, through systematic curriculum design. Volunteers provide one-on-one mentoring and hands-on guidance to help elderly individuals master digital skills, adapt to the digital age, share the benefits of technological advancements, and receive compassionate care from Sunshine Insurance.



Case

Sunshine Cross-Border Emergency Aid

In the aftermath of the Hong Kong Tai Po Fire, Sunshine Insurance Foundation immediately activated the emergency response mechanism, swiftly formulated assistance plans, and successfully completed cross-border donations within three days. It became the first in the financial industry to ensure fund disbursement, demonstrating exceptional emergency response efficiency. Simultaneously, Sunshine Insurance mobilized volunteer teams from the Group and its subsidiaries, including Sunshine Life, Sunshine P&C, and Sunshine AMC, to deploy at disaster sites. Our efforts encompassed material donations, assisting in registering affected residents, providing companionship to elderly individuals living alone, and sorting and distributing emergency supplies, delivering tangible warmth to disaster victims. These initiatives were featured in a special report by the Ministry of Civil Affairs affiliated "Public Welfare Times" video channel and official WeChat account, highlighting our rapid response capabilities and commitment to social responsibility.



Case

Deepening Commitment to Educational Philanthropy and Ongoing Support for Bo'ai Schools

Sunshine Insurance has intensified the "Bo'ai School" support program, leveraging philanthropic efforts to advance rural education. In 2025, we made targeted donations to Bo'ai School in Haixing County, Hebei Province, and Xishen School in Hanzhong City, Shaanxi Province, precisely addressing institutional development needs while deepening educational assistance initiatives to strengthen school infrastructure and promote quality education. At Bo'ai School, innovative programs like the "Science Festival" and "Philanthropy Carnival" were launched to ignite students' scientific curiosity and creative thinking, earning widespread acclaim from educators and students. By the end of 2025, Sunshine Insurance had supported the establishment of 78 Bo'ai Schools, covering 25 provincial-level regions across the country.



Case

Sunshine Arts Education Classroom

Sunshine Insurance has been actively exploring a three-dimensional support system driven by education, healthcare, and industry. In 2025, we constructed an art education classroom at Liangjiang Town Central Primary School in Antu, Jilin Province, equipped with high-definition LED screens, professional musical instruments, soundproofing facilities, and other premium teaching resources. This initiative aims to effectively activate underutilized artistic spaces on campuses and address the imbalance in quality educational resources between urban and rural areas. Through innovative collaboration with outstanding Sunshine Youth Volunteers, the Group has launched art education programs to enhance rural students' artistic literacy, successfully pioneering a new paradigm of "volunteer services + public welfare program" that injects educational momentum into rural revitalization efforts.



Case

"Sunshine Care Station" Model for Public Welfare Services

To strengthen community engagement for the Sunshine Public Welfare brand, Sunshine Insurance has been innovating community service models. In Beijing's Wangjing Subdistrict, we established the "Sunshine Care Station" physical service hub and formed the "Sunshine East Lake Volunteer Team", collaborating with local communities and social organizations to build a coordinated service network. Our initiatives include smart senior assistance mobile phone training, home electrical safety monitoring, and health education lectures. In Jianwai Subdistrict, we prioritize core needs of senior residents and outdoor workers by implementing door-to-door electrical system inspections and customized power upgrades for vulnerable elderly. For two consecutive years, we organized heartwarming events like the photo-taking activity on Double Ninth Festival and children's volunteer coolness delivery campaign, ensuring volunteer services precisely meet community needs.



Insurance Knowledge Awareness and Education

The Sunshine Insurance Museum aims to "create the most historical, precise, vivid and condensed history textbook of China's insurance industry", focusing on public education in insurance knowledge and the dissemination of industry culture. By delving into the essence of insurance as "mutual support and risk sharing" in social security, the museum conveys modern insurance awareness to the public, serving as a bridge between industry history and the general public.



Interpretation and reception

Since its opening in April 2021, the museum has welcomed over 1,800 visitor groups and more than 56 thousand participant-sessions. In 2025, the annual visitor count exceeded 10 thousand, demonstrating its role as a public education platform in disseminating historical knowledge about insurance and enhancing societal risk awareness literacy.

Publicity and promotion

Leveraging precious historical materials, the museum has developed a series of cultural and creative products, produced insurance science popularization short videos, and simultaneously operated a digital museum. Through collaboration with mainstream communication platforms, an integrated online-offline insurance knowledge dissemination network has been established to reach a broader public audience in an accessible and visualized manner.

Insurance courses

The museum actively promotes the integration of "insurance history" into classroom teaching and develops the specialized course "Learning History and Culture from the Museum" for university faculty and students. Meanwhile, leveraging the collection resources, the museum provides industry-specific cultural training for insurance professionals, which not only enhances public financial literacy but also offers cultural support for talent cultivation in the sector.





Sustainable Governance

04

Party Building Leadership 071

Corporate Governance 072

Business Ethics 073

Privacy and Data Security 077

Party Building Leadership

Sunshine Insurance has always adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly studied and implemented the spirit of the 20th CPC National Congress and the Third and Fourth Plenary Sessions of the 20th CPC Central Committee, taken the political construction of the Party as the overarching principle, upheld the political and people-oriented nature of financial work, earnestly carried out learning and education on thoroughly implementing the spirit of the Eight-Point Regulation, and provided strong political and organizational guarantees for promoting high-quality development through high-quality Party building.

Strengthening Political Guidance

Sunshine Insurance consistently prioritizes the Party's political development. We consistently strengthen theoretical education through in-depth study of the spirit of the Third and Fourth Plenary Session of the 20th CPC Central Committee and President Xi Jinping's important speeches. The Group has further standardized the joint learning mechanism between the Party committee and the management team, organizing members of the management team to participate in collective study sessions of the Party committee's theoretical study center group, effectively embedding the Party's innovative theories into organizational consciousness and operational practices. The Group's Party Committee plays a pivotal role in political guidance, conducting specialized research on consumer rights protection and other key initiatives. This ensures corporate strategies and major operational decisions align with national development priorities, maintaining consistent alignment with the Party and state policies. The Group firmly establishes "customer-centricity" as the fundamental cornerstone for implementing people-centered development principles.



Party Building Work Conference and Guiding Lecture on Deeply Implementing the Spirit of the Eight-Point Regulation

Deepening the Integration of Party Building with Business Operations

Sunshine Insurance proactively innovates Party building platforms, exploring new models, methods, and approaches aligned with its business development. The Group has vigorously implemented the "Twenty Years of Perseverance, Writing a New Chapter Together" themed Party-building campaign, encouraging Party members to excel in theoretical learning, value development, consumer rights protection, and culture in action, thereby igniting their enthusiasm for contributing to organizational success. Addressing key challenges in corporate operations, the Group leverages the leadership role of Party secretaries through the "Party Secretary Project". By assigning secretaries to spearhead initiatives and lead in overcoming difficulties, the project effectively resolves grassroots operational issues. In 2025, 10 outstanding grassroots Party secretary projects and 10 "Outstanding Frontline Development Leaders" were recognized, demonstrating how exemplary leadership drives deep integration between Party building and business growth.

Strengthening the Education and Management of Party Members

Sunshine Insurance has implemented comprehensive learning programs to thoroughly implement the spirit of the Eight-Point Regulation, focusing on ten key initiatives for educational advancement. We organized expert seminars on the Eight-Point Regulation and arranged online assessments for Party members. In 2025, we conducted over 300 warning education sessions at various levels and arranged more than 220 visits to integrity education bases and Party history education bases, effectively embedding disciplinary awareness into participants' minds and translating it into tangible actions. We successfully completed high-standard centralized leadership elections for Party branches, recognized six exemplary grassroots Party branches, and continued to strengthen standardized Party branch development. A specialized training program was held in Wuhan for Party office directors and institutional Party branch secretaries across the system, featuring theoretical guidance on Party building, practical business training, and experience-sharing sessions to provide targeted professional development and enhanced capabilities for frontline Party affairs personnel.

Corporate Governance

Promoting Board Diversity and Professionalism

Sunshine Insurance regards the professionalization and diversity of the Board of Directors as key drivers for achieving sustainable, high-quality development. In terms of director expertise, our independent directors possess profound professional expertise in critical areas such as economics, finance, legal affairs, and corporate management, providing solid professional support for corporate strategy formulation and major operational decisions. Meanwhile, we place great emphasis on the governance value of board diversity, actively promoting diversity among board members in terms of gender, age, cultural background, educational qualifications, and industry experience to enhance the board's comprehensive vision and decision-making effectiveness. As of the end of 2025, the board included two female directors, representing 15% of its total membership.

Furthermore, we place high priority on and consistently support the development of professional capabilities related to sustainable development within the Board of Directors. This year, we organized specialized training on ESG and climate change for incumbent directors, systematically reviewing global ESG trends, providing in-depth analysis of regulatory requirements and implementation guidelines for ESG and climate-related disclosures, and comprehensively enhancing the quality and effectiveness of ESG and climate risk management practices.

Linking Remuneration to Sustainable Development

To effectively implement sustainable development strategies and deepen the integration of sustainability management practices in business operations, we continuously optimize our compensation evaluation system while refining the framework for setting and assessing sustainability indicators. We have incorporated both qualitative and quantitative sustainability metrics into executive performance evaluations, directly linking assessment outcomes to executive remuneration. This approach ensures that the Group's sustainability objectives are effectively translated into actionable management strategies and measurable operational results.

In terms of indicator design

We prioritize core sustainable development areas including consumer rights protection, implementation of the Five Major Areas of Finance, climate change response, and strengthening risk compliance and internal control management. Specific performance indicators have been established covering green finance, inclusive insurance, rural revitalization, customer rights protection, risk management system development, and corporate governance ratings, with the combined weight of these indicators accounting for no less than 20%.

In terms of implementation

We continuously strengthen the correlation between sustainability performance and executive remuneration. By using evaluation results as a key benchmark for determining performance-based annual salary adjustment coefficients, we directly link executive remuneration to these metrics, thereby effectively driving the Group's overall sustainability objectives.

Implementing Remuneration Clawback Mechanism

To ensure performance-based compensation effectively fulfills the regulatory and motivational functions in corporate management, Sunshine Insurance has established and implemented the *Performance Compensation Recovery and Clawback Management Measures*. These policies adhere to regulatory requirements to standardize deferred payment and clawback mechanisms, applicable to senior executives and key personnel. Under the regulations, when critical operational metrics deviate from reasonable ranges, major risk incidents occur, or significant losses impact the Group's assets or reputation, compensation recovery measures will be enforced against affected individuals. Senior executives and key personnel bearing primary responsibility for such incidents will face full recovery of all performance compensation within their respective periods. Other personnel responsible will have partial compensation recovered within applicable timeframes.

Protecting Shareholders' Interests

Sunshine Insurance places high importance on shareholder relationship management, strictly complying with legal and regulatory requirements to fulfill the information disclosure obligations. This ensures shareholders can promptly and accurately access operational updates and financial data. To facilitate transparent communication with investors, the Group employs diverse channels including results briefing, non-deal roadshows, hosting investor/analyst research, investor relations calls and emails. These initiatives enable close, open two-way engagement, effectively safeguarding investors' rights to information and participation.

In terms of shareholder returns, we adhere to a prudent and sustainable dividend policy. During policy formulation, we thoroughly evaluate profitability, cash flow conditions, future development needs, and shareholder expectations, striving to deliver stable and sustainable dividend returns while promoting value sharing. Independent directors play a pivotal role in critical decisions such as profit distribution, executive compensation reviews, and approvals of significant related-party transactions. By providing independent opinions, they ensure decision-making transparency and fairness, mitigate conflicts of interest, enhance corporate governance standards, and effectively safeguard shareholders' legitimate rights and interests.

Business Ethics

Sunshine Insurance systematically establishes the business ethics framework, continuously improving the construction of the business ethics system. By strengthening audit supervision requirements, implementing business ethics training, ensuring smooth reporting channels, and enhancing whistleblower protection measures, we enhance the standardization and effectiveness of internal business ethics management, thereby effectively safeguarding the baseline of compliant operations.

Business Ethics System Building

Sunshine Insurance is committed to establishing a comprehensive management system for business ethics-related matters, integrating anti-corruption, anti-bribery, anti-fraud, anti-money laundering, employee conduct management, conflict of interest, and anti-fraud initiatives into the business ethics framework. The Group has developed standardized institutional management systems that clearly define supervisory responsibilities in the field of business ethics. The Board of Directors oversees the overall supervision of business ethics-related activities.

The Audit Committee of the Board is responsible for evaluating and guiding core aspects of business ethics supervision, including anti-fraud, anti-bribery, and anti-corruption measures. It conducts quarterly reviews of audit accountability reports to ensure continuous improvement in governance effectiveness within the business ethics domain. In 2025, the Audit Committee of the Board deliberated on proposals such as internal control audit reports, internal audit work reports, and related-party transaction reports, further enhancing the Group's capabilities in standardized governance, risk prevention, and compliance operations.

The Risk Management Committee of the Board is responsible for establishing and overseeing the risk management system, identifying, evaluating, and monitoring various material risks including those related to business ethics. In 2025, the Committee reviewed key proposals such as the annual risk assessment report, annual money laundering risk management report, and information technology outsourcing risk assessment report. It guided the integration of anti-corruption and anti-bribery measures into the risk identification and assessment framework, promoted compliance with anti-fraud and conflict of interest control requirements, and supervised enhanced data security management and employee conduct standards in outsourcing collaborations.

The Consumer Rights Protection Committee of the Board oversees and guides the Group's consumer rights and interests protection initiatives, ensuring compliance with business ethics standards such as anti-fraud measures and anti-unfair competition practices. In 2025, the Committee reviewed and approved key documents including the annual consumer rights and interests protection work report and implementation plan, as well as the annual regulatory evaluation report on consumer rights and interests protection. It emphasized integrating business ethics requirements throughout the entire consumer protection process, from product design and marketing communications to data utilization and complaint resolution, while incorporating anti-fraud and anti-misleading provisions. The Committee also monitors employee conduct management and customer information protection protocols.

