PICC 中国人民财产保险股份有限公司
PICC PROPERTY AND CASUALTY COMPANY LIMITED

2025 | SUSTAINABILITY REPORT

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Report Preparation Notes

Reporting Description

This report is the 2025 annual sustainability report of PICC P&C, focusing on the disclosing information related to the Company's environmental, social and governance aspects of sustainable development.

Reporting Scope

Reporting Period

From January 1, 2025 to December 31, 2025, which is consistent with the reporting period of the *"2025 Annual Report of PICC P&C"*. According to actual needs, some contents are beyond the above scope.

Organizations Covered by the Report

The Report is primarily about PICC P&C and its branches.

Release Cycle

This is an annual report, and the Company's 2024 Sustainability Report was released in April 2025. The Company's 2025 Sustainability Report is released in April 2026.

Reporting Standards

This report has been prepared primarily in accordance with the *"Environmental, Social and Governance Reporting Guide"* of the Hong Kong Stock Exchange (HKEX). It also references the *"GRI Standards"* issued by the Global Reporting Initiative (GRI), the *"Enterprise Sustainability Disclosure Standards – Basic Guideline (Trial)"* and the *"Enterprise Sustainability Disclosure Standards No. 1- Climate (Trial)"* issued by the Ministry of Finance of the People's Republic of China, the *"Guidelines on Environmental, Social and Governance Information Disclosure for Insurance Institutions"* issued by the Insurance Association of China, and relevant reporting requirements of the United Nations Sustainable Development Goals (SDGs).

Reporting Principles

Materiality:

The report identifies important stakeholders with reference to the way of defining material issues in the *"Environmental, Social and Governance Reporting Guide"* of the Hong Kong Stock Exchange (HKEX), and collects and identifies report issues through various means such as stakeholder communication and benchmarking against social responsibility standards, and carries out materiality analysis to determine material issues and their boundaries.

Quantitative:

The report discloses in detail the quantitative targets and performance data for indicators in the environmental and social domains, with clear statistical coverage or calculation methods for all indicators. Part of the performance data are disclosed for three consecutive years to enhance data comparability.

Balanced:

The report presents the Company's performance objectively and avoids disclosures that may influence the reader's decision or judgment.

Consistency:

The report uses the disclosure statistical method of the previous year's report. Any changes will be explained in the text.

Data Source

The financial data in this report is based on the financial report prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS) (which has been independently audited by Ernst & Young) in the "2025 Annual Report of PICC P&C". Other data was collected by the Company's headquarters and branches. The data indicators disclosed in this report are highly relevant to the sustainability of the Company and will be further adjusted and improved with the development of future sustainability work.

Unit

Unless otherwise specified, the currency data involved in the report is presented in RMB; indicators such as quantity, area, energy consumption, and emissions are measured in corresponding units based on their attributes, and are indicated in the corresponding chapters.

How to Get the Report

This report is prepared in three languages: Simplified Chinese, Traditional Chinese, and English. If there are any differences between different language versions, the Simplified Chinese version shall prevail.

This report is published in both print and online formats. The online version can be found on the official website of the Hong Kong Stock Exchange (HKEX) and the Company's website https://property.picc.com for review and download.

Scan to access the digital report

Interpretation

"PICC P&C" or "the Company" or "We" refers to "PICC Property and Casualty Company Limited".

"PICC Group" or "PICC" or "the Group" refers to "The People's Insurance Company (Group) of China Limited".

"Province" refers to "China's provincial administrative regions (including provinces, autonomous regions, and municipalities directly under the central government) ".

Message from the Company Leadership

In 2025, PICC P&C follows the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully acts upon the guiding principles of the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China (CPC), and firmly advances high-quality development. The Company fully leverages insurance's role as an economic shock absorber and social stabilizer, continuously enhances the systematicity, precision and sustainability of insurance services, and firmly serves as the main force providing insurance support for national strategies, serving Chinese-style modernization and building China into a financial powerhouse through concrete actions. During the year, the total amount of insurance coverage provided reached 3,403 trillion yuan, with 201 million claims settled, up 11.01% year-on-year. Average daily claim payments reached 1.07 billion yuan, representing a year-on-year increase of 4.51%. These achievements provide solid insurance protection for economic and social development and the people's pursuit of a better life.

Focusing on serving the real economy, the Company delivered professional insurance support. The Company closely aligned with the implementation of major national strategies and the development of modern industrial systems, and supported the fostering of new quality productive forces. Centering on the national strategy of technological self-reliance and self-strengthening, the Company deeply integrated into the entire innovation chain of science and technology. Throughout the year, technology insurance provided risk coverage of over 41 trillion yuan. We improved the full-life-cycle technology insurance product portfolio and launched over 200 exclusive products, including 52 newly developed offerings in the year and 25 industry-first policies placed. Service scenarios expanded into new fields such as commercial aerospace, the low-altitude economy, pilot verification projects and overseas intellectual property layout. For technology-based small and medium-sized enterprises (SMEs), adhering to the principle of "early-stage, small-scale, long-term and hard-tech support", the Company promoted the convenient technology insurance product Kehuibao, and provided insurance coverage of over 730 billion yuan for the whole year, and served more than 11,000 enterprises. A robust risk protection system for scientific and technological talents has been established, with dedicated exclusive products providing risk coverage of 80.5 billion yuan.

Adhering to the people-centered founding mission, the Company safeguards the households well-being through inclusive insurance. The Company adhered to the people-centered development philosophy, continuously expanded the coverage scope and depth of inclusive insurance, helping build a fair and accessible social security system. We actively participated in major programs including critical illness insurance for urban and rural residents, long-term care insurance, Huimin Insurance and supplementary employee medical insurance, scaling up service outreach to enhance public service provision. We set up 2,932 joint service outlets in collaboration with medical insurance and human resources departments, and launched 1,106 convenient medical insurance service sites, effectively benefited primary level communities. Supporting national food security and comprehensive rural revitalization, the Company steadily expanded the coverage, enriched the product lineup and raised protection standards for agricultural insurance. We offered full-cost insurance and planting income insurance solutions, pioneered agricultural germplasm resource protection insurance, and further strengthened the foundation of agricultural and rural risk protection. Targeting key groups such as micro and small-sized enterprises and new urban residents, the Company continuously optimized inclusive insurance products and service models. During the year, the corporate insurance business provided coverage for 2.326 million micro and small enterprises.

Embracing green development philosophy, the Company empowers low-carbon transition through green insurance. The Company adhered to the Dual Carbon goals and the requirements of green economic and social transformation, accelerated the establishment of a green insurance service system covering key priority areas. For the whole year, green insurance provided risk coverage of 257.50 trillion yuan, up 37.65% year-on-year increase, strongly supporting energy structure adjustment and industrial green upgrading. The Company expanded insurance coverage for new energy vehicles, underwriting 18.5725 million units, representing a year-on-year increase of 29.75%. The Company further enriched the supply of green insurance products by developing products, including carbon excess emission cost loss insurance, energy efficiency shortfall loss insurance for green energy-saving projects, and electric vessel insurance. In addition, the Company led the establishment of a green vessel insurance consortium, improved the systems for environmental pollution liability insurance and catastrophe insurance, and advanced the launch of catastrophe insurance programs in Shaanxi, Hainan and other regions, bolstering the modernization of local governance systems and governance capacity.

Deepening digital transformation, the Company boosted quality and efficiency through technological empowerment. The Company advanced digital initiatives to empower core business development, coordinated technological empowerment, business upgrading and risk management capability building, and enhanced the professionalism and intelligent capabilities of insurance services. Focusing on the risk protection demands of key industrial chains, the Company released the *2025 Industrial Chain Risk Research White Paper* at the 3rd China International Supply Chain Promotion Expo, rolled our nine exclusive insurance products for industrial chains, and upgraded comprehensive insurance solutions for computing power industrial chains. The Company further scaled up its presence in cyber security insurance, with coverage volume growing by 9.25% year on year. The Company delivered professional risk protection for major international conferences and cutting-edge industry events, and took part in formulating and implementing China's first national standard for cyber insurance. In accordance with relevant policies, rules and regulations, the Company developed network data damage indemnity liability insurance products to support for the stable development of emerging business formats.

Looking back on 2025, the Company forged ahead relentlessly and secured fruitful achievements. Looking forward to 2026, we will remain steadfast in our original aspiration and founding mission. Grateful for the trust and support from all sectors of society, as well as the dedication of all employees, PICC P&C will follow the general principle of seeking progress while maintaining stability in the new year. The Company will deepen its commitment to serving the real economy, safeguarding people's livelihood, advancing green transition and accelerating digital development. We will steadily enhance professional capabilities and overall strength, provide solid support for advancing Chinese-style modernization through high-quality financial and insurance services, and make greater contributions to high-quality economic and social development.

Statement from the Board of Directors

The Board of Directors of PICC P&C promised that the Company would strictly abide by the disclosure requirements of the Environmental, Social and Governance Reporting Guide of the Exchange where it is listed, continuously facilitate the Company to improve the ESG governance system, strengthen the supervision and participation of the Board of Directors in ESG affairs, and actively integrate ESG into the Company's development strategy, major decisions and business operations.

The Board of Directors of the Company is responsible for overseeing the commitment and performance of ESG-related key issues. The Strategic Planning Committee / Sustainable Development Committee of the Board of Directors is responsible for formulating and revising the Company's policies on environmental, social and governance and corporate social responsibility, reviewing relevant matters, reporting and making recommendations to the Board of Directors, and providing decision-making support to the Board of Directors.