Sunshine Insurance places high priority on daily supervision and management of business ethics, conducting routine oversight and verification activities. A dedicated Supervision Office has been established to provide integrity education for employees, monitor compliance with regulations and ethical conduct in professional practice, and propose disciplinary actions for violations. The Claims Supervision Department conducts specialized audits targeting insurance fraud while concurrently monitoring claims personnel's performance. Integrity self-inspections are fully integrated into routine audit programs, with focused scrutiny on travel expense utilization and implementation of conflict-of-interest policies. Enhanced specialized inspections address fraudulent activities and corruption, achieving comprehensive integration and full coverage of business ethics supervision within daily operational audits.

Anti-Corruption and Anti-Bribery

Sunshine Insurance strictly complies with national anti-corruption laws and regulations, including the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Prevention of Bribery Ordinance*. The Group continuously refined the system of anti-corruption and anti-bribery regulations such as the *Measures for the Administration of Supervision Work*, the *Measures for the Administration of Anti-Fraud*, and the *Regulations on Correcting Work Style, Rectifying the Roots, Transparency Governance, and Cleaning the Environment* (hereinafter referred to as the "Ten Provisions"). We publicly released the *Anti-Bribery and Anti-Corruption Policy Statement* [9] applicable to all employees across the Group and subsidiaries, requiring staff to adhere to integrity standards, proactively identify and report actual or potential conflicts of interest, and strictly prohibit abuse of authority or seeking personal gains. Any violations will undergo rigorous review and face disciplinary actions in accordance with laws and regulations. To ensure effective implementation of anti-bribery measures, the Board of Directors, the Board of Supervisors, and senior management jointly oversee compliance. The Risk Control Center has been established in collaboration with relevant departments to prevent, identify, assess, investigate, and manage potential bribery risks through cross-departmental coordination, continuously enhancing governance effectiveness.

We maintain close monitoring of risks and progress in anti-bribery and anti-corruption efforts, establishing robust reporting mechanisms for bribery and corruption cases. We rigorously implement whistleblower protection measures to safeguard the legitimate rights of informants. Concurrently, we enhance the identification and investigation of abnormal employee behaviors in key sectors, effectively preventing staff involvement in bribery and corruption-related criminal activities at their source.

9 *Anti-Bribery and Anti-Corruption Policy Statement*: https://static.sinosig.com/c/upload/cate/70/146/1713511819154042845.pdf

Anti-Money Laundering

Sunshine Insurance strictly implements regulations and regulatory provisions related to anti-money laundering and anti-terrorist financing. The Group continuously enhances the internal control system for anti-money laundering by establishing regular internal audit mechanisms and performance-based incentive systems. We have developed specialized management guidelines for anti-money laundering, including the *Measures for Managing Anti-Money Laundering and Terrorist Financing Risks*, the *Measures for Reporting and Managing Large-amount Transactions and Suspicious Transactions*, the *Measures for Managing the Self-evaluation of Money Laundering and Terrorist Financing Risks*, and the *Specifications for Internal Reporting of Money Laundering Risks* and *Measures for Managing On-Site Anti-Money Laundering Inspections*, thereby effectively strengthening the foundation of the anti-money laundering management system.

Sunshine Insurance and its subsidiaries have all established Anti-Money Laundering Leading Groups to comprehensively coordinate anti-money laundering initiatives. Specialized full-time posts are assigned to leading departments, while part-time roles are allocated across all departments to ensure systematic implementation of anti-money laundering measures, with regular progress reports submitted to management. A regular meeting coordination mechanism has been implemented to efficiently ensure and advance the execution of key anti-money laundering tasks. Continuous specialized evaluations and assessments of anti-money laundering efforts across all institutions are conducted to strengthen the oversight framework for anti-money laundering operations.

We have developed an anti-money laundering compliance risk monitoring and tracking rectification system platform to facilitate routine implementation of anti-money laundering data governance across subsidiaries. Leveraging monitoring rule models, the platform automatically and periodically tracks critical operations such as customer due diligence and money laundering risk classification at all institutional levels within the system. This achieves a digital closed-loop management framework for internal anti-money laundering controls, strengthening defenses against money laundering and terrorist financing risks.

Business Ethics Audit

Sunshine Insurance places high importance on the supervision and review of business ethics matters, strictly adhering to regulatory requirements. Based on the actual development of business operations, the Group routinely conducts audits related to business ethics. Through a tiered review mechanism, we ensure comprehensive coverage of business ethics-related audits and inspections for all operations at least every three years.

We have established a regular audit mechanism for business ethics compliance, formulating and rigorously implementing annual audit plans. Sunshine Insurance's headquarters and branches at all levels conduct an annual routine audit, while central branches undergo audits at least every two years, and senior executives receive mid-term audits at least every three years. Routine audits cover financial operations, business processes, human resources, and administrative functions, focusing on critical risk areas such as non-compliant practices, fraud, corruption, deception, and case prevention. Key audit components include compliance with the "Ten Provisions" and integrity self-assessment reports, ensuring comprehensive oversight of management personnel across all levels. We conduct specialized audits targeting business units, subsidiaries, and relevant staff, with particular attention to key ethical domains including conflict of interest resolution, responsible marketing, and business integrity. Identified issues are promptly addressed through corrective recommendations and management directives issued to audited entities, driving continuous improvement of Sunshine Insurance's internal control framework to ensure stable operations and compliant development.

Furthermore, Sunshine Insurance incorporates the examination of management system integrity, applicability, and effectiveness into the business ethics-related audits, conducting systematic evaluations of institutional requirements, implementation practices, and compliance status. We have carried out comprehensive reviews, revisions, and implementation assessments of key policies, including the *Measures for Managing Employee Abnormal Behavior* and the *Measures for Punishment of Violations and Irregularities*, while validating the efficacy of monitoring mechanisms, violation handling procedures, and response protocols.



Business Ethics Training

Sunshine Insurance is committed to comprehensively enhancing employees' awareness and understanding of business ethics, establishing a business ethics training system that covers all employees. The Group regularly conducts multi-dimensional business ethics education, including legal awareness campaigns on anti-bribery and anti-corruption regulations, as well as case-based educational sessions on corruption and bribery incidents, to effectively promote the implementation of business ethics standards.

Board of Directors, Board of Supervisors, and Members of Senior Management

We coordinate the participation of the board of directors, board of supervisors, and members of senior management in specialized training to ensure timely mastery of regulatory trends and legal requirements, thereby continuously enhancing their professional competence. In 2025, we organized comprehensive training sessions covering anti-money laundering, anti-fraud, integrity-oriented financial culture, occupational crime prevention, and anti-corruption for all directors and supervisors, with each participant receiving an average of approximately 20 hours of training.

All Employees

In 2025

Sunshine Insurance's anti-corruption training program covered over

56 thousand participants

The Group's anti-money laundering training program attracted

133,092

participants

The Group's anti-fraud training series attracted a total of

74,977 participants

We have launched a system-wide special governance campaign "Upholding Integrity and Discipline, Rectifying Work Style" to solidify ideological and moral defenses and foster a clean and upright corporate environment. In 2025, Sunshine Insurance's anti-corruption training program attracted over 56 thousand participants.

We continuously refine our specialized anti-money laundering training system to cultivate a corporate culture of anti-money laundering awareness, enhance staff consciousness across all levels, and improve operational capabilities. The training curriculum covers anti-money laundering laws and regulations, interpretation of new regulatory requirements, corporate anti-money laundering policies, fundamental knowledge, insurance company obligations, key inspection points for internal control mechanisms under the newly implemented *Anti-Money Laundering Law of the People's Republic of China*, case studies, and confidentiality requirements. In 2025, the Group's anti-money laundering training program attracted 133,092 participants, achieving full coverage across all organizational levels for consecutive years.

We strictly adhere to anti-insurance fraud laws, regulations, and regulatory requirements, continuously refine supporting management systems, and earnestly fulfill our primary responsibilities in fraud prevention. In 2025, we conducted three specialized anti-fraud training sessions and utilized the "Wisdom Sunshine" knowledge platform to disseminate typical insurance fraud cases exposed by public security economic investigation departments along with relevant anti-fraud knowledge. We regularly implemented comprehensive employee education programs and public awareness campaigns to enhance staff expertise in fraud identification and prevention. In 2025, our anti-fraud training series attracted a total of 74,977 participants.

Specialized Training for Management Positions

The Group is committed to enhancing the integrity awareness of all employees, particularly management personnel at various levels, by fostering values that honor integrity and condemn corruption, while addressing its root causes through rigorous integrity education and work style improvement initiatives. In 2025, we organized 4 specialized lectures "Upholding Discipline and Adhering to Rules, Promoting Integrity to Drive Development", employing immersive case studies to deliver impactful educational messages. Special emphasis was placed on educating, managing, and supervising young cadres to strengthen their integrity defenses, thereby significantly boosting the effectiveness of integrity training programs.

Internal Control and Compliance Management Personnel

The Group provides internal control and compliance training programs and assessments for internal control and compliance management personnel, covering both full-time and part-time compliance roles as well as key position staff. We have developed a series of courses, including "Entry Point" anomaly indicator screening, anti-money laundering and anti-insurance fraud management, anti-corruption measures, interpretation of compliance management methods for financial institutions, business quality management and risk prevention, expense authenticity verification, and sales misguidance control, totaling 20 courses.

Whistleblowing and Communication

Whistleblowing and Communication Channels

Sunshine Insurance continuously optimizes the whistleblowing and supervision mechanism by formulating and implementing regulations such as the *Measures for the Administration of Supervision Work*, the *Measures for the Administration of Anti-Fraud*, and the *Guidelines for Whistleblowing and Investigation*, and publicly releasing the *Whistleblowing Management Policy Statement* [10] to comprehensively enhance the whistleblowing management system.

To ensure effective handling and follow-up of whistleblowing cases, we established a Supervision Office to centrally manage public complaints and whistleblowing, maintaining timely communication with case handlers and responsible departments. We continuously expanded whistleblowing channels by innovatively introducing an online whistleblowing platform alongside conventional methods such as email, phone calls, and postal submissions. By embedding online supervision and whistleblowing functions into Sunshine Insurance's OA system and subsidiary business terminal Apps, we significantly enhanced the efficiency of information transmission to the audit intelligence platform. In 2025, our website introduced a dedicated supervision portal with transparent guidelines on complaint acceptance scope and whistleblowing methods to facilitate the whistleblowing of issues and the filing of complaints and appeals by members of the public. In 2025, we achieved a 100% follow-up and feedback rate for all received complaints and whistleblowing reports.

Whistleblower Protection

Sunshine Insurance keeps refining the whistleblower protection system and has formulated internal policies such as the *Whistleblowing Management Policy Statement* and the *Guidelines for Whistleblowing and Investigation* and encourages employees at all levels to report illegal and non-compliant activities. These policies apply to whistleblowing regarding misconduct by Sunshine Insurance Group, its subsidiaries, branches, and employees, covering financial irregularities, internal control loopholes, regulatory violations, insurance fraud, and other improper behaviors. The policies explicitly outline specialized protection measures for whistleblowers, strictly enforce confidentiality protocols for reported information, support dual whistleblowing channels (anonymous and named), implement minimal data collection and retention, rigorously control access to whistleblower information, and address violations such as information leaks and retaliation against whistleblowers to ensure identity protection and legal rights. Additionally, Sunshine Insurance strictly enforces conflict-of-interest avoidance mechanisms: if the personnel handling a whistleblowing case have close familial or other relationships with the reported individual that may affect impartiality, they must refrain from handling the case. Whistleblowers and relevant parties retain the right to request recusal.

Intellectual Property Rights Protection

Sunshine Insurance continues to strengthen intellectual property rights protection efforts, strictly adhering to relevant laws and regulations while closely monitoring industry policy trends. By integrating business development with internal IP management system improvements and dynamically optimizing IP protection strategies, the Group establishes robust intellectual property safeguards to support our high-quality and sustainable growth.

In terms of patent protection

We have refined and revised the *Patent Management Measures*, continuously promoting standardized patent application and management processes across the Group, its subsidiaries, and branches. To enhance patent literacy, we invited professional trainers from external intellectual property agencies to conduct training programs, focusing on improving employees' patent drafting capabilities. In 2025, Sunshine Insurance and our subsidiaries filed 13 new invention patent applications, leveraging patent achievements to support the development of an innovative industry ecosystem.

In terms of trademark management

We adhere to the principle of balancing internal development with external safeguards. We have established and implemented regulations such as the *Measures for the Management of Trademark Registration* and the *Measures for the Management of Trademark Use by Member Companies* to ensure effective enforcement. By continuously strengthening management requirements, we have clarified approval procedures for trademark usage across subsidiaries and relevant departments, while comprehensively enhancing intellectual property management and protection efforts. Meanwhile, we systematically advance trademark registration, opposition applications, and invalidation proceedings. A routine trademark monitoring mechanism has been established to promptly identify and address potential infringement risks, thereby continuously improving the systematic and effective approach of the Group's trademark protection framework.

In terms of copyright management

We promptly conduct copyright registration for various works such as software, art, and design generated during corporate operations. This ensures effective protection of intangible assets under Sunshine Insurance's ownership framework, continuously strengthens our market competitiveness, and steadily enhances brand value.

10 *Whistleblowing Management Policy Statement*: https://static.sinosig.com/c/upload/cate/70/146/1713511852930028659.pdf

Privacy and Data Security

Sunshine Insurance prioritizes privacy protection and data security in operations, continuously strengthening the development of privacy and data security management systems. The Group regularly updates regulatory frameworks in these areas, establishing clear guidelines to safeguard customer data rights, implement access level controls, and minimize data retention. We have also enhanced emergency response mechanisms for data security incidents and strengthened third-party collaboration in privacy and data security management and oversight, ensuring robust protection of privacy and data integrity throughout our product and service offerings.