When formulating the Company's medium- and long-term strategic objectives, the Board of Directors fully considers ESG-related risks and opportunities at each stage, incorporates them into the strategic decision-making process, and regularly reviews Sustainability (ESG) reports. The Company collects and organizes the key concerns of stakeholders through multi-channel and multi-form communication mechanisms, and determines the "material issues" based on their impacts on society, the economy and the environment. In addition, the Company has taken active management by supervising the implementation of objectives through regular or irregular working meetings, which is elaborated in this Report.

In 2026, the Board of Directors of PICC P&C will continue to strengthen the assessment and identification of ESG risks and opportunities, manage the process of the Company's sustainable development in accordance with the Company's goals, improve the sustainable development action strategy, and continuously improve enhance ESG governance level.

Promote Sustainable Development Management

Identification of Material Topics

PICC P&C continues to improve the sustainability (ESG) issue identification and materiality assessment mechanism, closely combining the Company's development strategy, business layout and external environmental changes, systematically identifying the sustainable development issues closely related to the Company's business activities and value creation. On this basis, the Company conducts a comprehensive analysis and evaluation of the potential impact of various ESG issues on the Company's financial performance, financial condition, and long-term value creation ability, as well as the positive and potential impacts of the Company's business activities on the economy, society, and environment, from the dimensions of "financial materiality" and "impact materiality", to form a structured and comparable ESG materiality assessment matrix. The relevant evaluation process shall fully refer to international mainstream ESG evaluation systems and industry best practices, and combine regulatory policy orientation, stakeholder concerns and the Company's own risk management experience to ensure the forward-looking, systematic and consistent evaluation results. The material topics finally identified provide an important decision-making basis for the Company to clarify ESG management priorities, optimize sustainability governance and management measures, strengthen risk and opportunity identification, and continuously improve the completeness, comparability and transparency of information disclosure.

PICC P&C Sustainability (ESG) Material Topics Assessment Process

Establish a list of issues

- Guided by stakeholder needs, in accordance with the strategic deployment of the central government on ecological civilization construction and high-quality development, relevant regulations on sustainable information disclosure by regulatory authorities and stock exchanges, as well as GRI Standards, and assessing future trends and changes based on mainstream domestic and international standards such as ISSB Standards, the *"Guidelines for Enterprise ESG Information Disclosure"*, the *"Enterprise Sustainability Disclosure Standards - Basic Guidelines (Trial)"*, and the *"Environmental, Social and Governance Reporting Guide"* of the Hong Kong Stock Exchange (HKEX).
- Based on the direction of macroeconomic policy adjustments, industry transformation and upgrading trends, and the strategic positioning of the Company's core business, and referring to key evaluation topics of external rating agencies, identify key focus areas in the sustainability field.
- Sort out and identify sustainable development issues that may affect the Company's operational quality and efficiency, risk management capability and long-term value creation ability, and form list of issues.

Identification and evaluation of important issues

- Based on the preliminary list of issues, the opinions of internal management and employees, as well as external stakeholders (shareholders and investors, partners, customers and the public), were solicited through questionnaires.
- Focusing on the two core dimensions of "financial materiality" and "impact materiality", systematically identify issues highly related to the sustainability of the Company, and comprehensively evaluate the materiality of each issue.

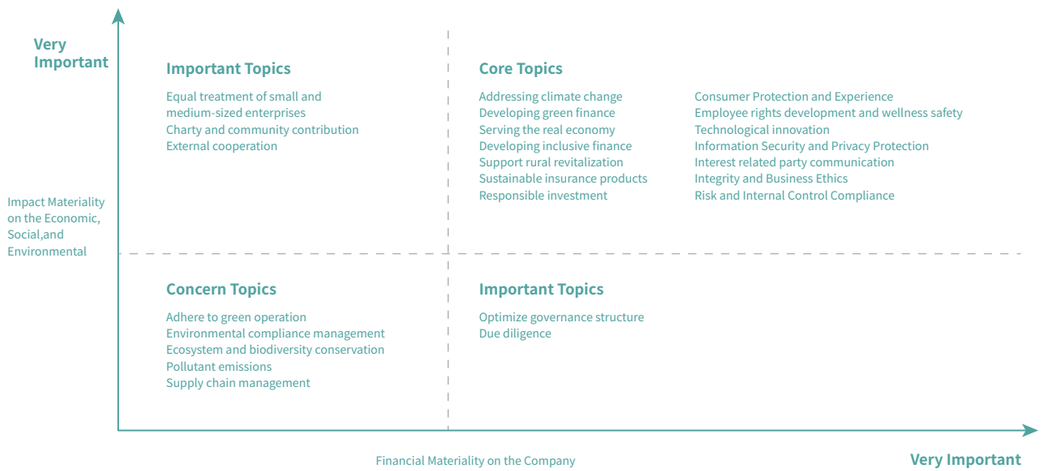
Confirmation and application of importance assessment results

- In order to ensure the compliance, effectiveness and strategic adaptability of topic evaluation, the final material topic results are determined based on principles such as policy benchmarking, risk prediction, strategic alignment, and the actual financial impact of the issues, based on questionnaire surveys and combined with peer analysis, expert discussions and internal evaluations.
- The material topics serve as an important basis for the formulation of the Company's sustainable development strategy, risk identification and management, and the setting of ESG management objectives, with continuous tracking of changes in relevant issues.

Disclosure of important issues

- Based on relevant requirements such as the *"Environmental, Social and Governance Reporting Guide"* of the Hong Kong Stock Exchange (HKEX), the Company systematically discloses material topics in the sustainability report to ensure the completeness, consistency and comparability of information disclosure.

Materiality Assessment Matrix



Stakeholder Communication

PICC P&C focuses on maintaining good investor relationships. In 2025, the Company further strengthened communication and exchange with investors, timely understood their expectations and requirements through regular performance releases and roadshows, on-site receptions, online communication, participation in investment bank meetings, proactive visits and other forms, and actively responded, integrated communication outcomes into the sustainability (ESG) management and business decision-making process, and promote coordinated development between the Company and stakeholders. The main stakeholders of the Company include government and regulatory agencies, shareholders and investors, customers, employees, suppliers, society and the environment.

Stakeholders	Expectations and Requirements	Communication Channels	Response Method
Government and Regulatory Agencies	• Legal and compliance operations • Serve national strategies • Build a good business environment • Pay taxes in accordance with the law	• Regulatory information reporting • Visitor reception • Daily work report • Regular/irregular information disclosure	• Comply with laws and regulations • Implement national strategic requirements • Maintain good communication and reporting
Shareholders and Investors	• Stable investment returns • Efficient corporate governance system • Comprehensive risk and compliance management system • Complete information disclosure	• Shareholders' meeting • Results release conference • Investor Open Day • Official website investor relations/public information disclosure column • On-site reception • Online communication • Proactive visits	• Maintain good profitability • Continuously improve corporate governance • Solid risk and compliance management • Regularly release annual reports, interim reports, quarterly reports and other information • Complete information disclosure in compliance with laws and regulations
Client	• High-quality products and services • Complete protection of personal information and privacy	• Telephone, Company website, WeChat public account • Customer visits • Customer satisfaction survey • Customer consultation/service platform • Various consumer rights protection activities	• 95518 National Service Hotline • Improve product and service system • Establish and improve consumer rights protection mechanisms • Effectively ensure information security and privacy protection
Staff	• Comprehensive welfare and salary system • Clear development path and training system • Harmonious and inclusive working environment • Comprehensive labor rights protection system	• Workers' Congress • Employee complaint channels • Employee satisfaction survey	• Establish sound, fair and transparent salary management system and reasonable incentive mechanism • Provide comprehensive and multi-dimensional employee training resources • Create a harmonious and inclusive working environment • Protect employees' rights and interests and ensure employee care
Supplier	• Fair procurement • Sustainable supply chain management • Honest cooperation	• Supplier Meeting • Bidding platform • Visit and exchange • Daily communication	• Establish and improve supplier management system • Strengthen integrity management of the supply chain • Conduct supplier training
Society	• Promote people's well-being • Good social governance • Rural revitalization	• Product and service system • Various key projects and plans • Charity projects	• Implement national strategic requirements • Actively participate in social governance • Organize and carry out public welfare and charity activities
Environment	• Mitigate climate change • Green development	• Green finance development system • Energy management system • Environmental management system	• Establish and improve the climate risk management and green finance development system • Manage environmental compliance effectively • Solidly promote low-carbon operations

Key Figures in 2025

Registered capital
22.242 billion yuan

Total assets
860.498 billion yuan

Total insurance revenue
511.594 billion yuan

Motor vehicle insurance revenue
305.335 billion yuan

Accidental injury and health insurance revenue
61.788 billion yuan

Agricultural insurance revenue
54.561 billion yuan

Liability insurance revenue
38.485 billion yuan

Corporate property insurance revenue
19.063 billion yuan

Other insurance revenue
32.362 billion yuan

Green Insurance provides risk protection
257.50 trillion yuan

Green Investment scale
57.407 billion yuan

Underwriting new energy vehicles
18.5725 million vehicles

Environmental pollution liability insurance provides risk protection
19.8 billion yuan

Forest insurance provides risk protection
910 billion yuan

Carbon sink insurance provides risk protection
316 million yuan

Detection of environmental risks and hidden dangers
More than 10,000 pieces

Intellectual property insurance provides risk protection over
26 billion yuan

Number of insured households provided by agricultural insurance
46.6619 million households

Agricultural insurance provides risk protection
1.99 trillion yuan

Technology insurance provides risk protection Over
41 trillion yuan

Serving new citizens
17.3 million people

Number of participants in volunteer activities
19,880 people

Volunteer activity service duration
34,676 hours

The main service targets and beneficiaries from volunteer activities
396,873 person times

Charity and other donations
42 million yuan

Donation insurance provides protection
116.172 billion yuan

Consumption assistance amount
23.35 million yuan

Number of people covered by critical illness insurance
430 million people

Contribute to SDGs

The 17 Sustainable Development Goals (SDGs) proposed in the United Nations *"2030 Agenda for Sustainable Development"* call on governments, businesses and civil society organizations around the world to take action to promote global sustainable development while advancing economic prosperity. PICC P&C takes "People's Insurance Serving the People" as its fundamental mission, combines its own business layout and service objects, integrates the SDGs into business management, combines stakeholder needs and its own reality, focuses related work on core target areas, and achieves the Sustainable Development Goals through targeted practices.

- In 2025, PICC P&C innovatively developed 7 exclusive products for rural revitalization, which have been implemented in 2,438 district and county branches, providing 104.5 billion yuan in risk coverage. The first policies for agricultural cultural heritage protection insurance, agricultural breeding research and development interruption insurance, and "Cross-Border Isolation Insurance" have been launched nationwide.
- In 2025, trade unions at all levels of the system completed a total of 23.35 million yuan in consumer assistance, promoting the realization of common prosperity.
- In 2025, 15 million yuan of assistance funds were directly invested in five designated assistance counties, supporting key projects such as promoting local industrial development and increasing the income of poverty-stricken populations.

- Continuously strengthen innovation in agricultural insurance products and services, and ensure national food security and stable supply of important agricultural products. In 2025, the Company's agricultural insurance provided 1.99 trillion yuan in risk coverage for 46.6619 million households, of which the three major grain crops covered an area of 400 million mu.
- Promote the nation's first agricultural germplasm resource protection insurance, with nearly 400 million yuan paid out for crop seed production insurance.
- Upgrade and release the "PICC China Livestock Catastrophe Risk Model", enhance quantitative assessment and precise underwriting of animal husbandry risks, and provide stronger insurance support for sustainable agricultural development.
- Deeply cultivate the "marine ranching", pay out 2.9 billion yuan in compensation to more than 90,000 aquaculture households such as golden pompano, Pacific white shrimp, and deep-sea net cages.

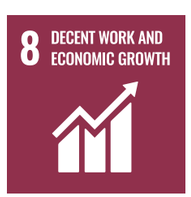
- The coverage of critical illness insurance business has been further expanded, providing risk protection for 430 million people.
- Actively promotes the construction of a convenient service network of "medical insurance + commercial insurance", and has jointly established 2,932 joint service outlets with medical insurance and human resources departments, effectively expanding the service coverage of medical insurance.
- Promote intelligent monitoring services for long-term care insurance, forming a full-process intelligent risk control system covering front-end, mid-stage and back-end, with 88 million insured persons.
- Build and improve a multi-level commercial health insurance guarantee system consisting of basic accidental medical insurance, inclusive health insurance, and mid to high-end million-yuan medical insurance.

- Continuously increase support for underdeveloped areas, encourage employees to actively participate in public welfare activities such as donating funds to support students, help improve educational conditions in assisted areas.
- Widely carry out financial literacy promotion activities to create more opportunities for local communities to access education and improve literacy.

- Strictly comply with relevant national laws and regulations, implement the principles of fairness and justice in recruitment, training, compensation and career development, and effectively protect the legitimate rights and interests of employees.
- Fully implement special protection policies for female employees, provide maternity leave, prenatal examination leave, breastfeeding leave and other leave in accordance with laws and regulations, and safeguard the welfare and rights of female employees.

- Continuously optimize water management and sanitation conditions, ensure safe drinking water and clean sanitation facilities, create a healthy and comfortable environment for employees and customers.
- By improving the water-saving management system, promoting the reuse of reclaimed water, improving water efficiency, clarifying water use control goals, and implementing the requirements for efficient utilization and sustainable management of water resources.
- Continuously improving the environmental pollution liability insurance product system, underwriting environmental liability insurance with a coverage amount exceeding 19.8 billion yuan, covering more than 400 prefecture level institutions nationwide.

- Continuously enrich the green insurance product system, increase the supply of insurance products for new energy fields such as offshore wind power, photovoltaic power generation, new energy storage, and hydrogen energy, and provide insurance risk protection of 18.12 trillion for customers in clean energy industries such as solar energy, wind energy, hydropower, and nuclear energy.
- Continuously expand new energy vehicle insurance coverage, underwriting 18.5725 million new energy vehicles, year-on-year increase of 29.75%.
- Actively support new energy vehicle companies to go overseas, promote new energy vehicle insurance projects to go overseas.



- Committed to building an inclusive and diversified employee development system. By expanding career paths, strengthening training and empowerment, and enhancing employee care, the Company continuously improves employees' sense of achievement and well-being.
- Always adhere to fairness and justice throughout recruitment, employment and retention processes, safeguard employees' legitimate rights and interests, and provide a solid platform for long-term development and value realization.

- Establish the first national technology achievement and intellectual property authentication and evaluation center to better support the construction of the national technology transfer system.
- Successfully develop comprehensive (universal) insurance products for technology-based enterprises, achieving multi-platform distribution.
- Develop multiple innovative intellectual property insurance products, including Patent-Intensive Product Liability Insurance, Generative AI Content Infringement Liability Insurance, Intellectual Property Infringement Liability Insurance (Global), Patent Pool Operation Liability Insurance, and Comprehensive Patent Industrialization Insurance.

- Develop inclusive livelihood insurance, support the modernization of social governance, and assist rural development and coordinated urban-rural development.
- Continuously optimize inclusive finance supply, providing risk protection for over 300,000 customers through key products such as "micro insurance", supporting the growth of small and micro enterprises and promoting coordinated urban-rural development and improved social governance.

- Continuously optimize the "scenario + customer segment" exclusive insurance product system to meet the needs of new citizens in housing, leisure and health, and provide adaptive protection for diverse groups including migrant workers and practitioners in new business forms.
- Actively promote safety production liability insurance, strengthen accident risk identification and hidden danger investigation services, and support urban safety governance and community sustainability.

- Improve the standardization of NPS monitoring and complaint management, enhance customer satisfaction surveys and feedback mechanisms, and systematically upgrade service quality and customer experience.
- Strengthen customer information and privacy protection by clearly informing customers of the purpose, method and scope of data collection and use, obtaining proper authorization, and strictly using information within the authorized scope to safeguard customer privacy and rights.
- Regularly carry out online and offline public welfare financial literacy activities to enhance consumer risk awareness and legal rights protection capabilities.

- Conduct climate physical risk stress tests focusing on extreme weather events, systematically assess the potential impacts of natural disasters such as typhoons, rainstorms and floods on insurance liabilities under different climate scenarios, and effectively enhance climate risk identification and quantitative assessment capabilities.
- Regularly conduct research and analysis on national natural disasters and climate risks, issue risk alerts, establish a monthly risk research and briefing mechanism, promote the integration of green development concepts into the Company's strategy and daily operations, and actively respond to climate-related risks and opportunities.
- Continuously deepen forestry carbon sink insurance, explore wetland and farmland carbon sink insurance products, and provide comprehensive risk protection for ecosystems with carbon sequestration functions such as forests, grasslands, wetlands, oceans and soil.

- The Company has established the first "Marine Insurance Product Innovation Pilot Zone" in China, achieving marine insurance risk coverage of 1.28 trillion yuan, with a growth rate of 44.01%.
- Promote the integration of "insurance + technology", and innovate "financial insurance + marine data +computing power" service model.
- Pioneer "policy + commercial" oyster aquaculture wind index insurance, extend the industrial chain, serve deep-sea aquaculture, and support sustainable ocean development.

- Continuously expand ecological protection insurance services, implement forest biodiversity insurance, provide comprehensive risk protection for forest resources, wildlife, water conservation, and ecosystem stability.
- Establish wildlife accident insurance, providing risk coverage of 20.45 billion yuan in 2025. Through insurance mechanisms, losses caused by wildlife accidents in agricultural production are transformed into manageable risks.

- Continuously improve internal control and compliance management systems, cultivate a compliance culture, guide employees to actively comply with regulations, and ensure stable operations.
- Deepen anti-corruption and integrity education, and promote a culture of integrity throughout the entire process of corporate management and development.

- As the chair unit of the China Belt and Road Reinsurance Community Council, actively promote the modernization of Chinese-style insurance and support the high-quality development of the Belt and Road Initiative.
- Continue to deepen strategic cooperation with government departments, state-owned enterprises, financial institutions and research institutions, track global insurance industry trends, strengthen resource integration and complementary advantages, and jointly promote sustainable development in the industry.

About Us

Company Profile

PICC P&C is the largest property and casualty insurance company in mainland China. Its predecessor, the People's Insurance Company of China, was established in October 1949, with its headquarters in Beijing. PICC P&C is the core member and iconic main business of The People's Insurance Company (Group) of China Limited (PICC Group). As a large state-owned property and casualty insurer with a long history, extensive business scale and strong comprehensive capabilities, the Company ranks among the top global property and casualty insurance markets in terms of premium volume. The Company was successfully listed on the main board of the Hong Kong Stock Exchange on November 6, 2003 (stock code: 2328), becoming the first China's domestic financial enterprise to be listed overseas.

In February 2026, the National Financial Regulatory Administration released the annual asset-liability management capability regulatory assessment results, rating PICC P&C in the top tier of the insurance industry. The Company has ranked first in the property and casualty insurance sector for seven consecutive years in such regulatory assessment.