Privacy and Data Security Governance Structure

Board Level

The Board of Directors of Sunshine Insurance assumes primary responsibility for data security initiatives, overseeing the Group's information security and customer privacy protection efforts. The Board of Directors guides the development of information security management systems and participates in approving, monitoring, and evaluating the effectiveness and implementation of information security strategies. The Board drives continuous improvements in refined and intelligent security operations, enhances system resilience, and commits to establishing robust safeguards for information security and customer privacy protection across all technical, managerial, and operational dimensions.

The Consumer Rights Protection Committee of the Board oversees initiatives in customer privacy protection and data security, guides the development of customer information protection policies, promotes the implementation of consumer privacy protection mechanisms and management measures, and regularly reviews progress on customer information protection efforts.

In 2025, the Consumer Rights Protection Committee of the Board reviewed and approved the *2024 Consumer Rights and Interests Protection Report and 2025 Work Plan*, the *2025 First-Half Consumer Rights and Interests Protection Report and Second-Half Work Plan*, and the *2024 Consumer Rights and Interests Protection Regulatory Evaluation Report*. The Committee emphasized the importance of establishing an evaluation mechanism for personal information protection, highlighted the need to strengthen data privacy measures, and called for the development of a sustainable information security management framework.

The Risk Management Committee of the Board is responsible for integrating information technology risks into the Group's overall risk governance framework, establishing a regular risk assessment and dynamic monitoring mechanism, guiding the development of a multi-layered proactive protection system covering networks, data, and applications, and systematically advancing the construction of information system disaster recovery systems along with practical drills.

In 2025, the Risk Management Committee of the Board reviewed and approved reports including the *2024 Risk Assessment Repo*rt, the *2025 Semi-Annual Risk Assessment Repo*rt, the *2024 Criminal Case Risk Prevention and Control Management Report*, and the *2024 Information Technology Outsourcing Risk Assessment Repo*rt. The Committee focused on researching information technology risk identification and assessment systems, as well as risk management framework development, with particular emphasis on data security governance structures, IT outsourcing management practices, and risk control measures for key personnel. Clear operational requirements for information security management were established, alongside the implementation of a regular comprehensive inspection mechanism to continuously review and optimize information security management protocols.

Management Level

The management has established the Science and Technology Development and Promotion Committee, chaired by senior executives with deputy chairs appointed from key leadership positions. Committee members include division heads and department directors overseeing critical functions such as corporate strategy, human resources, consumer rights and interests protection, and finance. The Committee is responsible for formulating comprehensive strategies for group-wide information security and customer privacy protection, guiding the development of relevant management systems, regularly reviewing work reports including privacy compliance status, conducting specialized audits and risk assessments, and evaluating information security operations along with incident response protocols.

In 2025, the Science and Technology Development and Promotion Committee reviewed and approved key regulatory frameworks and implementation plans, including the *Information Security Management Measures (2025)*, the *Information Technology Outsourcing Security Management Standards (2025)*, the *Data Classification and Grading Guidelines*, the *Data Security Technical Protection Standards*, the *Data Security Management Measures (Interim)*, and the *Data Security Emergency Response Plan (Trial)*. These initiatives aim to assess compliance challenges in cross-border data transmission, address privacy risks arising from emerging technologies, and establish institutional safeguards for information security management mechanisms in third-party collaborations. The Committee also conducted specialized reviews of information technology security reports, focusing on data protection and system stability while rigorously implementing governance frameworks and accountability mechanisms for cybersecurity.

Execution Level

The Group's Security Management Department oversees data security governance, including planning, implementation, and risk assessment for data protection initiatives. The Customer Value Management Department coordinates personal data protection measures for individual clients. The Risk Management Department evaluates and executes data security risk management protocols, maintaining stringent controls at critical risk thresholds. All functional departments collaborate closely in compliance with data security policies, establishing a unified privacy and data protection framework to ensure comprehensive information security.

Privacy and Data Security Policies

Data Security

Sunshine Insurance strictly complies with laws, regulations and regulatory requirements, such as the *Data Security Law of the People's Republic of China* and the *Measures for the Data Security Management of Banking and Insurance Institutions*, the *Measures for the Administration of the Protection of Consumer Rights and Interests by Banking and Insurance Institutions*. The Group continuously optimizes management strategies and has established a comprehensive institutional framework covering data security, information security, and privacy protection. We have established and refined management policies such as the *Information Security Management Measures*, the *Data Classification and Grading Guidelines*, the *Data Security Emergency Response Plan*, and the *Data Security Technical Protection Standards*, standardizing data security management requirements and clarifying management responsibilities in this field. Through conducting information security management evaluations for the Group and key subsidiaries, Sunshine Insurance enhances information security awareness and performance across all entities, improves network and data security management capabilities, refines management strategies, and establishes a robust institutional system integrating data security, information security, and privacy protection.

We are actively advancing the development of the information security management system by issuing the *Information Security Policy Statement* [11], which comprehensively outlines our progress in establishing information security management frameworks. The policy applies to all employees of the Group and its subsidiaries, as well as third-party personnel with access to information assets. It clearly defines information protection principles and measures, aiming to create a safer and more reliable information environment while safeguarding customers' legitimate rights and interests.

Privacy Protection

Sunshine Insurance prioritizes customer privacy and data security protection. The Group has established internal management systems including the *Sunshine Insurance Group Customer Data Management Measures*, *Sunshine Insurance Group Key Position Employee Personal Information Protection Manual*, and *Sunshine Insurance Group Personal Information Protection Operational Guidelines*, while issuing the *Personal Information Protection Policy Statement* [12] to systematically advance privacy protection through standardized processes. All employees are required to sign confidentiality agreements specifying their information security responsibilities. Existing performance evaluation metrics have been enhanced by incorporating compliance with privacy and data security protocols into employee competency assessments, thereby strengthening staff awareness of information security and preventing customer data breaches. Additionally, the Group has clearly delineated departmental accountability for managing information security incidents and violations, continuously improving incident response capabilities and processing efficiency.



11 *Information Security Policy Statement*: https://static.sinosig.com/c/upload/cate/70/146/1744878220564087186.pdf

12 *Personal Information Protection Policy Statement*: https://static.sinosig.com/c/upload/cate/70/146/1745309279801002162.pdf

Granting Personal Customer Information Control Rights

Sunshine Insurance strictly complies with legal and regulatory requirements, providing comprehensive protection for customers' rights to access, modify, correct, delete, transfer, and terminate their personal information. Customers may review their personal data rights outlined in agreements such as the *Personal Information Protection Policy*, the *Personal Information Authorization Agreement*, and the *Online Platform Privacy Policy*. We have established clear channels and operational procedures to facilitate the exercise of these rights, ensuring prompt responses to all related requests. Customers can access and update their personal information through physical service counters, customer service hotlines, and online platforms. Subject to industry regulatory requirements regarding data retention periods, customers may delete their information by contacting customer service or canceling their internet platform accounts.

During the personal customer information collection process, we develop clear and understandable privacy policies and authorization terms at the data collection interface based on business or service requirements. These documents explicitly state the purpose, usage scope, types of data collected, and retention periods. We only process customer information after obtaining explicit consent, ensuring clients retain their rights to access, modify, and delete their data. For indirect data collection, we require information providers to demonstrate lawful sources and obtain necessary customer authorization.

Access Right

Customers have the right to access, inquire about, and obtain personal information through various channels including insurance service counters, official websites, mobile apps, or customer service hotlines (unless otherwise stipulated by laws and regulations or involving third-party rights). This includes basic personal details, account and transaction records, service agreements, and authorization records. For instance, customers may call the 95510 customer service hotline to verify their identity and access personal information such as policy details, transaction records, and service records. Alternatively, they can log in to the "Sunshine Insurance+" Mini Program, navigate to the "My" section, and use the "Personal Information" function to view policy-related data.

Rectification/Update Right

If customers notice any errors, incomplete information, or changes in the personal data we process, they may submit rectification or update requests through phone calls, branches, mobile apps, or mini programs. We will address such requests promptly. This right applies to situations involving incorrect information records, content modifications, or incomplete data requiring supplementation. For critical details like names or ID numbers, we may require valid proof for verification. If the information is provided by third parties or legally restricted from modification, we will explain the reasons and make necessary annotations. For example, customers can call the 95510 customer hotline to update personal information in insurance policies after identity verification. Alternatively, they may log into the "Sunshine Insurance+" Mini Program and navigate to the "My" section and use the "Personal Information" function to rectify/update personal information.

Deletion Right

Customers have the right to request the deletion of their personal information from us. We will review such requests in accordance with national laws, regulations, and regulatory requirements, and respond within the statutory timeframe. If we decide to approve the request, we will notify all partners who have obtained the customers' personal information from us after completing the deletion process, requiring them to remove the relevant data (except where otherwise stipulated by laws or regulations or where the partner has obtained separate authorization from the customer). If the retention period prescribed by laws or administrative regulations has not expired, or if the deletion of information is technically unfeasible, Sunshine Insurance will cease all processing activities except for storage and implementing necessary security measures.

We provide clients with multiple operational channels and processes to support requests for deleting various types of data. All processing will be completed within 15 working days, with results communicated promptly. Available channels include contacting customer service hotline via 95510 or online chat after identity verification; submitting applications through the "Account and Security" or "Privacy Settings" sections on our official website or mobile app; or visiting our physical branches to complete procedures in person with valid identification documents.

We have established tailored processing mechanisms for different types of personal customer information:

- Account information: Customers can request deletion through the account cancellation process. All associated account identity and linked information will be deleted simultaneously when the account is canceled.
- Business Information: Personal information generated from insurance operations (such as policy applications and claims records) will be managed in accordance with the retention periods stipulated by the *Insurance Law of the People's Republic of China* and other relevant laws and regulations and will be deleted upon expiration of the retention period.
- Basic identity information: Customers may request to remove personal identity information reserved for business purposes. After verifying the customers' identity and business status, our institution will legally anonymize or delete the information in the business system.

Privacy and Data Security Protection Measures

We consistently implement privacy and data security measures, establishing a comprehensive security framework that covers the entire lifecycle management of customer data to effectively safeguard the data security and legitimate rights of both customers and Sunshine Insurance.

Access Control and Protection of Personal/Sensitive Data

To comprehensively safeguard personal data and sensitive information security, we have established a systematic data security management framework. We implement stringent access control policies for sensitive data, with account permissions approved based on the principle of least privilege. System access controls are standardized through measures such as strong passwords and two-factor authentication. Explicitly prohibited are plaintext storage, transmission, and display of personal/sensitive data. Data transmission employs encryption and anonymization technologies, while storage utilizes secure storage solutions to mitigate cyber threats. Regular disaster recovery backups are performed for personal/sensitive data, with periodic validation of recovery capabilities. Operation logs for personal/sensitive data are retained for 12 months, accompanied by real-time monitoring and anomaly detection systems.

Minimum Data Collection and Retention

In terms of personal data collection and retention management, we strictly adhere to the principles of data minimization, collecting and processing only the minimum amount of data necessary for business operations, and maintaining customer information for the shortest duration required to achieve authorized usage purposes.



Upon achieving our business objectives, we will implement a regular identification and cleanup mechanism to promptly delete or anonymize data that has exceeded retention periods or lost business relevance, unless otherwise required by laws and regulations or with explicit consent from data subjects. We have established systematic data cleansing procedures that involve periodic review and analysis of stored information. Personal data exceeding retention periods, becoming irrelevant for business purposes, or lacking legal justification will be promptly removed or anonymized to continuously mitigate data storage risks.

In data storage and management processes, we implement comprehensive control measures that balance technical solutions with managerial oversight to ensure data integrity, confidentiality, and traceability. By establishing robust permission control systems, operation log recording mechanisms, and audit protocols, we enable full-process traceability and real-time monitoring of data access, usage, circulation, and disposal, thereby supporting effective incident traceability. Upon receiving clients' requests for personal information deletion, we verify client identities and operational status, then commit to legally performing data desensitization or deletion within 15 working days through our business systems.

Third Party Privacy and Data Security Management

We place high importance on the protection of customer privacy and data security during collaboration with third parties or outsourcing processes. To further strengthen privacy and data security management in third-party collaborations, we have established management systems for third-party data partnerships and information technology supply chain security, clearly defining all relevant security requirements for third parties regarding sensitive data access and processing.

We strictly adhere to the principles of "business-necessary authorization" and "grant minimal permissions", ensuring that data involving individual users is obtained with full authorization before acquisition and use. We uphold the principles of legality, propriety, and minimal necessity, and refrain from leasing, selling, or providing personal privacy and data to third parties for purposes beyond transaction or service fulfillment. The *Sunshine Insurance Group Customer Data Management Measures* and the *Sunshine Insurance Group Personal Information Protection Policy Statement* clearly define the purposes of customer information collection and usage, and we have established a review and supervision mechanism for information application scenarios.

We conduct rigorous evaluations and inspections of data usage purposes. Prior to sharing data with third parties, our Customer Data Management Specialists or Data Security Compliance Specialists perform comprehensive reviews of data usage scope, duration, and intended purposes. A full-process tracking mechanism for data sharing is established to ensure compliance with agreed-upon objectives. If our monitoring reveals that data may have been used for purposes other than those agreed upon due to assessment errors, operational mistakes, or violations, we will immediately take measures such as data retrieval, revocation of access privileges, and termination of the partnership, and initiate internal accountability and corrective procedures. In 2025, we conducted specialized personal information protection audits focusing on third-party data collaborations, which identified no instances of Sunshine Insurance customer data being used for marketing advertisements or transmitted to third parties through sales, leasing, or sharing arrangements.

The Group requires all departments to strictly adhere to the eligibility criteria outlined in the *Measures for Supplier Management* and the *Measures for Information Technology Outsourcing Risk Management* prior to signing supplier contracts. Qualified suppliers must be selected through due diligence and risk assessment to ensure product and service quality. During contract execution, the *Information Security Liability Commitment Letter* must be signed concurrently to clearly define the respective obligations and responsibilities of both parties regarding cybersecurity and data security.