Total Insurance Revenue for 2025

511.594 billion yuan

Total Assets for 2025

860.498 billion yuan

PICC P&C's MSCI ESG Rating Upgraded to

AAA

Company Business

Property and casualty insurance, liability insurance, credit insurance, accident and health insurance, short-term health insurance, surety insurance and other insurance businesses in RMB or foreign currencies; reinsurance business related to the above businesses; insurance-related services and consulting services for property insurance, accident insurance, short-term health insurance and reinsurance; agency business for insurance institutions; investment and fund utilization business permitted by national laws and regulations; and other businesses approved by national laws and regulations or insurance regulatory authorities. The Company's domestic network essentially covers all urban and rural areas nationwide, and its overseas business covers 149 countries and regions.

Distribution of the Company's Domestic Networks

36 provincial branches

1 shipping insurance operation center

1 reinsurance operation center

352 central sub-branches

3,079 sub-branches

896 sales offices

7,677 marketing service departments

Honors and Qualifications

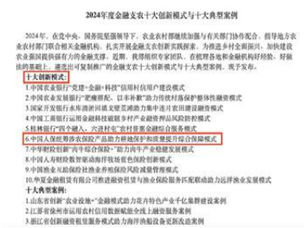
*Unless otherwise specified by the branch, the following are awards received by PICC P&C.

Typical Cases of "CMG Rural Revitalization Observation Report (2023-2024)"

In March 2025, the designated assistance case of PICC P&C was selected as a typical case in the *"CMG Rural Revitalization Observation Report (2023-2024)"* by China Central Radio and Television Corporation.

2025 Excellent Cases of Financial Consumer Protection and Service Innovation

In March 2025, four cases of PICC P&C were selected for the *"2025 Financial Consumer Protection and Service Innovation Case"* in the financial industry published by the China Banking and Insurance News.


2024年度金融支农十大创新模式与十大典型案例

2024年，在党中央、国务院坚强领导下，农业农村部继续加强与有关部门协作配合，指导地方农业农村部门联合相关金融机构，扎实开展金融支农创新实践探索，为推进乡村全面振兴，加快建设农业强国提供强有力的金融支撑。近期，我部组织专家团队，在梳理各地和金融机构好经验、好做法的基础上，遴选出可复制推广的金融支农十大创新模式与十大典型案例，现予发布。

十大创新模式

1.中国农业银行"党建+金融+科技"信用村信用户建设模式
2.中国农业发展银行"逆嵌理配，以本补重"助力传统村落保护修缮性融资模式
3.国家开发银行永川新区对接芝麻湾助力集中连片农田建设融资模式
4.中国工商银行云图金融科技赋能乡村产业融资理品风险控控模式
5.桂林银行"四个融入，六进村屯"农村普惠金融综合服务模式
6.中国人保组织涉农保险产品助力耕地保护和质量提升综合保险模式
7.中华财险创新"四平综合保险"助力肉牛产业稳定发展模式
8.中国人寿财险数智驱动海洋牧场蓝色保险创新模式
9.中国渔业互助保险社渔业养殖保险风险减量管理模式
10.华夏金融租赁有限公司推进融资租赁与渔业保险服务匹配联动助力远洋渔业发展模式

十大典型案例：

1.山东省创新"农业设施+"金融模式助力发肉特色产业千亿集群建设案例
2.江苏省徐州市运用农村信用数据赋能全线上融资服务案例
3.浙江省创新融资租赁服务模式助力海洋渔船设备更新改造案例

Top Ten Innovative Models for Financial Support of Agriculture in 2024

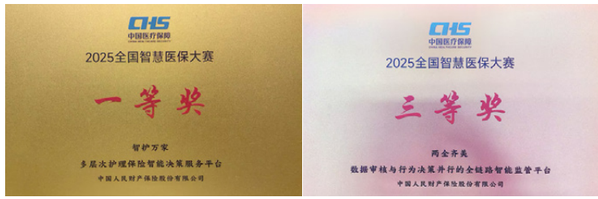
In June 2025, the "PICC's Comprehensive Protection Model for Cultivated Land Conservation and Quality Enhancement through Integrated Agricultural Insurance Products" was selected as one of the Top Ten Innovative Models for Financial Support of Agriculture by the Ministry of Agriculture and Rural Affairs for the year 2024.

2025 Top 10 Call Centers (with over 1000 seats) "Excellent Customer Experience Award"

In October 2025, at the annual conference on the development of the call center industry hosted by the China Electronics Chamber of Commerce, PICC 95518 customer service center won the "2025 Top 10 Call Centers (with over 1000 seats) Excellent Customer Experience Award".

Winner Award of the 2025 National Digital Rural Innovation Competition

In November 2025, PICC P&C won the winning prize in the 2025 National Digital Rural Innovation Competition .



First Prize and Third Prize of the 2025 National Smart Medical Insurance Competition

In December 2025, PICC P&C's two innovative platform projects won first and third prizes respectively in the 2025 National Smart Medical Insurance Competition hosted by the National Medical Insurance Bureau.

"Golden Pine Award" Digital RMB Demonstration Application Award

In March 2025, PICC P&C won the 11th "Golden Pine Award" Digital RMB Demonstration Application Award.

16th Digital Insurance Summit Product Innovation Award, China Insurance Technology and Service Innovation Competition Moonlight Award

In March and June 2025, PICC P&C's independently developed models and products won the Digital Insurance Summit Product Innovation Award and the Insurance Technology Competition Moonlight Award.

Top 10 Excellent Practice Cases of CMMI China in 2025

In July 2025, the PICC P&C software process improvement project was awarded the "Top 10 Excellent Practice Cases of CMMI China in 2025".

Agricultural and rural big data application software system

In July 2025, the PICC P&C Digital Intelligent Agricultural Insurance Service Platform was selected as the "Agricultural and Rural Big Data Application Software System" by the Ministry of Agriculture and Rural Affairs.

2025 Excellent Software Product Quality Award

In September 2025, the PICC P&C Handheld Service Station project was awarded the "2025 Excellent Software Product Quality Award" by the China Electronics Industry Standardization Technology Association and other institutions.

Diamond Award and Process Value Award in the 2025AI Agent Super Automation Developer Competition

In September 2025, PICC P&C's two platforms won the Diamond Award and Process Value Award in the 2025AI Agent Super Automation Developer Competition jointly organized by RPA China and AIGC Open Community.

2025 Insurance Industry Innovation Ark Award

In November 2025, PICC P&C platform won the "2025 Insurance Industry Innovation Ark Award" in the "2025 China Insurance Industry Ark Award" selection hosted by the Securities Times.

2 projects won the first and second prizes of the "2024 Financial Technology Development Award" of the People's Bank of China

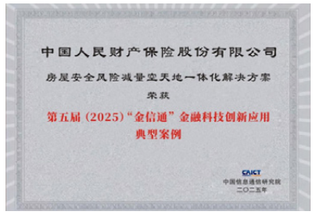
In November 2025, the "Digital Platform for Shipping Trade Insurance Based on a Trusted and Open Collaboration System" and the "Digital Disaster Prevention, Reduction, and Relief System Construction Project" respectively won the first and second prizes of the 2024 Financial Technology Development Award of the People's Bank of China.

Important outcome of the 2025 Financial Street Forum Annual Meeting

In November 2025, PICC P&C selected the "Important outcome of the 2025 Financial Street Forum Annual Meeting" and officially released the "New Model of Precise Disaster Risk Financial Response" and "Full Chain Insurance Products of Science and Technology Activities".

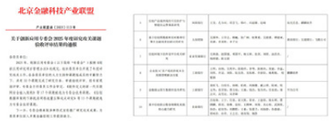
Financial Industry Digital Transformation Skills Competition

In December 2025, PICC P&C won multiple group and individual awards, including the second prize in the China Financial Union Financial Industry Digital Transformation Skills Competition, with a total score ranking first in the insurance industry.



2025 "Jinxintong" Financial Technology Innovation Application Typical Case

In 2025, the PICC P&C project was rated as a typical case of the "Jinxintong" financial technology innovation application by the China Academy of Information and Communications Technology.



Excellent Project of Beijing Financial Technology Industry Alliance Innovation Application Special Committee

In 2025, the PICC P&C project was awarded as an excellent research project by the Beijing Financial Technology Industry Alliance Innovation Application Special Committee.

Outcome of Financial Technology Innovation and outcome of Science Popularization Practice in the 14th Five Year Plan

In 2025, PICC P&C's three projects were selected as the "14th Five Year Plan" Financial Technology Innovation outcome and Science Popularization Practice 'Achievements' Pilot Cases and Innovation Cases selected by the "Science and Technology Innovation China" Financial Technology Service Team.

Projects related to "Technology Empowered Catastrophe Claims" have won multiple honors

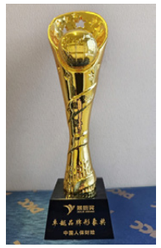
Since 2025, PICC P&C's "Technology Empowered Catastrophe Claims" related projects have won multiple important awards in financial technology and digitization from institutions such as the People's Bank of China and the China Financial Union.

Honorary Award of "Social Responsibility Unit for Disaster Prevention and Reduction"

In April 2025, at the 2025 Disaster Prevention and Reduction Conference hosted by the China Association for Disaster Prevention and Reduction, PICC P&C won the honorary award of "Social Responsibility Unit for Disaster Prevention and Reduction".

2025 "Jinnuo Award" Financial Brand Annual Influence Case

In July 2025, PICC P&C won the "2025 Jinnuo Financial Brand Annual Influence Case" award from China Financial Media.



2025 Yanshu Award "Outstanding Brand Image Award"

In September 2025, PICC P&C won the "Outstanding Brand Image Award" at the 2025 Global Financial Brand Conference and the "Yanshu Award" annual selection.

2025 Leading Brand Organization

In November 2025, PICC P&C was awarded the title of "2025 Leading Brand Institution" at the 20th 21st Century Financial Annual Conference hosted by Southern Financial All Media Group.

"Golden Tripod Award" Outstanding Property Insurance Company of the Year

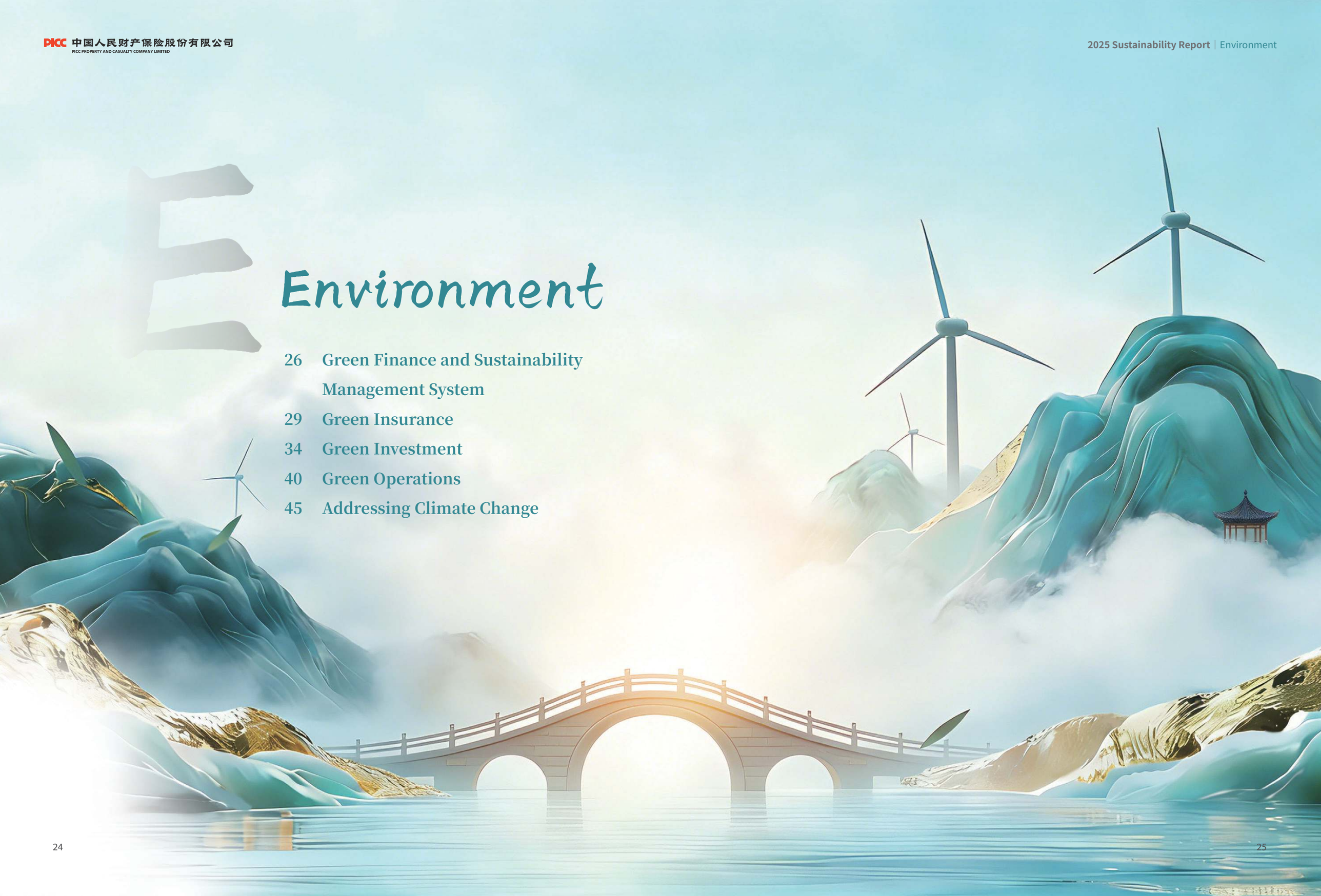
In November 2025, PICC P&C won the "Outstanding Property and Casualty Insurance Company of 2025" award in the 16th "Golden Tripod Award" held by the Daily Economic News.

2025 Excellent Competitiveness Brand Building Financial Institutions

In December 2025, PICC P&C was awarded the title of "2025 Excellent Competitiveness Brand Building Financial Institution" at the "2025 China Enterprise Competitiveness Annual Conference" hosted by China Business Daily.

Environment

26 Green Finance and Sustainability Management System
29 Green Insurance
34 Green Investment
40 Green Operations
45 Addressing Climate Change



PICC P&C has consistently been guided by serving green development and implementing national Dual Carbon strategy, and has established a sustainability governance structure featuring top-down management, clear delineation of rights and responsibilities, and efficient operations. The Company continuously improves its green finance and sustainability management system, fully leverages the strengths of its core insurance business, vigorously promotes innovation in green insurance products and services, optimizes green investment mechanisms, steadily advances green operations, actively address climate change, and facilitates the comprehensive green transition of economic and social development.

Green Finance and Sustainability Management System

PICC P&C takes solid steps to advance green finance practices, systematically establishes a green finance and sustainability management system. The Company continuously improves its organizational structure and institutional mechanisms, formulates high-quality development plans for green finance, clarifies phased objectives, enhances operational efficiency, and provides solid support for green, low-carbon and high-quality development of the real economy.

Green Finance and Sustainability Organizational Structure

PICC P&C has established a comprehensive "Board - Management - Execution" sustainability governance framework, providing a solid governance foundation and organizational support for green finance and sustainability. The Company clarifies responsibilities across decision-making, management and execution levels. The Board of Directors assumes overall responsibility for green finance and sustainability, while the Strategic Planning Committee / Sustainable Development Committee under the Board is responsible for coordinating and overseeing sustainability, green finance and ESG-related matters.

Strategic Planning Committee / Sustainable Development Committee

Green Finance Committee

An Office of Green Finance Committee

Strategy Department, relevant departments of the Company headquarters, branches, and units

Organizational Structure	Primary Responsibilities
Board of Directors	• As the highest decision-making body for green finance and sustainability, the Board of Directors is responsible for reviewing reports on green finance and sustainability, formulating strategic plans, reviewing major policies, systems and relevant documents, and evaluating the implementation of strategies related to green finance and sustainability.
Strategic Planning Committee / Sustainable Development Committee under the Board	• Develop and modify the Company's policies on environmental, social, and governance corporate social responsibility, review the construction plan of the Company's environmental, social, and governance management system, including governance policies and strategies, evaluation, prioritization, and management of important environmental, social, and governance related matters (including business risks). • Research and evaluate environmental, social, and regulatory factors that may affect the Company's development. • Review the planning and implementation of the Company's environmental, social, and governance work, responsible for green finance work, including supervising and evaluating the implementation of the Company's green finance development strategy. • Review corporate social responsibility disclosure materials related to environmental, social, and governance aspects of the Company.
Green Finance Committee at the Management Level	• The Green Finance Committee is chaired by the Company's President, with other members of the leadership team and senior executives serving as deputy directors, and primary heads of all departments serving as members. • Responsible for reviewing the Company's strategic objectives and development plans related to green finance and ESG, and organizing and promoting strategic implementation. • Review the Company's annual key work on green finance and ESG, and assess the Company's green finance and ESG performance. Organize specialized research, identify, assess, and manage major issues that may significantly impact the Company's development, and review special reports related to green finance and ESG. • Oversee the preparation of the Company's annual sustainability report and related rating management work. • Organize and promote the development of the Company's green finance and ESG management system, and review important management policies for the Company's green finance and ESG.
An Office of Green Finance Committee	• As a permanent office, responsible for the daily work of the Green Finance Committee, coordinating the organization, implementation, and daily management of green finance related work.
Strategy Department, relevant departments of the Company headquarters, branches, and units	• Implement the specific tasks of green finance and sustainability. In accordance with the Company's annual key work arrangement on green finance and sustainability, promote the implementation of key work on green finance and sustainability within the scope of responsibilities, and each branch designates a dedicated person to be responsible for the work on green finance and sustainable development. • Clarify the functional departments and positions of ESG, establish the Green Finance Division under the Strategic Department at the head office, and coordinate the promotion of green finance and sustainability related work.

Green Finance and Sustainability Institutional Mechanism

PICC P&C has established and improved the system of green finance and sustainability, formulated the *"Management Measures for Green Finance of PICC P&C (Trial)", "Development Plan for Green Finance of PICC P&C (2024-2027)", "Working System of Green Finance Committee (Trial)"* and other systems, standardized the work process, and fully integrated the requirements of green finance and sustainability into the entire process of operation and management, provided institutional support and action guidelines for the orderly implementation of related work.

In 2025, PICC P&C continued to deepen the construction of institutional mechanisms and issued documents such as *" Work Plan for High Quality Development of Green Finance of PICC P&C", "PICC P&C 2025 Key Work on Green Finance and ESG"* and *"ESG Rating Management Work Plan"* to further promote the implementation of sustainability strategy and continuously improve the management ability and market influence of sustainability.

Green Finance and Sustainability Related Policy System of PICC P&C

Overall planning for green finance

"Management Measures for Green Finance of PICC P&C (Trial)"
"Development Plan for Green Finance of PICC P&C (2024-2027)"
"Working System of the Green Finance Committee (Trial)"
"Work Plan for High Quality Development of Green Finance of PICC P&C"
"PICC P&C Service Carbon Peaking and Carbon Neutrality Action Plan"

Key work plan

"PICC P&C 2025 Key Work on Green Finance and ESG"
"ESG Rating Management Work Plan"
"PICC P&C 2024 Key Work Plan for Sustainability (ESG)"

In the next five years, the professional service capacity of green finance will be significantly enhanced, the level of carbon accounting, climate risk management and information disclosure will be effectively improved, international cooperation and exchanges will be further promoted. A multi-level, wide-ranging, diversified and sustainable green finance service system will be gradually established. The Company plays an important role in optimizing industrial structure, improving environmental quality, and advancing energy transition, and strongly supports the orderly and phased advancement of carbon peaking in key regions and sectors.