Prior to establishing partnerships with third parties, we rigorously adhere to the Group's data security management requirements for third-party collaborations. During the onboarding phase, we conduct comprehensive information security due diligence and risk assessments to screen qualified suppliers and verify their information security capabilities. At the contract signing stage, we require suppliers to sign the *Information Security Liability Commitment Letter*, which clearly defines mutual obligations regarding cybersecurity and data protection. We also mandate that third parties use our personal customer information in full compliance with legal and regulatory standards.

In our collaborative partnerships, we conduct daily monitoring of data security compliance at third-party partner organizations and perform due diligence on data security practices. We continuously optimize the digital closed-loop mechanism for managing information security risks in technology outsourcing, enhancing operational efficiency and mitigating management risks. Additionally, we implement routine supplier information security risk monitoring, dynamically tracking negative public sentiment and compliance status. Through timely alerts and corrective actions, we achieve effective risk control in information security management throughout collaborations.

Upon completion of the collaboration, we require suppliers or partners to promptly delete customer information. Based on the nature of the partnership, service scope, and types of data processed, we develop a data security checklist and oversee third parties in completing data deletion or destruction.



Data Security Emergency Response

To effectively address sudden data security challenges and ensure business continuity while maintaining customer trust, we have established the *Data Security Emergency Response Plan (Trial)* and the *Guidelines for Cybersecurity Emergency Response (Plan)*. These documents define the organizational structure and responsibility allocation for emergency responses to data security incidents, standardize preventive measures, incident classification, response procedures, and post-incident analysis processes, thereby minimizing event impacts and ensuring effective emergency response to data security incidents.

Proactive measures before incidents

We have established a comprehensive and responsive data security incident prevention mechanism. By deploying cybersecurity monitoring systems, we continuously monitor various cyberattack behaviors, conduct real-time analysis, and issue intelligent alerts, implementing automated or manual interventions based on dynamic risk assessments. We continuously optimize information security protection plans and regularly conduct emergency drills to validate procedures, train teams, and enhance operational capabilities. The Group headquarters and subsidiaries routinely conduct multi-scenario, practical data security emergency drills covering scenarios such as data breaches and system intrusions. Post-drill reports are generated to thoroughly evaluate the effectiveness of response processes, coordination between departments, and the reliability of technical countermeasures. These insights guide ongoing plan refinement and process optimization, effectively testing and significantly improving rapid response capabilities and overall incident handling efficiency across different data security events, thereby strengthening preemptive security defenses.



Reactive measures after incidents

To effectively address data security incidents such as personal customer information leaks, tampering, or loss, we have established a standardized, end-to-end post-incident management mechanism to minimize impacts. The Group has formulated the *Data Security Emergency Response Plan (Trial)* that categorizes data security incidents into four levels, including critical, major, significant, and minor, based on their scope and severity, while establishing a clear reporting framework. Upon occurrence of a data security incident, emergency response protocols are immediately activated to analyze root causes, assess impact, and classify the incident level. Timely operational and technical measures are implemented according to the plan to contain the situation. Post-incident investigations trace attack sources, recover compromised data, and develop preventive measures to prevent recurrence. If personnel violations are identified, emergency responses are initiated in accordance with the *Data Security Management Measures (Interim)*, the *Measures for Punishment of Violations and Irregularities* and the *Management Measures for Information Security Violations*. This includes impact assessment, incident classification, clarification of violations and accountability measures, along with disciplinary actions. An emergency task force led by the Information Security Department coordinates with business, legal, and public relations teams to evaluate incident severity and execute containment, notification, and recovery efforts per the plan. A standardized reporting process is established based on incident security levels, ensuring compliance with reporting requirements and fulfillment of disclosure obligations to clients and partners as stipulated in contracts and agreements.

Privacy and Data Security Training

Sunshine Insurance regards employee privacy and data security training as a core component of corporate security governance, aiming to embed privacy protection and data security awareness into corporate culture. Through systematic training programs, we integrate security protocols and standards into daily operations and employee conduct, effectively enhancing staff's data security awareness and privacy protection literacy. In 2025, we conducted cybersecurity and data security training for all employees (including regular employees and contractors), delivering 21 specialized training sessions and awareness campaigns that reached approximately 52 thousand participants. Training content covered fundamental data security principles, endpoint security, workplace safety protocols, password management, Wi-Fi protection, phishing prevention, social engineering countermeasures, software licensing compliance, and responsible AI usage. Additionally, we prioritize training effectiveness and knowledge transfer by refining key learning objectives in curriculum design and implementing assessment exams to evaluate participants' mastery. The training exam pass rate reached 100% in 2025.

In addition, we have implemented specialized safety awareness and skills training programs for outsourced personnel. The training covers phishing attack identification and prevention, critical phishing risk mitigation measures, risk control protocols for key operations and maintenance positions, as well as daily office security requirements including password management, physical device security, endpoint protection, software download safeguards, mobile storage medium management, and printing security protocols. We have enhanced training in standardized technical outsourcing security management practices to ensure full compliance with operational safety requirements. In 2025, specialized cybersecurity training for outsourced personnel reached over 1,100 participants.

In 2025

Cybersecurity and data security training reached approximately

52 thousand participants

Privacy and Data Security Audit and Certification

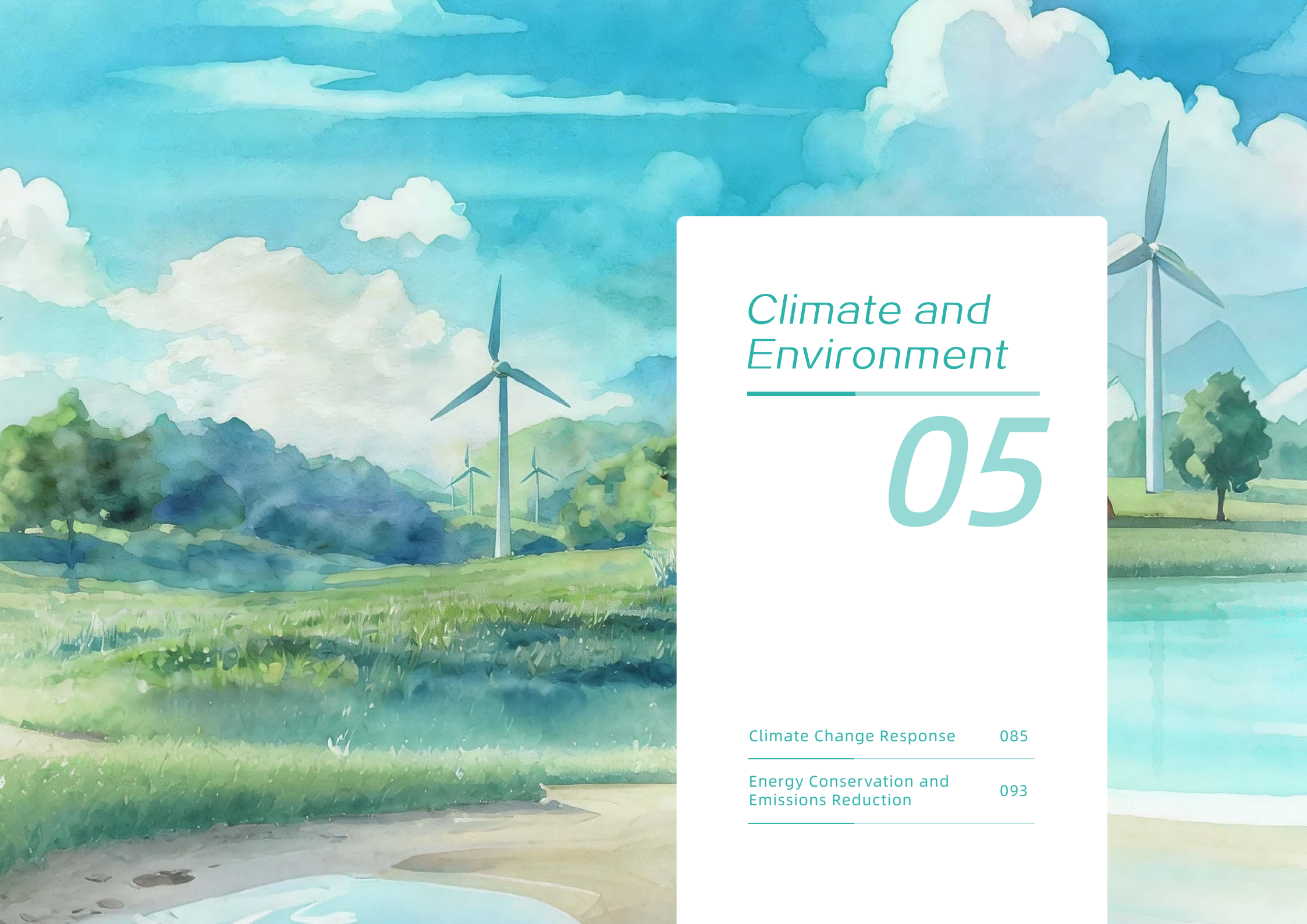
We continuously strengthen supervision and management in the field of privacy and data security, conducting audit supervision on the effectiveness, feasibility, and implementation status of relevant institutional regulations, operational procedures, and management measures pertaining to privacy and data security.

Regarding information security systems and external audits, we annually engage third-party auditors to conduct comprehensive audits of information systems, covering Sunshine Insurance and all subsidiaries. Key audit areas for 2025 include: system security management, covering security configurations, permission controls, data modification protocols, cybersecurity measures, and physical data center security; system development change management, covering requirement management, testing procedures, and deployment processes; and system operations management, covering backup strategies, batch processing workflows, incident management systems, and emergency recovery protocols. By leveraging audit findings to identify management improvement opportunities, we enhance the application of audit outcomes, driving closed-loop optimization and continuous improvement of management systems through a problem-oriented approach.

Regarding internal audits, the Group's internal audit department conducts annual specialized audits on general controls of internal information systems and other audits mandated by regulatory requirements. These audits achieve full coverage of information system audits for both the Group and its subsidiaries on an annual basis, encompassing Sunshine Insurance and its subsidiaries. In 2025, the audit scope focused on multiple dimensions including information governance, information security management, information system development and operational management, IT outsourcing practices, and business continuity management. Based on audit findings, management identified key areas for improvement, with particular emphasis on data security, mobile application security, technology outsourcing, and general information system controls. Accordingly, improvement plans and enhancement directions have been formulated for data classification and grading, mobile application security, and technology outsourcing management.

We continue to enhance the development of our information security management system and professional certification initiatives. In 2025, we implemented Level 3 classified protection certification for critical corporate systems, conducted industry benchmarking studies on relevant certifications, and performed systematic analysis of information security management frameworks to progressively strengthen our data protection ecosystem. Sunshine AMC has obtained the Information Security Management System (ISMS) certification in alignment with ISO 27001:2022 standards.





Climate and Environment

05

Climate Change Response 085

Energy Conservation and Emissions Reduction 093

Climate Change Response

Governance

Sunshine Insurance has established a climate-related governance framework covering governance, management, and execution level, clearly defining and standardizing climate-related management functions at each level. It has improved and perfected top-down supervision and guidance mechanisms as well as bottom-up reporting mechanisms, forming a complete management closed loop from strategic deployment to specific implementation. This ensures systematic management and effective response to climate-related risks and opportunities.

Governance Level

The Board's Risk Management Committee and ESG Committee serve as the highest-level oversight bodies for climate-related matters. They integrate climate-related risks and opportunities into core agendas, analyze their impact on corporate financial performance, and guide strategic planning decisions by incorporating climate considerations. Additionally, they facilitate the integration of climate factors into risk management processes, while evaluating and enhancing climate resilience across operations and the entire value chain.

Regarding target management and performance monitoring, the Board of Directors oversees the review of corporate-level climate-related objectives and regularly listens to specialized reports to monitor progress toward these goals. To ensure seamless integration between climate targets and business operations, we have progressively incorporated climate-related key performance indicators (such as green investment ratios and operational carbon emission intensity) into the performance evaluation systems for senior management and department heads, directly linking them to compensation incentives with specific weighting clearly defined in performance contracts. The Board of Directors and the subcommittees regularly receive and review management-submitted special reports containing analyses of climate risks and opportunities, assessment methodologies, and progress tracking data, ensuring the governance level consistently access relevant information and conduct effective oversight.

Board members place high priority on developing professional competence and experience essential for addressing climate change, actively participating in industry exchanges and specialized training. To support continuous enhancement of directors' climate-related competencies, the Group regularly organizes thematic training and awareness campaigns on climate change. In December 2025, we conducted a dedicated ESG and Climate Change training program for all board members, covering compliance requirements for climate-related information disclosure, climate risk and opportunity management strategies, as well as best practices from peer organizations. These initiatives further support and enhance the board's governance effectiveness in addressing climate-related risks and opportunities.

Management Level

We have established the Sustainable Development Management Committee and the Risk Management Committee at the management level to collaboratively oversee the top-level design and coordinated implementation of climate-related strategies. Their key responsibilities include reviewing the Group's medium-to-long-term climate strategy and annual work plans, monitoring climate risk and opportunity management processes, assessing major climate-related risks and transition opportunities while reporting to the Board of Directors, guiding the development of climate risk management systems, advancing climate scenario analysis and resilience enhancement initiatives, tracking the progress and effectiveness of cross-departmental climate initiatives, and ensuring the effective breakdown and implementation of strategic objectives.

Execution Level

The Group's ESG Promotion Office and Risk Management Department, serving as lead coordinating units, collaborate with core business units, subsidiaries, and key functional departments to implement climate change-related initiatives. Their responsibilities include developing and executing climate action roadmaps and emission reduction plans, conducting climate risk identification, assessment, and monitoring, establishing management tools and indicator systems, promoting green operations, green investments, and green product innovation, implementing climate adaptation and mitigation measures, organizing internal capacity-building programs and training to enhance climate awareness across all staff, and regularly reporting implementation progress to management.

Through clear hierarchical divisions and collaborative mechanisms, we ensure effective integration and closed-loop management of climate governance matters, from strategic planning to concrete implementation.