Performance-based Pay and Sustainability Linkage Mechanism

PICC P&C has established a sustainability indicator assessment system, fully incorporated green finance and sustainability requirements into performance management. Through scientifically designing indicators and standardized process, the Company has strengthened oversight and assessment to ensure the effective implementation of sustainability initiatives. PICC P&C has linked senior management performance-based pay to sustainability indicators, set "Service Overall" indicators in the performance contracts of key responsible persons and heads of relevant business departments, and included the requirements of sustainable development such as serving ecological civilization construction, green finance, inclusive finance, and rural revitalization in assessment and evaluation scope, throughout the entire business operation process. By improving incentive and constraint mechanisms, the Company has ensured that green finance and sustainability work continues to advance and achieve effective results. Since the implementation of relevant indicators, PICC P&C has further strengthened the linkage between sustainability performance and senior executive compensation, achieved sound fulfillment of sustainability targets, and effectively leveraged the incentive and constraint role of compensation.

Green Insurance

PICC P&C has actively implemented the strategic deployment of Building a Beautiful China, continuously improved the green insurance products and service system, promoted the improvement of quality and efficiency in areas such as carbon reduction, pollution reduction, energy conservation, and ecological expansion, and comprehensively strengthened the capacity building of green insurance. In 2025, the Company provided 257.50 trillion yuan in risk coverage through green insurance, marking a 37.65% growth, and was committed to driving the comprehensive green transition of economic and social development.

The Company provided risk coverage through green insurance

257.50 trillion yuan

Growth

37.65%

Green Insurance Policy System

PICC P&C has continuously improved its green insurance policy system, and has formulated institutional documents covering green insurance business development, criteria for identifying products and customers, ESG risk assessment, premium adjustment mechanism, risk reduction services.

Development Strategy and Planning

"Promotion Plan for Promoting the Development of Green Insurance Business by PICC P&C (2023-2025)"

Clarify the three-year development goals, key focus areas, and work initiatives for green insurance, and further clarify the strategic direction and pathway of green insurance business development.

Business Standards and Statistics

"The People's Insurance Company (Group) of China Limited Green Insurance Product Judgment Standards"
"The People's Insurance Company (Group) of China Limited Green Industry Customer Determination Standards"

Standardize the statistics of green insurance business of PICC P&C.

Risk Management and Assessment

"Work Plan for the Construction of Environmental, Social, and Governance (ESG) Risk Assessment System for Corporate Customers (Trial) "

Comprehensively carry out ESG risk assessment and rating for corporate clients, strengthen the linkage between ESG risk rating and underwriting decision-making, guide high carbon emission industries to reduce risk exposure, and promote low-carbon transition and sustainable development of clients.

Product Pricing and Innovation

"Implementation Guidelines for Exploring the Establishment of Green Insurance Rate Adjustment Mechanism (Trial)"

Clarify the principles and implementation path of green insurance rate adjustment, establish a rate adjustment mechanism including ESG evaluation coefficient, promote the application of differentiated rate tools in newly developed enterprise property insurance products, and guide the standardized development of green insurance business.

Risk Reduction Services

"Guide to Risk Reduction Services in Green Insurance"

Covering the fields of environmental pollution, wind power, photovoltaic, energy storage, etc., providing support and guidance for branch offices to implement risk reduction services such as natural disaster risk analysis, emergency warning, flood season and fire risk investigation, enterprise environmental pollution risk identification and reminder, professional hazard detection of wind turbine blades, and defect detection of photovoltaic panels.

Capacity Building of Green Insurance

PICC P&C has continuously improved its full process system covering green risk identification, assessment, and management, deeply integrating environmental, social, and governance factors into product design, underwriting management, and pricing mechanisms. Through the collaborative efforts of institutional construction, model tools, and information technology, we have steadily enhanced the quantitative analysis and differentiated underwriting capabilities of green risks, and promoted the upgrading of green insurance from a single product supply to a systematic and professional comprehensive service.

Green Insurance Product System

PICC P&C actively promotes innovation in green insurance products and services, continuously enriches the green insurance product system, and expands green and low-carbon service scenarios. Focusing on green industry insurance, clean energy and low-carbon transition insurance, environmental pollution liability insurance, carbon insurance, and catastrophe insurance, the Company is expanding its product offerings and regional coverage to enhance the ability to safeguard green transition and natural disaster risks.

Supporting the development of green industry insurance

Provide risk protection services for industries such as ecological environment, clean energy, infrastructure green upgrading, energy conservation and environmental protection, clean production, green services, etc., and promote the development of green economy.

Promoting the application of meteorological index insurance

Explore the development of meteorological index insurance products to provide support for agriculture and related industries in addressing climate fluctuation risks.

Promoting the development of green transportation

Increase the supply of new energy vehicle insurance products and services, and assist in the construction of a green transportation system.

Participating in environmental risk management

Continuously expand the service capacity of environmental pollution liability insurance, explore new models of insurance services for urban environmental pollution risk management, and resolve environmental damage risks.

Supporting climate risk management

Actively implement the national catastrophe insurance system, promote local-level catastrophe insurance pilot projects, and roll out catastrophe risk solutions.

Exploring innovative services for carbon sink insurance

Carry out insurance innovation around forestry carbon sequestration and ecological restoration projects, to help transform ecological value and achieve the Dual Carbon goals.

Serving low-carbon buildings

Provide insurance coverage for various risk points during the construction, renovation, and operation of green buildings, and promote the construction of green cities.

Boosting low-carbon agriculture

Encourage innovative ecological green insurance products and promote emissions reduction and carbon sequestration in agriculture and rural areas.

In December 2025, PICC P&C launched the country's first excess carbon emission cost loss insurance for the steel, cement, and aluminum smelting industries in Fujian, providing special protection for key enterprises. This product innovatively covered the financial losses arising from excess carbon emissions due to equipment damage, effectively hedged the uncertainty risk of green technology upgrades and reducing the cost of corporate transformation.

PICC P&C formulated the world's first comprehensive electric ship insurance clause, laying a solid risk defense line for the steady development of the domestic green ship industry, greatly enhancing the insurance sector's service capabilities and support for green shipping, and propelling China's green shipping financial services to new heights.

In 2025, PICC P&C has developed three new products and six clauses, including local catastrophe insurance products, Shaanxi Province Comprehensive Catastrophe Insurance, and Hainan Free Trade Port Urban and Rural Residents Comprehensive Catastrophe Insurance. A catastrophe insurance product system covering 37 products and 80 clauses had been formed, meeting the diversified protection needs of different regions and groups.

PICC P&C developed the "PICC Photovoltaic Power Generation Loss Risk Pricing Model", which was officially released at the 27th Beijing International Science and Technology Industry Expo in May 2025, enhancing the Company's risk assessment and risk pricing capabilities in the field of photovoltaic power generation. Based on this model, the Ningbo branch successfully implemented the first distributed photovoltaic power generation income loss insurance product in China, providing over 50 million yuan of income loss protection for 200 photovoltaic power stations (approximately 143 megawatts) across 16 cities in 6 provinces, and promoting model R&D and implementation experience with Jiangsu, Shenzhen, Anhui, Beijing and other regions.

Construction of ESG Risk Assessment Model and Platform for Corporate Clients

Solidly promote the implementation of corporate client ESG risk assessment system. PICC P&C has established customer ESG risk assessment models for environmental pollution liability insurance, property all risks insurance (power plant projects), and shipowner's insurance and claims insurance, achieving classified management and dynamic assessment of ESG risks for enterprise customers. By scoring customer ESG risk, strengthening the linkage between ESG risk rating and business underwriting review, the Company promotes the low-carbon transition of relevant industries and enterprise customers, reduces risk exposure of high carbon emission industries, and promotes low-carbon operation and sustainable development of enterprise customers.

Promote the establishment of a customer ESG risk assessment platform. PICC P&C has built an enterprise customer ESG risk assessment module on the Wanxiang Cloud platform, embedding the ESG risk assessment model calculation formula into the platform, achieving functions such as ESG risk data capture, ESG risk rating calculation, core business system push, and providing differentiated underwriting policies, exploring the integration of ESG rating results into existing underwriting processes.

Green Insurance Pricing Mechanism

Continuously improve the pricing mechanism of green insurance. PICC P&C incorporates ESG factors as well as climate risk impacts into insurance pricing system. By adopting differentiated rate adjustment and modeling analysis methods, the Company promotes the transformation of insurance pricing from empirical judgment to risk quantification, achieving differentiated underwriting pricing for customers based on ESG risks, enhancing the scientific and refined level of risk pricing, and strengthening the professional ability of green insurance to serve the real economy.

Explore and establish green insurance rate adjustment mechanism. PICC P&C has formulated the *"Implementation Guidelines for Exploring the Establishment of a Green Insurance Rate Adjustment Mechanism (Trial)"*. This Guideline determines the ESG evaluation coefficient and other green insurance adjustment coefficients, and mandates that newly developed enterprise property insurance products should, in principle, incorporate relevant rate adjustment coefficients. Through these measures, the Company has preliminarily established a differentiated green insurance premium rate adjustment mechanism.

Joining International Green Insurance Organizations

The People's Insurance Company (Group) of China Limited has officially signed the Principles for Sustainable Insurance (PSI) of the United Nations Environment Program Financial Initiative (UNEP FI). As a core subsidiary of PICC Group, PICC P&C continues to strengthen communication with UNEP FI and deepen pragmatic cooperation in areas such as green insurance standard research, promoting the wider adoption and implementation of Principles for Sustainable Insurance.

Green Insurance Industry Exchange and Thematic Research

PICC P&C continues to deepen exchanges and thematic research in the green insurance industry, focusing on the field of green insurance, and promoting research on demonstration clauses and rates for new energy vehicle insurance. The Company strengthens collaborative cooperation with meteorological departments, academic institutions and industry associations, and promotes the innovation of green insurance business and the implementation of sustainability practice, and jointly fosters the high-quality development of the industry.

The Company closely connects with the risk assessment mechanism of relevant national departments, transforms macro risk information into micro service actions, and implements climate risk management work. Based on the outcome of national natural disaster risk assessment by the National Disaster Reduction Commission, the Ministry of Emergency Management and the China Meteorological Administration, it will be transformed into specific customer risk early warning services. By regularly issuing risk briefings and professional risk reminders, climate risk management policies are implemented in daily services to corporate clients, providing strong support for disaster prevention and loss reduction.

For more information on communication and thematic research, please refer to the "Social (S) – Cooperation and Exchange - Industry Exchange and Research Topics" section.

Biodiversity Conservation

PICC P&C has integrated the concept of biodiversity conservation into sustainable development strategies and green finance practices, implemented ecological and environmental protection requirements in business development and operation management, and actively supported ecosystem protection and sustainable utilization of natural resources. The Company has strictly adhered to the principle of prudence and avoids underwriting projects that have significant negative impacts on the ecological environment and biodiversity. In 2025, the Company's forest insurance provided a risk protection amount of 910 billion yuan, helping to protect biodiversity by providing insurance protection for ecological public welfare forests and commercial forests.

At the same time, the Company continues to explore the integration of biodiversity conservation goals with insurance product and service innovation, guiding insurance resources to be invested in the field of ecological protection and nature-based solutions, and assisting in the construction of ecological civilization. By leveraging insurance protection and risk diversification functions, the Company has supported ecological industries, green agriculture, and natural resource protection, promoted harmonious coexistence between humans and nature, and enhanced society's ability to respond to ecological risks.

Facing the future, the Company will further improve the mechanism for identifying and managing biodiversity related risks, continue to promote the coordinated development of insurance services and ecological protection, and continuously enhance its service capabilities and professional support level in the field of biodiversity protection.

PICC P&C launched ancient and famous tree insurance to assist in the prevention and protection of ancient tree clusters. In 2025, it provided a risk protection amount of 339 million yuan and established long-term protection for ancient trees, which is an effective integration and innovative attempt of forest insurance and ecological protection compensation mechanism.

The branch in Jian, Jiangxi Province launched commercial ancient and famous tree insurance and rescue insurance, providing dual protection of "disaster prevention and rescue" for 659 ancient and famous trees in Jizhou District, with a total risk coverage of 9.885 million yuan. The project used an insurance mechanism to transfer risks, alleviate grassroots governments financial pressure, mobilize villages and towns to actively participate in ecological conservation, and formed a demonstration effect of "small insurance leverages big protection".

▲ *Signing Ceremony of Ancient and Famous Tree Insurance of Jian Branch, Jiangxi Province*

PICC P&C has launched wildlife accident insurance, providing a risk protection amount of 20.45 billion yuan in 2025. The insurance mechanism is used to control agricultural production losses caused by wildlife and provide financial support for biodiversity protection.

Based on the regional characteristics and actual livelihood needs of Xinjiang, the Xinjiang branch has introduced insurance mechanisms into the field of wildlife protection and injury compensation, and comprehensively promoted the "wildlife injury insurance". In 2025, the wildlife injury insurance provided risk protection of over 100 million yuan for 19 counties and cities in Xinjiang.

▲ *Xinjiang Tacheng Branch and Tacheng Forestry and Grass Bureau Hold a Promotion Meeting on Wildlife Injury Insurance*

PICC P&C serves the development of marine economy, launching a series of seawater aquaculture insurance such as "Marine Farm Insurance" in Guangdong, Qingdao, Shandong, Jiangsu, Ningbo, Dalian and other places, constructing a comprehensive insurance product system, and providing solid support for the high-quality development of modern marine ranches.

In May 2025, PICC P&C established the country's first "Marine Insurance Product Innovation Pilot Zone" in Qingdao and was awarded the title of "Outstanding Contribution Collective for Qingdao's Leading Modern Marine City Construction". In the same year, marine insurance provided risk protection of 1.28 trillion yuan, with a growth rate of 44.01%, providing core support for the development of Qingdao's marine economy.

▲ *Qingdao Leading Modern Marine City Construction Outstanding Contribution Collective*

Green Investment

Green Investment Management System

PICC P&C actively implements the decisions and deployments of the Party Central Committee and the State Council on advancing green development, and strictly follows the Group's green investment work guidelines. Giving full play to long-term investment strengths of insurance funds, the Company advances the development of ESG investment system, integrates non-financial ESG factors into investment decision-making processes, and improves the full framework for green investment management. The Company clarifies the scope of eligible green investment assets, strengthens ESG due diligence and responsible management, and focuses on supporting the development of low-carbon, clean energy, energy-saving, and pollution reduction sectors. In 2025, the Company's green investment volume reached 57.407 billion yuan, an increase of 18.345 billion yuan compared to the end of the previous year.

The Company's green investment volume reached

57.407 billion yuan

Increased from the end of 2024

18.345 billion yuan

Green Investment Organizational Structure

PICC P&C aligns green investment organizational structure with the governance structure of green finance and sustainability. The Board of Directors are the highest decision-making body for ESG investment, which is responsible for overall planning, supervision and management of green investment work. The Company clarifies green investment responsibilities across all hierarchical levels to collaborative advance green investment management.

Board of Directors

The Board of Directors is the highest decision-making body for ESG investment, responsible for reviewing ESG investment development strategy, coordinating and planning ESG investment work, supervising and evaluating the implementation of the Company's green finance and ESG investment strategy.

Management Level

According to the authorization of director, approve ESG investment objectives, ESG investment related systems, ESG investment major matters (implementation), clarify the responsibilities and authorities of relevant departments, carry out internal supervision, inspection and assessment.

Treasury Department

Treasury Department appoints a dedicated person to formulate annual ESG investment goals and ESG investment strategies, which are issued to the trustee through investment guidelines for compliance and execution. The progress of strategy execution is regularly tracked, and the identification, evaluation, and management of ESG risks in the investment portfolio are strengthened. Risk warnings are also provided based on the nature and severity of risks.

Strategy Department

Strategy Department is responsible for coordinating with the PICC Group, timely grasping and conveying the relevant requirements of the PICC Group for ESG investment, and formulating long-term development goals for ESG investment. Regularly disclose the 'results' of ESG investment work through sustainability reports and other forms.

The *"Key Points of PICC P&C's Responsible Investment Policy"* has been disclosed on the official website, please refer to:
https://mproperty.picc.com.cn/cx_gywm/shzr/fzzcysj/202509/t20250924_626140918184955904.html

Green Investment Rules and Mechanism

PICC P&C actively implements the decisions and deployments of the Party Central Committee and the State Council of the People's Republic of China on promoting green development, leverages the long-term investment advantages of insurance funds, actively promotes the construction of ESG investment system, and formulates the *"ESG Investment Management Measures of PICC Property and Casualty Company Limited"* and *"the Guidelines for Entrusted Asset Investment Business of PICC Property and Casualty Company Limited"*, incorporates three non-financial factors of environment, society, and governance into the investment decision-making process, establishes and improves a green investment management system, clarifies the scope of green investment and responsible investment targets, and focuses on supporting the construction of a clean and low-carbon energy system, energy conservation, pollution reduction, and promotion and application in key industries and fields, promotes the comprehensive transformation of economic and social development towards greenery.

Assign dedicated full-time staff to take charge of ESG investment management. According to the *"ESG Investment Management Measures of PICC P&C"*, the Company appoints a dedicated person in the investment management department to formulate annual ESG investment goals and ESG investment strategies, issue investment guidelines to the trustee for compliance and implementation, regularly track the progress of strategy implementation, strengthens the identification, evaluation, and management of ESG risks in the investment portfolio, and provide risk warnings based on the nature and severity of risks. In 2025, the Company invited ESG analysts from Industrial Securities to conduct listing corporate governance training for green investment personnel.

Principles of Responsible Investment

PICC P&C's responsible investment follows the following principles

- According to the latest version of the *"Green Industry Guidance Catalogue"* and *"Green Bond Support Project Catalogue"* and relevant regulatory requirements, combined with the actual situation of the Company, various investment tools such as stocks, bonds, and funds are used to increase investment support for key industries and areas such as energy conservation, pollution reduction, carbon reduction, greening, and disaster prevention, to assist in the optimization and upgrading of industrial structure, low-carbon transition of energy system, and improvement of ecological environment.

- Focusing on environmental, climate, and other systemic risks, actively applying publicly available industry green standards to screen investment targets, such as the *"Guiding Opinions on Building a Green Financial System"* issued by seven ministries including the People's Bank of China, the *"Guiding Opinions on Promoting Investment and Financing in Response to Climate Change"* issued by five ministries including the Ministry of Ecology and Environment, and the *"Guiding Catalogue for Green and Low Carbon Transformation Industries"* issued by ten ministries including the "National Development and Reform Commission (2024 edition)" And other industrial policy and regulatory requirements.

- Coupling investment concepts with human socio-economic development and ecological protection, reducing the negative impact of investment activities, products, and services on humans and the environment, and maintaining sustainable capital returns and value creation.