Sunshine Insurance Climate Change Governance Structure



Strategy

Sunshine Insurance fully recognizes the profound impacts of climate change on the global economy and human livelihoods and has established a comprehensive climate strategy spanning both business and operation, demonstrating Sunshine's responsible stance and proactive efforts in addressing climate challenges. We have established and implemented the *Climate Change Management Policy* [13] as the core framework for our climate initiatives, which outlines operational mechanisms and systematically evaluates how climate-related risks and opportunities significantly affect business performance.

Business side

- Continue to innovate sustainable insurance products and adapt insurance strategies accordingly
- Intensify efforts to develop green insurance and implement risk reduction management
- Actively invest in green assets to support the green industry development and the low-carbon transition of socio-economy, and systematically advance carbon reduction management in asset portfolios
- Strengthen investment in proactive research on emerging risks



Operation side

- Actively implement green energy conservation and emission reduction initiatives, promote resource recycling, and achieve a balance between environmental and economic benefits
- Steadily advance office digitization, build intelligent platform-based service capabilities, and gradually integrate smart tools
- Establish a training mechanism for GHG emission reduction, conduct company-wide training and awareness campaigns, and enhance employees' low-carbon awareness

13 *Climate Change Management Policy*: https://static.sinosig.com/c/upload/cate/70/146/1744940743349023128.pdf

Climate-Related Risk Identification

Sunshine Insurance has systematically identified climate-related risks by leveraging the business characteristics and industry-specific attributes, while clearly defining both physical risk and transition risk factors. As of the end of the reporting period, through continuous monitoring and assessment of climate-related risks, the Group maintains these risks within manageable parameters. In line with insurance industry practices, Sunshine Insurance has integrated climate-related factors into core operational processes, including risk evaluation, product design, and underwriting management, as part of our comprehensive risk management framework.

	Risk Type	Risk Factor	Risk Description	Impact	Impact Duration	Impact Degree	Strategy and Decision-Making Impacts	Current Financial Impact	Expected Financial Impact
Physical risk	Acute	Extreme weather events such as floods, hurricanes, and high temperatures	The frequency, impact intensity, and geographical coverage of extreme weather events are showing an increasing trend, leading to a sustained rise in the uncertainty of insurance risk occurrence probability and loss amounts.	Value chain	Medium term	High	Enhance professional capabilities in risk assessment, develop pricing models incorporating climate disaster factors, mitigate risks through reinsurance purchases, monitor climate risk exposure, and provide various risk mitigation services.	During the reporting period, the proportion of net claims paid after reinsurance related to climate catastrophe events to claims in the property and casualty insurance segment was approximately 0.52%, remaining within the historical normal fluctuation range. This had no significant adverse impact on the Group's overall claims performance or solvency, indicating that climate catastrophe risks remained generally manageable.	Through catastrophe model assessment, under a 5-year return period typhoon disaster scenario, the probable maximum loss (PML) falls within the fluctuation range of historical normality; under a 25-year return period typhoon disaster scenario, the probable maximum loss can exceed approximately twice the historical average; under a 75-year return period typhoon disaster scenario, the probable maximum loss can exceed approximately five times the historical average.
Transition risk	Market and technology	Market preference for green products and technical requirements for green insurance business	Green products and services must promptly respond to customer needs and preferences; insufficient capacity to identify and assess green insurance risks has led to high claim payouts.	Value chain	Medium/ Long term	High	(1) Continuously monitor market demand for low-carbon transition and actively develop green insurance products (2) Prudently select risk exposure targets, optimize business portfolios, strengthen risk mitigation initiatives, and reduce the impact of emerging risks on claims payouts	With the continuous increase in the penetration rate of new energy vehicles, the market demand for new energy vehicle insurance remains robust. During the reporting period, Sunshine Insurance's average claims ratio for new energy vehicle insurance was over 10 percentage points higher than that of traditional fuel vehicle insurance, which impacted the Group's auto insurance business performance, primarily affecting the net profit item. During the reporting period, there were four major claims resulting from green insurance incidents such as wind turbine tower collapses, blade fractures, and extensive photovoltaic panel damage. The net claims paid after reinsurance accounted for approximately 0.03% of claims in the property and casualty insurance segment, which had no significant impact on the Group's compensation obligations.	The proportion of new energy vehicle insurance is expected to continue increasing in the future. However, with the maturation of assisted driving technologies and owners' gradual familiarity with the operation of new energy vehicles, the claim ratio is projected to show a downward trend. With the national transition to new energy, the expectation of large-scale claims related to green electricity is expected to increase. To manage risks, investments in risk control technologies in relevant fields will also correspondingly rise.

Note: Based on external information and the Group's business operations, we have defined the timeframes for climate-related risk impacts as follows: within 1 year after the reporting period (short term), 1 to 5 years after the reporting period (medium term), and beyond 5 years after the reporting period (long term).

Climate-Related Opportunity Identification

Sunshine Insurance prioritizes the identification of climate-related opportunities as a crucial lever for advancing sustainable development, and explores pathways for recognizing and acting on these opportunities.

Opportunity Type	Opportunity Description	Impact	Impact Duration	Impact Degree	Strategy and Decision-Making Impacts	Current Financial Impact	Expected Financial Impact
Green products and services	Investors and customers are increasingly demanding green products and services	Business	Medium/ Long term	High	Actively develop and promote green products and services to meet the needs of investors and customers, thereby enhancing revenue.	In 2025, green insurance premiums amounted to RMB9.88 billion. Primarily impacting the insurance revenue item.	The green product portfolio continues to expand, establishing differentiated competitive advantages and boosting overall market share, while potentially qualifying for policy incentives under green finance regulations.
Resource efficiency	Measures to improve resource efficiency such as renewable energy and green buildings	Operation	Short term	Low	Enhance resource efficiency through energy conservation and emission reduction measures.	Promote green office practices, conserve resources, and reduce operational costs.	The implementation of green data center renovation or new construction projects will further reduce long term energy consumption and O&M costs.

Note: Based on external information and the Group's business operations, we have defined the timeframes for climate-related risk impacts as follows: within 1 year after the reporting period (short term), 1 to 5 years after the reporting period (medium term), and beyond 5 years after the reporting period (long term).

Climate Resilience Assessment

To further assess the impact of climate change on Sunshine Insurance's operations and business performance, we conducted a systematic analysis based on the identified climate-related risks and opportunities. By integrating the operational characteristics of key business segments including property insurance, life insurance, and asset management, we prioritized critical climate risks and evaluated the Group's climate resilience across various future development scenarios.

Based on a prudent assessment of climate risk exposure in property insurance operations, Sunshine Insurance conducted specialized scenario analyses to quantify the impact of climate-related physical risks on its core business. The study employs climate scenario models to evaluate the degree of climate risk effects throughout future development cycles, providing decision-making support for risk pricing, capital management, and business planning.

Scope of analysis

This analysis focuses on the property insurance business of Sunshine Insurance. This scope was selected because property insurance directly underwrites tangible assets, making it most directly and significantly exposed to climate-related physical risks such as typhoons and floods, and thus constitutes the top priority in the Group's overall climate risk management.

Subject of analysis

We selected the corporate property and casualty insurance and engineering insurance as our core analytical focus. These two business segments share common characteristics: their insured assets (such as factories, infrastructure, and construction projects) possess high value, fixed geographical locations, and heightened sensitivity to extreme weather events. Together, they constitute the most critical exposure to catastrophe risks in property insurance operations and serve as key dimensions for assessing the impact of climate-related physical risks.

Scenarios

In recent years, catastrophe risk has exerted significant impacts on the property insurance industry. As the most impactful category of climate risk for insurers, catastrophe risk represents acute physical hazards. We conduct scenario analyses focusing on catastrophe risk to thoroughly investigate and visually demonstrate the resilience of our core business operations in addressing climate risks.

Sunshine Insurance employs two typhoon catastrophe models (RMS's Risklink model and AIR's Touchstone model) to analyze the impact of typhoons and their associated disasters, including heavy rainfall, flooding, and storm surges, on insurance operations, providing a reliable data foundation for the Group's climate resilience assessment.

In 2025, we established three typhoon disaster scenarios with varying intensity levels:

- **A 5-year return period scenario**
  Represents typhoon events with relatively high occurrence frequency and normal intensity.
- **A 25-year return period scenario**
  Represents typhoon events of moderate intensity with significantly enhanced destructive power.
- **A 75-year return period scenario**
  Represents extreme typhoon disasters with low probability and extremely high intensity.

The scenario is constructed based on historical climate data and modeling, enabling scientific simulation of typhoon trajectories, wind speeds, precipitation, and secondary disasters such as flooding, while calculating direct physical losses to insured assets.



Timeframe

We conducted correlation analysis between disaster scenarios of varying intensities and future time scales to evaluate how climate risks affect corporate operations across different time periods.

Short term (up to 2030)

Corresponds to a 5-year return period scenario, this assessment evaluates the potential impacts of relatively frequent disasters in the near term.

Medium term (up to 2050)

Corresponding to a 25-year return period scenario, this assessment evaluates the potential impacts of increased disaster intensity over the medium term under climate change conditions.

Long term (up to 2100)

Corresponding to a 75-year return period scenario, this assessment evaluates potential impacts of long-term extreme disasters to test the extreme resilience of operations.

Hypothesis

To ensure the analysis focuses on the impact of climate risk itself, we establish a fundamental assumption: the geographical distribution and business composition of risk exposure on the Group's liability side (i.e., underwriting operations) remain unchanged during the current analysis period. This assumption enables us to independently analyze the pure effect of climate change (manifested as variations in disaster intensity and frequency) on losses while controlling for business structure variables.

Conclusion

The model analysis results indicate that under typhoon disaster scenarios with varying intensity levels, the Group's probable maximum loss (PML) demonstrates an increasing trend.

Under short term (5-year return period) scenario

PML caused by typhoon disasters remains within the historical normal fluctuation range, indicating relatively manageable risks.

Under medium term (25-year return period) scenario

PML caused by typhoon disasters could exceed twice the historical average level, indicating that climate change has begun to exert substantial financial pressure on the Group.

Under long term (75-year return period) extreme scenario

PML caused by typhoon disasters could surge to over five times the historical average level, posing severe challenges to the Group's solvency and operational stability.

Based on scenario analysis results, intensified extreme weather events caused by climate change will significantly increase Sunshine Insurance's catastrophe risk exposure across the corporate property insurance and engineering insurance business lines. The losses projected under short-term, medium-term, and long-term scenarios of the typhoon catastrophe model can be covered by the Group's catastrophe reinsurance arrangements. The net loss after reinsurance will have limited impact on the Group and is unlikely to cause significant adverse effects.

We have deeply integrated climate risk into actuarial pricing, reinsurance arrangements, and capital management strategies, and will continue to refine and optimize these practices. Through mechanisms such as reinsurance arrangements, pricing adjustments, and risk mitigation during coverage, we aim to enhance business resilience in addressing long-term challenges.



Risk Management

Sunshine Insurance actively integrates climate-related risks into the comprehensive risk management system. Leveraging the Group's risk management policies and framework, we have established a scientifically robust mechanism for climate-related risk management and reporting.

Risk identification

We conduct comprehensive assessments of the climate-related factors impacting our business operations and value chain, scientifically identifying acute physical risks, chronic physical risks, transition risks, and potential transformation opportunities. Through structured questionnaires, specialized interviews, and workshops, we carry out climate risk and opportunity identification research across subsidiaries and business units. Key focus areas include historical climate-related losses across internal business lines, asset and portfolio distribution patterns, operational energy efficiency data, with extensive reference to external data sources such as authoritative third-party climate research institutions, Intergovernmental Panel on Climate Change (IPCC) reports, and meteorological databases. The scope of climate risk and opportunity identification covers the entire group, including major business segments like Sunshine P&C, Sunshine Life, and Sunshine AMC. The Group's Risk Management Department oversees integrated risk analysis, conducting in-depth identification and detailed characterization of climate risk factors and potential opportunities affecting our business units, ultimately compiling a prioritized list of climate risks and opportunities critical to Sunshine Insurance's operations.

Risk assessment

We employ a combination of qualitative and quantitative methods, we integrate feedback from functional departments, business units, and external experts to comprehensively evaluate the nature of climate risks and opportunities impacting the Group's strategy, operations, reputation, and finance, along with their value chain scope, temporal duration, and organizational adaptability. To enhance forward-looking assessment of climate risks and opportunities, we actively conduct climate scenario analysis by referencing internationally recognized frameworks, refining climate-related risk assessment models, and focusing on potential financial impacts on corporate assets, underwriting, and investment operations. This approach deepens our climate resilience evaluation capabilities.

Risk reporting

We establish a routine climate risk information reporting mechanism, integrating climate risk management into the Group's comprehensive risk event reporting system. Clear guidelines specify reporting pathways, procedures, and timelines for climate-related risk information, with regular updates on risk management status provided to the Board of Directors and management. Based on the significance or urgency of climate-related risk events, we adopt a dual reporting framework combining periodic updates and major risk disclosures. Routine matters and progress are routinely reported through periodic updates, while immediate activation of specialized reporting processes ensures timely response to identified critical risks. This ensures the Board and management can promptly access accurate information on climate risk management objectives, implementation progress, and key developments, thereby supporting strategic decision-making and continuously driving overall management efficiency improvements.

Risk management

We proactively integrate climate factors into our risk management processes. Based on the Group's comprehensive risk management framework, we prioritize climate-related risks by evaluating overall risk appetite, probability of occurrence, financial impact severity, and urgency of consequences to determine resource allocation and response priorities. For identified critical risks, we implement tailored strategies including risk control, risk transfer, risk acceptance, or risk mitigation measures. Key risk indicators are established to enable continuous monitoring of risk factors, ensuring effective control and routine management of climate-related risks.

Risk integration

We continuously enhance the integration of climate-related risk management processes into our strategic decisions and daily operations. At the strategic and governance level, we drive the inclusion of climate risks in risk appetite statements and risk limit settings for both the Group and all business units. In operational execution, climate risk assessments are incorporated into early-stage processes such as underwriting pricing and investment decisions to ensure effective identification and control of climate-related risks. We progressively incorporate climate risk management outcomes into departmental performance evaluation systems to drive accountability implementation. Continuous coordination is maintained across risk control, finance, and business units to synchronize climate risk management efforts, with regular consolidated reports submitted to the Board's Risk Management Committee to achieve comprehensive risk coverage and effective closed-loop management.

Metrics and Targets

We continue to strengthen climate-related management capacity building, actively develop green insurance and green investment, and fully support the green transition of the economy and society.

Climate-Related Targets

To proactively address the impacts of climate change and effectively implement management strategies for climate-related risks and opportunities, while aligning with core insurance business targets across liability and asset management dimensions, we have established climate-related targets at both operation and business levels. These targets define clear pathways to enhance organizational resilience. We conduct regular reviews to assess the relevance and effectiveness of climate-related targets, scientifically optimize implementation strategies, and explore the positive impact on business operations. This comprehensive approach facilitates seamless integration of climate goals with the Group's sustainability management practices.

	Climate Targets	Achievements in 2025
Business	Liability side: Continuously expanding the green insurance product service system, with green insurance premium scale maintaining high growth rates. Asset side: Leveraging the advantages of insurance funds to strongly support green industries and green transformation development, with stable growth in the scale of green investments.	Green insurance premium income reached RMB9.88 billion; a series of innovative products including weather index insurance for the harvest period of three major staple crops were launched. By the end of 2025, the balance of green investment exceeded RMB23 billion, while the balance of sustainable investment surpassed RMB66 billion.
Operation	Using 2024 emission intensity as the baseline, the Group-wide greenhouse gas emission intensity for Scope 1 and Scope 2 decreased by 5% year-on-year in 2025.[14]	The greenhouse gas emission per unit area in 2025 was 0.03547 tons of CO_2 equivalent per square meter, representing a year-on-year decrease of 16%.

Climate-Related Indicators

We continuously enhance the foundation and quality of carbon emission data, and routinely conduct greenhouse gas emission management and carbon inventory activities.

Building upon the refined greenhouse gas statistics and measurement mechanisms for Scope 1 and Scope 2, we have prioritized implementing Scope 3 emission inventory work. Guided by the *Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)*, we conducted priority assessments across 15 Scope 3 emission categories tailored to Sunshine Insurance's value chain operations. Evaluations considered emission scale, management impact, data availability, and industry best practices, identifying 9 critical Scope 3 categories for the Group. The 2024 emission inventory and accounting process covered: externally procured goods and services, capital goods, fuel and energy-related activities, operational waste generation, business travel, employee commuting, upstream leasing assets, downstream leasing assets, and investments. Reliable data quality provided robust foundations for subsequent management decisions and emission reduction initiatives. Inventory analysis revealed that investment-related greenhouse gas emissions accounted for over 99% of total Scope 3 emissions. In 2025, we focused on specialized efforts targeting Scope 3 investment-related emission reductions.



14 We have not yet formulated a plan for using carbon credits to offset greenhouse gas emissions.

Portfolio Carbon Emissions Calculation

In compliance with the *Global GHG Accounting and Reporting Standard for the Financial Industry* of the Partnership for Carbon Accounting Financials (PCAF), we have prioritized specialized carbon emission inventory and measurement for investment portfolios. The inventory scope now covers all equity and bond assets within the Group's portfolio holdings, with the resulting measurement data meeting the high-quality standards specified in PCAF Standard. This establishes a robust data foundation for subsequent precision management of asset carbon emissions and facilitates the green transition of investment portfolios.

We maintain ongoing exchanges and learning with external professional experts on carbon emission measurement methodologies and climate risk management. Through in-depth analysis of carbon emission disclosures in investment portfolios across domestic and international insurance industries, we systematically advance and optimize carbon emission accounting practices for investment activities as planned.

In 2025, based on the external professional carbon databases we introduced, the Group conducted comprehensive verification and comparative analysis of the data quality for listed companies, bond issuers, and public funds for the fiscal year 2024, and corrected issues such as discrepancies, missing data points, and outliers identified. We also optimized carbon emission calculation methodologies for sovereign bonds, with the assistance of suppliers. Through the comprehensive inspection of data and models, the accuracy and reliability of data quality were effectively improved.

Going forward, we will continue to deepen the integration and application of Scope 3 emission data in asset portfolio management, explore mechanisms for assessing climate risks and opportunities in investment portfolios, integrate climate risk management into core investment decision-making processes, and enhance the sustainable development impact of investment portfolios.

Scope 3 (Investment) Greenhouse Gas Emission	Carbon Emission from Held Assets (tons of CO_2e)	Overall Carbon Intensity of Portfolio Assets with Carbon Emission data (tons CO_2e per million assets)	Similar Assets Coverage Ratio	PCAF Data Quality Level
Stock	1,833,014	33.19	100%	1.38
Bond	10,525,699	36.48	100%	1.26

Note: Calculated based on net price market value position data as of December 31,2024

Other Climate-Related Indicators

Number	Indicator	Description
1	Climate-related physical risk – the amount and percentage of assets or business activities vulnerable to climate-related physical risks	• Property insurance policies in high climate risk regions contributed approximately 3.69% of total premium income.
2	Climate-related transition risk – the amount and percentage of assets or business activities vulnerable to climate-related transition risk	• Business premiums related to the new energy transition accounted for approximately 2.42% of total premium income.
3	Climate-related opportunities – the amount and percentage of assets or business activities aligned with climate-related opportunities	• The premium income from various green insurance products provided for sectors such as green buildings, new energy vehicles, and renewable energy projects reached RMB9.88 billion, accounting for approximately 6.6% of total premium income. • By the end of December 2025, the scale of green investment and sustainable investment reached RMB23.1 billion and RMB66.5 billion respectively.
4	Capital deployment – the amount of capital expenditure, financing, or investment targeting climate-related risks and opportunities	• By the end of December 2025, the scale of green investment and sustainable investment reached RMB23.1 billion and RMB66.5 billion respectively.
5	Internal carbon prices	• We have not yet applied internal carbon pricing in our decision-making process.
6	Remuneration	• We have incorporated "climate change response" and "green finance" into the executive remuneration evaluation system, and continue to explore the application of more climate-related indicators in performance assessment.

Energy Conservation and Emissions Reduction

Sunshine Insurance strictly abides by the relevant laws and regulations such as the *Energy Conservation Law of the People's Republic of China* and the *Environmental Protection Law of the People's Republic of China*. Actively responding to the national "dual carbon" strategy, we fully implement sustainable development concepts. We rigorously adopt core initiatives including green offices, green buildings, green services, and green data centers, integrating energy conservation and emission reduction efforts into every aspect of our operations and development. We continuously explore pathways for high-quality green growth.

Green Office

Sunshine Insurance has consistently implemented green office practices guided by sustainability principles such as resource conservation, low-carbon initiatives, and environmental protection. The Group has established and enforced regulatory frameworks including the *Low-Carbon Green Office Guidelines* and the *Notice on Further Advancing Green Office Practices*, which outline standardized procedures and requirements for green operations to provide institutional support for operational implementation. We continuously refine performance evaluation mechanisms, enhance employee training on green and low-carbon awareness, and establish comprehensive monitoring systems for green office compliance. These efforts promote the implementation of carbon reduction actions across all organizational levels, effectively supporting green and low-carbon development.

Reducing energy consumption

With refined energy management as the core, we implement energy-saving and consumption-reduction measures across all operational scenarios to enhance energy utilization efficiency and minimize inefficient energy consumption.

Equipment selection

Prioritize energy-efficient office equipment with high energy efficiency ratings to enhance overall energy utilization efficiency at the hardware level.

Energy-saving renovation

Promote energy-efficient upgrades for high-energy-consuming equipment and facilities to optimize the energy utilization structure.

Lighting optimization

Reasonably adjust the type, distribution, and usage time of luminaires. Implement measures such as intermittent activation of downlights in workstation corridors, dimming lights during daytime rest periods on workdays, and replacing sensor-controlled luminaires to reduce power consumption from ineffective lighting.

Operational control

Optimize equipment operation management models by implementing measures such as time-zoned elevator operation, shutdown of hot water boilers in tea rooms after working hours, and automatic screen off for computers during inactivity to achieve routine energy conservation management.

Reducing waste emissions

Guided by source reduction and resource recycling, efficient management of office waste is achieved through model innovation and concept promotion.

Consumable management

Implement a printer leasing model, with specialized recycling companies handling the disposal of consumable waste such as ink cartridges and toner cartridges; Promote paperless office practices by scientifically planning paper usage to reduce printing and distribution of paper documents; Standardize the management of office supplies requisition to enhance resource efficiency; Advocate for employees to minimize the use of disposable items to reduce office waste generation at the source.

Waste sorting

Classification bins and sorting labels are installed in office areas, with additional recycling bins for secondary utilization such as batteries and wastepaper. Employees are guided to sort and dispose of various recyclable waste materials including spent batteries, wastepaper, waste plastics, and scrap metals, thereby promoting resource recycling.

case Sunshine Union Hospital Actively Exploring New Approaches to Energy Conservation and Emissions Reduction

Sunshine Union Hospital focuses on high-energy-consumption core equipment to implement targeted energy-saving upgrades. By replacing outdated boilers with high-efficiency steam generators, the hospital achieved a 71.8% reduction in natural gas consumption in 2025. Upgrading the central air conditioning cooling towers reduced the system's electricity consumption per unit of cooling time. Through equipment upgrades and technological innovation, the hospital has achieved the dual goals of improving energy efficiency and reducing overall energy consumption.

Advocating water conservation

By focusing on systematic management and full staff participation, and through habit cultivation and mechanism establishment, we strengthen the water resource conservation management system.

Water conservation measures

Replace all water-saving faucets, toilets and other sanitary fixtures, enhance daily water usage inspections in office areas, strictly implement preventive and corrective measures for water leakage, and explore the recycling and utilization of reclaimed water and rainwater.

Supervision and implementation

Improve the water resources management supervision mechanism, establish a daily water resources data reporting system, and guide all units to submit water resources data quarterly to ensure the effective implementation of water conservation measures.



Conducting green awareness campaigns

Through multi-level dissemination and multi-channel training as vehicles, we promote green operations to be deeply internalized and transformed into voluntary actions among all employees.

Specialized training

Conduct dedicated green office training sessions to encourage all business units to proactively integrate sustainability practices into daily operations. Deliver Group-wide video training on green and low-carbon office practices via Sunshine Academy, expanding the scope and depth of training dissemination. Group-wide ESG and carbon emission management training programs are implemented to enhance energy conservation and carbon reduction capabilities among key personnel. Regular water conservation workshops focus on water resource management protocols and water-saving equipment retrofit technologies, improving employees' precision water management skills.

Thematic activities

Conduct awareness campaigns such as World Forest Day to encourage all employees to adopt green office practices and low-carbon lifestyles and drive corporate green transformation.

Daily awareness campaigns

Distribute the *Green Office Initiative* to outline behavioral guidelines including the Clean Plate Campaign, water and electricity conservation, virtual meetings, and eco-friendly transportation. Establish green office bulletin boards for ongoing awareness campaigns. Display rolling messages on electronic screens such as "Green Office, Low-Carbon Energy Saving, Small Actions, and Shared Future" and "Low-Carbon Green Office Promotion" to encourage Group-wide adoption. Conduct water conservation awareness programs, organize water-saving activities, and strengthen employees' awareness of water resource efficiency.

Promoting smart office

With digitalization and intelligence as core drivers, we establish a green and efficient smart office system through smart office infrastructure development and process optimization.

Platform development

Establish a unified office service platform integrating intelligent query and transaction processing functions, deepen the integration and application of large-scale models, and enhance the utilization capabilities of smart office tools through comprehensive training and practical implementation.

Process optimization

Continuously refine approval workflows to eliminate redundant nodes and strengthen accountability loops; develop an intelligent writing platform covering multiple document formats and business scenarios to enhance document standardization and drafting efficiency.

Knowledge management

Systematically conduct knowledge organization and governance, establish a structured knowledge data foundation, and promote collaborative knowledge creation, sharing, and scenario-based efficient application.

Intelligent management

Achieve automated transformation of seal risk control through AI quality inspection, establish unmanned intelligent seal rooms to enable remote authorization and full-process traceability; launch an intelligent perception platform for archive repositories and a certificate management system to enhance the security and intelligence levels of physical archives and certificate management.

Green Building

Sunshine Insurance steadfastly embraces sustainable development and environmental protection principles, leveraging advanced energy-saving technologies and eco-friendly materials to craft exemplary green office buildings. The Sunshine Insurance headquarters building – Beijing Sunshine Financial Center has implemented green sustainability concepts throughout its entire lifecycle from design to construction, extensively adopting sustainable building materials and cutting-edge energy-saving technologies. Its supporting facilities and environmental quality meet industry-leading standards across all dimensions. Utilizing BIM (Building Information Modeling) technology to establish a comprehensive application system and integrating multiple modules through IBMS (Intelligent Building Management Systems), the building significantly enhances intelligent operations, providing efficient services for diverse scenarios, including offices, conferences, commercial spaces, and dining areas. This achievement marks a dual breakthrough in functional layout and smart operations. The building has successfully obtained dual international gold-level certifications in LEED (Leadership in Energy and Environmental Design) and WELL (Wellness Building standards), demonstrating the Group's pioneering efforts and industry leadership in green and healthy building solutions.



Sunshine Financial Center

Green Data Center

Sunshine Insurance has formulated the *Energy Conservation and Emission Reduction Measures for Sunshine Insurance Data Center*, comprehensively standardizing energy management in daily operations and promoting the implementation of efficient and environmentally friendly energy-saving initiatives. Adhering to the principle of adapting measures to local conditions, we conduct precise diagnostics of operational pain points, develop targeted solutions, and leverage end-to-end monitoring and refined management to achieve multi-dimensional optimization of data center facility energy efficiency.

Data Centre green operation measures:

Cabinet optimization

By adding reusable blind plates to cabinets and using blocking air ducts to reduce wind short-circuiting, the efficiency of air conditioning refrigeration is increased, contributing to power savings. By the end of 2025, cumulative electricity savings reached 230 thousand kWh.

Adjustment of air supply system

Adjusting the design of air supply floor to increase the air delivery distance from the underfloor plenum, enhancing the efficiency of air supply. Under the satisfaction of cooling capacity and air flow requirements, reducing the number of air conditioning units in operation, achieving energy-saving effects. We monitored the temperature in the cold air passage on-site. The results showed a significant drop in temperature, with local hot spots being effectively relieved.

Refrigeration system upgrade

Renovating the refrigeration system by replacing the screw chillers and expanding the plate heat exchanger capacity to increase the area of heat exchange for chilled and hot water, thereby cooling the server room more efficiently and saving on electricity consumption. Measurements show that replacing a single screw chiller can save over 380 thousand kWh of electricity per year, and expanding the plate heat exchanger capacity can save over 180 thousand kWh per year.



Appendix

06

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Statement of the Board of Directors

The Board of Directors of Sunshine Insurance not only focuses on the steady growth of the core business but also actively drives the comprehensive development of ESG (Environmental, Social, and Governance) practices. By continuously optimizing ESG governance policies, management processes, and information disclosure, the Group strives to achieve harmonious coexistence with the environment and society, thereby promoting sustainable development.

Regulation of ESG matters

The Board of Directors serves as the highest authority and decision-making body for ESG matters, supervising ESG activities comprehensively and bearing full responsibility for ESG-related work. It regularly reviews ESG-related objectives and progress, listens to reports on ESG-related matters from specialized subcommittees and management, and provides guidance on ESG information disclosure.

The ESG Committee of the Board coordinates ESG system development, evaluates governance visions, objectives, and strategies related to ESG, monitors and reviews ESG policy and implementation, and provides strategic guidance, and directs the execution of related work.

The Strategy and Investment Decision Committee, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Consumer Rights Protection Committee of the Board conduct research and review of ESG-related policies and systems covering information security, employee development, consumer rights and interests protection, and business ethics in accordance with their respective mandates. They oversee the implementation of these initiatives, regularly receive specialized reports, and collaborate to holistically advance Sunshine's ESG initiatives.

ESG management policy and strategy

Sunshine Insurance integrates ESG governance requirements, green finance initiatives, and other ESG-related matters into the daily management framework. The Group conducts annual reviews of ESG implementation progress, prioritizing key issues through macroeconomic policy analysis, regulatory compliance assessments, and stakeholder engagement outcomes. This approach enables systematic management of critical ESG topics while driving continuous improvement in key areas. Management regularly reports to the Board of Directors and specialized committees, clarifying ESG strategies and policies to refine operational performance and achieve effective ESG management outcomes.

Review of ESG targets

The Board of Directors and its specialized committees conduct annual reviews of Sunshine Insurance's ESG initiatives and progress, while scrutinizing relevant disclosure materials. During the reporting year, the Board deliberated and approved key ESG reports, including the *2025-2027 ESG Development Roadmap*, the *2024 Risk Assessment Report*, the *2024 Internal Audit Report*, and the *2024 Consumer Rights and Interests Protection Report and 2025 Work Plan*, analyzed the current status and challenges of the work, and outlined the overall approach and key priorities.

The ESG Committee of the Board reviewed and approved the *2024 Sustainability Report*, overseeing the Group's ESG initiatives holistically. It monitors and guides ESG-related activities including climate change risks, advances the quantification of ESG metrics, and provides recommendations on ESG information disclosure. The Strategy and Investment Decision Committee, Audit Committee, Risk Management Committee, and Consumer Rights Protection Committee of the Board reviewed reports on risk management, business ethics, and consumer rights and interests protection, working collaboratively to advance Sunshine's ESG initiative.

This report was reviewed and approved by the Board on April 7, 2026.

Annual Key Performance Indicators

Environmental Performance [15]

GHG Emissions	Unit	2025	2024	2023
Total emissions (Scope 1 and Scope 2)	tons of carbon dioxide equivalent	48,506.59	57,133.16	59,524.91
Scope 1 emissions	tons of carbon dioxide equivalent	9,456.59	13,092.96	13,864.81
Scope 2 emissions	tons of carbon dioxide equivalent	39,050.00	44,040.20	45,660.10
Greenhouse gas emissions per unit area	tons of carbon dioxide equivalent/ square meter	0.03547	0.04223	0.04298

Energy Consumption	Unit	2025	2024	2023
Direct energy consumption	MWh	39,952.12	55,866.53	56,127.53
Natural gas	MWh	14,390.46	22,633.27	9,438.78
Liquefied petroleum gas	MWh	105.49	32.32	7.96
Gasoline	MWh	25,297.56	32,963.69	46,439.83
Diesel	MWh	158.61	237.25	240.96
Direct energy consumption per unit area	MWh/m²	0.02922	0.04129	0.04053
Indirect energy consumption	MWh	73,595.92	77,222.87	80,063.30
Purchased electricity	MWh	73,595.92	77,222.87	80,063.30
Indirect energy consumption per unit area	MWh/m²	0.05382	0.05708	0.05782

15 The scope of environmental performance data statistics for 2025 includes Sunshine Insurance Headquarters, Sunshine P&C, Sunshine Life, Sunshine AMC, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital; due to the nature of our business, greenhouse gas emissions are primarily from purchased electricity and fossil fuel burning. The list of greenhouse gases includes carbon dioxide, methane, and nitrous oxide. Greenhouse gas emissions are calculated in accordance with the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* and are presented in carbon dioxide equivalents. Scope 1 emissions are calculated in accordance with the national standard of the People's Republic of China, *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020), and the *2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories* published by the Intergovernmental Panel on Climate Change (IPCC); Scope 2 emissions are calculated using the location-based method, based on the national average electricity CO_2 emission factor specified in the *Notice on the Release of the 2023 Carbon Dioxide Emission Factors for the Electricity Sector* issued by the Ministry of Ecology and Environment.

Water Consumption	Unit	2025	2024	2023
Water consumption	tons	705,749.62	972,409.03	1,017,790.52
Municipal water supply	tons	695,824.81	954,405.44	896,269.30
Potable water	tons	9,924.81	18,003.59	121,521.22
Water consumption per unit area	tons/m²	0.51612	0.71877	0.73498

Wastes	Unit	2025	2024	2023
Non-hazardous waste	tons	324.70	609.22	2,768.38
Paper consumption	tons	324.70	609.22	2,768.38
Non-hazardous waste consumption per unit area	tons/m²	0.00024	0.00045	0.00200
Hazardous waste [16]	tons	39.27	21.58	112.12
Waste toner cartridges	tons	38.25	16.31	89.78
Waste ink cartridges	tons	1.02	5.27	22.34
Hazardous waste consumption per unit area	tons/m²	0.00003	0.00002	0.00008

16 Hazardous waste, including waste toner cartridges and waste ink cartridges, is recycled and disposed of by qualified recyclers.

Social Performance

Employment	Unit	2025	2024	2023
Total number of employees	person	45,748	48,477	50,629
Number of employees in the Group and major subsidiaries [17]	person	44,005	46,736	48,888
Number of employees in the Sunshine Union Hospital	person	1,743	1,741	1,741
Number of interns	person	78	112	62
Number of dispatched employees	person	0	0	0
Number of part-time employees	person	0	0	0
Number of employees by gender				
Male employees	person	19,256	20,468	21,334
Female employees	person	26,492	28,009	29,295
Number of employees by age				
30 and below	person	9,084	10,775	12,748
31 to 40	person	24,680	26,144	26,862
41 to 50	person	9,884	9,428	8,925
51 and above	person	2,100	2,130	2,094
Number of employees by region [18]				
Northern China	person	9,753	10,953	11,820
Northeastern China	person	4,012	4,235	4,566
Eastern China	person	13,486	14,132	14,872
Central China	person	6,137	6,355	6,470
Southern China	person	3,326	3,582	3,467
Southwestern China	person	6,146	6,337	2,897
Northwestern China	person	2,888	2,883	6,537

17 The statistical scope includes Sunshine Insurance, Sunshine P&C, Sunshine Life, Sunshine AMC, Sunshine Surety and Sunshine DIG & AI TECH.

18 The regional division criteria for Northern China: Beijing, Tianjin, Hebei, Shanxi, Inner Mongolia Autonomous Region; Northeastern China: Heilongjiang, Jilin, Liaoning; Eastern China: Shanghai, Jiangsu, Zhejiang, Anhui, Jiangxi, Shandong, Fujian, and Taiwan; Central China: Henan, Hubei, Hunan; Southern China: Guangdong, Guangxi Zhuang Autonomous Region, Hainan, and Hong Kong SAR; Southwestern China: Chongqing, Sichuan, Guizhou, Yunnan, and Tibet Autonomous Region; Northwestern China: Shaanxi, Gansu, Qinghai, Ningxia Hui Autonomous Region, and Xinjiang Uygur Autonomous Region.

Employment	Unit	2025	2024	2023
Number of employees by education				
Below bachelor	person	21,154	22,873	25,300
Bachelor	person	22,547	23,442	23,286
Master and above	person	2,047	2,162	2,043
Number of employees by employment type				
Managers	person	5,240	5,709	6,084
Professional technicians	person	15,615	17,019	16,710
Sales staff	person	24,893	25,749	27,835

Employee turnover [19]	Unit	2025	2024	2023
Employee turnover rate	%	5.1	5.3	6.5
Employee turnover rate by gender				
Male employees	%	6.5	6.4	7.6
Female employees	%	3.6	4.2	5.6
Employee turnover rate by age				
30 and below	%	11.1	11.1	12.7
31 to 40	%	4.2	4.2	5.1
41 to 50	%	1.8	1.8	2.4
51 and above	%	1.0	1.1	0.8
Employee turnover rate by region				
Northern China	%	4.6	4.3	6.9
Northeastern China	%	4.6	5.0	3.6

19 The employee turnover indicator is defined as the voluntary turnover rate of non-sales employees.

Employee turnover	Unit	2025	2024	2023
Employee turnover rate by region				
Eastern China	%	5.0	5.5	6.4
Central China	%	4.4	4.8	5.6
Southern China	%	7.6	7.7	8.0
Northwestern China	%	6.2	7.6	9.9
Southwestern China	%	5.6	5.4	6.4

Employee Development and Training [20]	Unit	2025	2024	2023
Employee training coverage rate	%	99.00	98.71	93.15
Employee training coverage rate by gender				
Male employees	%	99.01	98.63	94.89
Female employees	%	98.98	98.76	91.89
Employee training coverage rate by employment type				
Management	%	99.94	99.84	100.00
Non-management	%	98.88	98.56	92.30
Average training hours for employees	class hour	69.3	86.6	71.6
Average training hours by gender				
Male employees	class hour	72.6	89.4	78.4
Female employees	class hour	67.0	84.5	66.6
Average training hours by employment type				
Management	class hour	114.4	132.6	136.1
Non-management	class hour	63.7	80.6	63.0

20 Class hours are the internal statistical rules formulated by Sunshine Insurance according to different types of training courses, and the statistical scope only includes online training conducted through the Sunshine Academy platform system.

Supplier Management [21]	Unit	2025	2024	2023
Total number of suppliers	/	3,872	11,799	10,620
Chinese mainland	/	3,839	11,755	10,620
Hong Kong, Macao and Taiwan areas	/	28	44	0
Other countries and regions	/	5	0	0

Product Responsibility

2025

Customer Complaints	Unit	Sunshine P&C	Sunshine Life	Sunshine Surety
Number of full-scope deduplicated complaint cases [22]	ten thousand pcs	6.01	3.75	0.0058
Business types and proportions of full-scope deduplicated complaint cases	/	Claim accounted for 60.94%	Sales accounted for 69.32%	Sales accounted for 51.72%
		Underwriting accounted for 15.08%	Policy surrender accounted for 12.95%	Credit reporting accounted for 36.21%
		Sales accounted for 14.06%	Renewal accounted for 4.20%	Debt collection accounted for 10.35%
		Policy surrender accounted for 6.81%	Policy terms accounted for 3.53%	Policy surrender accounted for 1.72%
		Others accounted for 3.11%	Claim dispute accounted for 3.01%	
			Others accounted for 6.99%	
Number of complaints referred by Regulator	pcs	330	783	16
Business types and proportions of complaints referred by Regulator	/	Claim accounted for 58.79%	Sales accounted for 65.77%	Sales accounted for 81.25%
		Underwriting accounted for 16.97%	Policy surrender accounted for 23.50%	Credit reporting accounted for 12.50%
		Policy surrender accounted for 10.91%	Claim accounted for 4.98%	Debt collection accounted for 6.25%
		Sales accounted for 4.24%	Renewal accounted for 2.68%	
		Others accounted for 9.09%	Others accounted for 3.07%	
Client complaint closure rate	%	100	100	100
Top 3 regions for full-scope complaints	/	Shandong, Henan, and Hebei	Heilongjiang, Shandong, and Hubei	Beijing, Jiangsu, and Zhejiang

21 The total number of suppliers this year decreased compared to the previous year, primarily because the Group implemented a new supplier management system in 2025. The figures disclosed for this year represent the number of suppliers registered in the new system.

22 To provide more comprehensive and objective customer complaints and feedback received by the Group, starting with this reporting period, we have expanded the previously reported metric for self-received complaints to full-scope complaints (including those referred by regulators and self-received complaints). This allows for a systematic presentation of our progress and achievements.

Product Responsibility

2024

Customer Complaints	Unit	Sunshine P&C	Sunshine Life	Sunshine Surety
Number of self-received complaints	ten thousand pcs	3.08	3.86	0.0004
Number of complaints referred by Regulator	pcs	349	632	28
Client complaint closure rate	%	100	100	100
Top 3 regions for regulatory referrals	/	Zhejiang, Jiangsu and Guangdong	Jiangsu, Zhejiang and Shandong	Beijing, Hebei and Shaanxi

2023

Customer Complaints	Unit	Sunshine P&C	Sunshine Life	Sunshine Surety
Number of self-received complaints	ten thousand pcs	2.96	3.26	0.0005
Number of complaints referred by Regulator	pcs	1,323	1,581	66
Client complaint closure rate	%	100	100	100
Top 3 regions for regulatory referrals	/	Jiangsu, Beijing, and Guangdong	Zhejiang, Yunnan, and Guangdong	Beijing, Shanghai, and Zhejiang

Anti-Corruption	Unit	2025	2024	2023
Anti-corruption training for employees	person-times	56,132	58,187	20,749

Community Investment	Unit	2025	2024	2023
Cumulative number of trained village doctors under the "Ten Thousand Village Doctors Capacity Enhancement Program"	person-times	24,036	22,434	19,478
Hours of volunteer service performed	hour	25,931	30,808	16,672

Third-Party ESG Assurance Report

pwc 羅兵咸永道

English Translation for Reference Only

Independent practitioner's limited assurance report on Sunshine Insurance Group Company Limited's sustainability information

To the board of directors of Sunshine Insurance Group Company Limited

Limited assurance conclusion

We have conducted a limited assurance engagement on the sustainability information ("Sustainability Information") of Sunshine Insurance Group Company Limited and its subsidiaries (the "Group") as summarised in the table below.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the reporting criteria applied as explained in the section " "basis of reporting of the key data"in the Group's 2025 Sustainability report (the "basis of reporting").

Sustainability Information	2025	Point-in-Time Metrics (as at December 31, 2025) or Periodic Metrics (for the year ended December 31, 2025)
• Purchased electricity (MWh)	73,595.92	Periodic
• Natural gas consumption (MWh)	14,390.46	Periodic
• Liquefied petroleum gas consumption (MWh)	105.49	Periodic
• Gasoline consumption (MWh)	25,297.56	Periodic
• Diesel consumption (MWh)	158.61	Periodic
• Scope 1 emissions (tons of carbon dioxide equivalent)	9,456.59	Periodic
• Scope 2 emissions (tons of carbon dioxide equivalent)	39,050.00	Periodic
• Total emissions (Scope 1 and Scope 2) (tons of carbon dioxide equivalent)	48,506.59	Periodic

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Sustainability Information（continued）	2025	Point-in-Time Metrics (as at December 31, 2025) or Periodic Metrics (for the year ended December 31, 2025)
• Total number of employees (person)	45,748	Point-in-Time
• Number of female employees (person)	26,492	Point-in-Time
• Employees training coverage rate (%)	99.00	Periodic
• Average training hours for employees (class hour)	69.3	Periodic
• Male employees training coverage rate (%)	99.01	Periodic
• Female employees training coverage rate (%)	98.98	Periodic
• Average training hours for male employees (class hour)	72.6	Periodic
• Average training hours for female employees (class hour)	67.0	Periodic
• Total number of suppliers (number)	3,872	Point-in-Time
• Number of female directors (person)	2	Point-in-Time

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), and International Standard on Assurance Engagements 3410, *Assurance engagements on greenhouse gas statements* ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board (the "IAASB").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under these standards are further described in the Practitioner's responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 issued by the IAASB, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Sustainability Information

Management of the Group is responsible for:

- the preparation of the Sustainability Information in accordance with the basis of reporting;
- designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the Sustainability Information, in accordance with the basis of reporting, that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Inherent limitations in preparing the Sustainability Information

Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The absence of a significant body of established practice upon which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities, and over time.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. We report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Information.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) and ISAE 3410, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- determine the suitability in the circumstances of the Group's use of the basis of reporting as the basis for the preparation of the Sustainability Information;
- perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
- design and perform procedures responsive to where material misstatements are likely to arise in the Sustainability Information. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Information. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of where material misstatements are likely to arise in the Consolidated Sustainability Information, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of the Sustainability Information inquiry with the persons from relevant departments at the Headquarter of the Group responsible for the Sustainability Information;
- Evaluated whether all information identified by the process to identify the information reported in the Sustainability Information is included in the Sustainability Information.
- Performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Information.
- Performed substantive assurance procedures on a sample basis on selected information in the Sustainability Information.
- Evaluated the appropriateness of quantification methods and reporting policies.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 20 April 2026

Basis of Reporting

Except where otherwise stated, the reporting boundary of environmental performance data presented herein includes Sunshine Insurance Headquarters, Sunshine P&C, Sunshine Life, Sunshine AMC, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital. For the statistical scope of other data, please refer to the relevant notes.

Purchased electricity (MWh)

The amount of purchased electricity disclosed in the Sustainability Report refers to the total amount of externally grid-electricity purchased of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital during the reporting period.

Natural gas consumption (MWh)

The natural gas consumption disclosed in the Sustainability Report refers to the total natural gas consumption of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital during the reporting period, which was accounted for in accordance with the national standard of the People's Republic of China, *General rules for calculation of the comprehensive energy consumption* (GB/T 2589-2020).

Liquefied petroleum gas consumption (MWh)

The liquefied petroleum gas consumption disclosed in the Sustainability Report refers to the total liquefied petroleum gas consumption of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital during the reporting period, which was accounted for in accordance with the national standard of the People's Republic of China, *General rules for calculation of the comprehensive energy consumption* (GB/T 2589-2020).

Gasoline consumption (MWh)

The gasoline consumption disclosed in the Sustainability Report refers to the total gasoline consumption of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital during the reporting period, which was accounted for in accordance with the national standard of the People's Republic of China, *General rules for calculation of the comprehensive energy consumption* (GB/T 2589-2020).

Diesel consumption (MWh)

The diesel consumption disclosed in the Sustainability Report refers to the sum of motorized diesel consumption and non-motorized diesel consumption of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital during the reporting period, which was accounted for in accordance with the national standard of the People's Republic of China, *General rules for calculation of the comprehensive energy consumption* (GB/T 2589-2020).

Scope 1 emissions (tons of carbon dioxide equivalent)

Scope 1 emissions disclosed in the Sustainability Report refers to the total direct greenhouse gas emissions generated by the consumption of natural gas, liquefied petroleum gas, gasoline and diesel of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital. Greenhouse gas emissions in scope 1 emissions was presented in terms of carbon dioxide equivalent, and was accounted for in accordance with the national standard of the People's Republic of China, *General rules for calculation of the comprehensive energy consumption* (GB/T 2589-2020), and the *2019 refinement to 2006 IPCC Guidelines for National Greenhouse Gas Inventories* published by the Intergovernmental Panel on Climate Change (IPCC).

Scope 2 emissions (tons of carbon dioxide equivalent)

Scope 2 emissions disclosed in the Sustainability Report refer to the total indirect greenhouse gas emissions generated by purchased electricity of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital. Greenhouse gas emissions in scope 2 were calculated using the location-based method and presented on a carbon dioxide equivalent basis. Emission factors are referenced from the national average carbon dioxide emission factor for electricity in the Announcement on the Release of the Electricity Carbon Dioxide Emission Factor for 2023 issued by the Ministry of Ecology and Environment.

Total emissions (Scope 1 and Scope 2) (tons of carbon dioxide equivalent)

The total emissions (Scope 1 and Scope 2) disclosed in the Sustainability Report refers to the sum of Scope 1 and Scope 2 greenhouse gas emissions of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital in the reporting period.

Total number of employees (person)

The number of employees disclosed in the sustainability report refers to the number of employees who signed labor contracts as of the end of the reporting period. The statistical scope includes: Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Number of female employees (person)

The number of female employees disclosed in the Sustainability Report refers to the number of female employees signed labor contracts as of the end of the reporting period. The statistical scope includes: Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Employees training coverage rate (%)

The employees training coverage rate disclosed in the Sustainability Report refers to the number of employees who participated in the trainings during the reporting period as recorded in the Sunshine Academy divided by the total number of employees. The statistical scope includes: employees of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Average training hours for employees (class hour)

The average training hours for employees disclosed in the Sustainability Report refers to the total number of class hours of training recorded in the Sunshine Academy during the reporting period divided by the total number of employees. The scope of statistics includes: employees of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Male employees training coverage rate (%)

The male employees training coverage rate disclosed in the Sustainability Report refers to the number of male employees who participated in the trainings during the reporting period as recorded in the Sunshine Academy divided by the total number of male employees. The scope of statistics includes: employees of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Female employees training coverage rate (%)

The female employees training coverage rate disclosed in the Sustainability Report refers to the number of female employees who participated in the trainings during the reporting period as recorded in the Sunshine Academy divided by the total number of female employees. The scope of statistics includes: employees of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Average training hours for male employees (class hour)

The average training hours for male employees disclosed in the Sustainability Report refers to the total number of class hours of training attended by male employees recorded by the Sunshine Academy during the reporting period divided by the total number of male employees. The statistical scope includes: employees of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Average training hours for female employees (class hour)

The average training hours for female employees disclosed in the Sustainability Report refers to the total number of class hours of training attended by female employees as recorded in the Sunshine Academy during the reporting period divided by the total number of female employees. The scope of statistics includes: employees of Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Total number of suppliers (number)

The total number of suppliers disclosed in the Sustainability Report refers to the number of official suppliers in the Sunshine Bidding and Procurement System as of the end of the reporting period. The statistical scope includes: Sunshine Insurance, Sunshine P&C Insurance, Sunshine Life Insurance, Sunshine Asset, Sunshine Surety, Sunshine DIG & AI TECH and Sunshine Union Hospital.

Number of female directors (person)

The number of female directors disclosed in the Sustainability Report refers to the total number of female directors among the members of the Board of Directors of Sunshine Insurance as of the end of the reporting period.

Indicator Index

Environmental, Social and Governance Reporting Code

Subject Areas, Aspects, General Disclosures and KPIs	Disclosure Location
Governance Structure	Statement of the Board of Directors
Reporting Principles	About This Report
Reporting Boundary	About This Report
A. Environmental	
Aspect 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 emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.	Energy Conservation and Emissions Reduction
KPI A1.1 The types of emissions and respective emissions data.	Annual Key Performance Indicators
KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Annual Key Performance Indicators
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Annual Key Performance Indicators
KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	Climate Change Response - Metrics and Targets
KPI 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.	Energy Conservation and Emissions Reduction

Subject Areas, Aspects, General Disclosures and KPIs	Disclosure Location
A. Environmental	
Aspect A2: Use of Resources	
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Energy Conservation and Emissions Reduction
KPI 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).	Annual Key Performance Indicators
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Annual Key Performance Indicators
KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Conservation and Emissions Reduction
KPI 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.	Energy Conservation and Emissions Reduction
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
Aspect A3: The Environment and Natural Resources	
General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Energy Conservation and Emissions Reduction Sustainable Insurance Sustainable Investment
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Energy Conservation and Emissions Reduction Sustainable Insurance Sustainable Investment
B. Social	
Aspect B1: Employment	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Safeguarding Employees' Rights and Interests
KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Annual Key Performance Indicators
KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Annual Key Performance Indicators

Subject Areas, Aspects, General Disclosures and KPIs	Disclosure Location
B. Social	
Aspect B2: Health and Safety	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Caring for Employee Development
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Caring for Employee Development
KPI B2.2 Lost days due to work injury.	Caring for Employee Development
KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Caring for Employee Development
Aspect B3: Development and Training	
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Caring for Employee Development
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Annual Key Performance Indicators
KPI B3.2 The average training hours completed per employee by gender and employee category.	Annual Key Performance Indicators
Aspect B4: Labour Standards	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Safeguarding Employees' Rights and Interests
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Safeguarding Employees' Rights and Interests
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Safeguarding Employees' Rights and Interests

Subject Areas, Aspects, General Disclosures and KPIs	Disclosure Location
B. Social	
Aspect B5: Supply Chain Management	
General Disclosure Policies on managing environmental and social risks of the supply chain.	Sustainable Supply Chain
KPI B5.1 Number of suppliers by geographical region.	Annual Key Performance Indicators
KPI 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.	Sustainable Supply Chain
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainable Supply Chain
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Supply Chain
Aspect B6: Product Responsibility	
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 health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Customers' Rights and Interests Business Ethics Privacy and Data Security
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
KPI B6.2 Number of products and service related complaints received and how they are dealt with.	Annual Key Performance Indicators
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Business Ethics
KPI B6.4 Description of quality assurance process and recall procedures.	Not applicable
KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Privacy and Data Security

Subject Areas, Aspects, General Disclosures and KPIs	Disclosure Location
B. Social	
Aspect B7: Anti-corruption	
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 bribery, extortion, fraud and money laundering.	Business Ethics
KPI 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.	Refer to publicly available judicial information
KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
KPI B7.3 Description of anti-corruption training provided to directors and staff.	Business Ethics Annual Key Performance Indicators
Aspect 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.	Social Responsibility
KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Social Responsibility
KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Social Responsibility Annual Key Performance Indicators

Subject Areas, Aspects, General Disclosures and KPIs		Disclosure Location
Climate-related Disclosures		
Governance		Climate Change Response - Governance
Strategy	Climate-related risks and opportunities	Climate Change Response - Strategy
	Business model and value chain	Climate Change Response - Strategy
	Strategy and decision-making	Climate Change Response - Strategy Climate Change Response - Metrics and Targets
	Financial position, financial performance and cash flows - Current financial effect	Climate Change Response - Strategy
	Financial position, financial performance and cash flows -Anticipated financial effect	Climate Change Response - Strategy
	Climate resilience	Climate Change Response - Strategy
Risk Management		Climate Change Response - Risk Management
Metrics and Targets	Greenhouse gas emissions	Annual Key Performance Indicators Climate Change Response - Metrics and Targets
	Climate-related transition risks	Climate Change Response - Metrics and Targets
	Climate-related physical risks	Climate Change Response - Metrics and Targets
	Climate-related opportunities	Climate Change Response - Metrics and Targets
	Capital deployment	Climate Change Response - Metrics and Targets
	Internal carbon prices	Climate Change Response - Metrics and Targets
	Remuneration	Climate Change Response - Metrics and Targets
	Industry-based metrics	Climate Change Response
	Climate-related targets	Climate Change Response - Metrics and Targets
	Applicability of cross-industry metrics and industry-based metrics	Climate Change Response


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