- Post investment ESG risk management is integrated as a critical component of the overall risk assessment process. This involves the continuous monitoring of ESG risks within the portfolio, including environmental compliance, labor rights, tax compliance, corporate governance, corruption and unethical business practices.

Stewardship

PICC P&C and its trustee address environmental, social, and governance issues in investee companies through stewardship activities, including corporate engagement, exercise of voting rights, public policy engagement and industry collaboration, and escalation policies.

Corporate Engagement	• By establishing a cooperation mechanism with the investee company, using various methods such as on-site visits, telephone conferences, and email exchanges, we deeply discuss key issues such as company strategy, capital structure, operational performance, and ESG, propose practical and feasible suggestions, assist the invested company in optimizing its decision-making, and enhance its long-term value creation ability.
Exercise of Voting Rights	• At the shareholders' and bondholders' meetings, we participate in voting with a professional and cautious attitude, and the voting decisions are consistent with the investment theme and due diligence management goals. The process involves formulating voting policies, researching, voting, and communicating with the investee company before and after the annual shareholders' and bondholders' meetings.
Public Policy Engagement and Industry Collaboration	• The Company actively cooperates with regulatory agencies, government departments, industry associations, and other non-profit organizations to leverage industry influence to promote the widespread adoption of ESG investment in the Chinese market. At the same time, the Company proposes suggestions or expresses its position on the proposed regulatory reform plan.
Escalation Policy	• In case of unsuccessful participation in the investment object or issuer, the gradually strengthened escalation measures may be used prudently in case of necessary escalation. The escalation measures include but are not limited to participation in joint meetings of Board or other Board members, joint intervention with other institutions, submission of objections to regulatory authorities, submission of resolutions and speeches at shareholders' meetings, request for convening of shareholders' meetings, submission of draft to shareholders for voting or review, etc.

- **Identify employees specifically responsible for ESG stewardship.** In terms of post investment stewardship structure, PICC P&C has formed an ESG stewardship organizational structure with the Board of Directors, Management, Investment Department and Investment Research Team as the core. Through corporate engagement, exercise of voting rights, public policy engagement and industry collaboration, and escalation policies, we promote the effective implementation of stewardship and responsible investment, and the investment research team is responsible for analyzing and monitoring the post investment stewardship. Through ESG communication and stewardship, we exert the positive influence of shareholders and actively promote the performance improvement of the investee company in sustainability field.

Green Investment Management Process

To accelerate the implementation of ESG investment framework and enhance the standardized management of green investment, PICC P&C has formulated dedicated ESG investment management measures. The measures clearly require fiduciary managers to integrate major environmental, social and governance (ESG) factors throughout the entire investment decision-making process, covering core procedures including due diligence, risk monitoring, post-investment management. The Company has established a full process ESG risk control system spanning pre-investment review, ongoing supervision and post-investment oversight. This system covers all asset classes, industries, and markets in investment activities, ensuring the implementation and effectiveness of green investment concepts.

Investment Access

PICC P&C requires the trustee to incorporate significant environmental, social, and governance (ESG) factors into the investment decision-making process, covering investment activities across all asset classes, industries, and markets. The investment strategy includes negative elimination, positive screening, etc.

PICC P&C has integrated ESG evaluation into the entire credit rating process according to the unified credit rating model of PICC Group. During the due diligence stage, information related to enterprise ESG risks is collected, and the enterprise's ESG situation is evaluated by combining public data and third-party ESG evaluation agency databases. Incorporate enterprise ESG evaluations and their impact on credit ratings into credit rating reports.

Due Diligence

In the investigation or due diligence of PICC P&C, based on the industry and regional characteristics of the proposed bidding (including stocks, non-standardized debt assets), the content and key points of environmental, social and governance risk 'due diligence' shall be clarified to ensure comprehensive, in-depth and detailed pre investment assessment.

The environment includes but is not limited to the proposed environmental management system, environmental compliance, environmental impact assessment, and production emission standards. The society includes but is not limited to the impact of the proposed bid on local community, labor rights and human rights, evaluate the social sustainability and social risks of the proposed bid, understand its social acceptance and stakeholder relationships. Governance includes but is not limited to, evaluating the proposed governance structure, corporate governance practices, internal controls and risk management, understand the Company's ethical and ethical standards, the Board independence, etc.

Risk Monitoring

In the investment process management stage, PICC P&C incorporates the management status of ESG risks of financing entities into various stages of the investment process, such as project approval decision-making and contract signing. In the post investment process management stage, the ESG risk of the invested project shall be timely warned, and targeted management measures shall be formulated and implemented through dynamic monitoring, active management, risk disposal and other methods.

Risk Reporting

PICC P&C has formulated various risk management systems, improved the risk management system, regularly identified and evaluated the overall and key areas of the Company's risks, strengthened risk monitoring of key business and key areas, regularly conducted risk assessment and analysis, and reported to the Board and the Company's senior management.

Green Investment Business Management

Integrating ESG Factors into Investment Management

In addition to traditional investment varieties such as "stocks, bonds, and funds", PICC P&C continues to expand its investment in non-standard, equity, REITs and other fields, and shows a trend of transformation from highly concentrated infrastructure projects to diversified projects such as energy and manufacturing.

ESG considerations in equity investments of listed companies	• Equity investment focuses on investment layout in green development areas such as clean energy, infrastructure green upgrading, energy conservation and environmental protection, and explores high-quality asset investment opportunities with clear income expectations and good exit channels.
ESG considerations in stock and fund investments	• Reserve targets that meet green investment standards, including but not limited to hydropower, green power, power grid with stable business models and high dividend value, road renovation required by national environmental protection, key urban rail transit, effluent treatment and other enterprises; at the same time, strengthen research, avoid the direction of long-term overcapacity, track and assess the trend of technological upgrading; exploring the application of ESG investment strategy methods such as ESG integration, negative screening, and thematic investment, using ESG performance as an important reference for investment decisions.
ESG considerations in fixed income investments	• Guided by accelerating the green transition of development methods, deepening environmental pollution control, and actively promoting the Dual Carbon goals, we support investment in areas such as green, low-carbon, and circular economy. • Focus on long-term local government special bonds invested in the green sector, as well as corporate bonds for batteries, motors, power grid equipment, wind power equipment, photovoltaic equipment, and green electricity; exploring the effective supplement for investment decision-making and credit risk management through ESG key indicator monitoring and other means.
ESG considerations in investments such as private equity, infrastructure and real estate	• Guided by assisting in pollution prevention and control, actively supporting the construction of clean and low-carbon energy system and low-carbon green ecology, focusing on increasing cooperation with major state-owned enterprises and power groups, and increasing non-standard investment scale of clean energy such as wind power and photovoltaic by increasing investment in Exchange REITs and other varieties; strengthen cooperation with central enterprises and local key water conservancy enterprises, with a focus on expanding investment in non-standard projects in areas such as hydropower construction, river management, major water conservancy projects, and water pollution prevention and control. • Carry out equity investment layout around green development areas such as clean energy and infrastructure green upgrading; exploring ESG due diligence to assess the ESG performance of investment targets, dynamically monitoring major ESG risk industries and companies as a reference for investment and exit, and exploring the implementation of responsible investment stewardship.

In 2025, the Company's green investment scale reached 57.407 billion yuan, an increase of 18.345 billion yuan compared to the end of the previous year, including a bond position of 37.404 billion yuan, a stock position of 4.948 billion yuan, existing non-standard assets of 15.054 billion yuan.

Green Investment business varieties	2023 (100 million yuan)	2024 (100 million yuan)	2025 (100 million yuan)
Stock holdings	6.19	15.79	49.48
Bond holdings	295.52	301.03	374.04
Existing non-standard products	85.24	73.34	150.54
Equity investment fund	0.45	0.45	0.01
total	387.41	390.62	574.07

In May 2025, PICC P&C planned to invest 3 billion yuan through PICC Capital in the State Grid New Energy Equity Investment. This capital increase and share expansion of State Grid New Energy will effectively enhance China's pumped storage development capabilities, support energy transition, and help achieve the national Dual Carbon goals. The Company will also deepen power system reforms, promote the marketization mechanisms of pumped storage, and play a role in stabilizing infrastructure growth through long-term stable investments, thereby promoting sustained and healthy economic development.

Conduct Carbon Accounting of Investment Portfolio

PICC P&C regards carbon emissions accounting of investment portfolio as an important basis for preventing climate risks. By quantifying the carbon footprint of investment assets, the Company identifies credit and policy risks associated with high-carbon industries, provides a basis for green investment decision-making, gradually and orderly reduces the carbon intensity of asset portfolio, actively guides funds to flow into green and low-carbon sectors such as new energy, and scales up financial resource allocation to low-carbon assets.

In 2025, based on Hong Kong Stock Exchange and the Central Bank standards, the Company has conducted investment side carbon accounting covering its year-end 2024 portfolio. The total Scope 3 financed absolute emissions for four asset classes-A-shares, H-shares, bonds, and REITs-amounted to 5.8526 million tons of CO_2e, with a weighted average carbon intensity of 25.68 tons of CO_2e per million yuan of assets under management (AUM).

PICC P&C Investment Portfolio Carbon Footprint

	Total carbon emissions (tons of CO_2e)	Intensity (tons of CO_2e / million yuan of AUM)
shares	1,155,017.86	21.38
bond	4,697,149.76	27.10

Green Operations

PICC P&C fully integrates the concept of green development into entire process of operation and management. The Company actively promotes the classification and disposal of waste, energy conservation and water efficiency, continuously builds a green and low-carbon office environment, strengthens employees environmental awareness and low-carbon education, and effectively reduces the environmental impact of daily operation. The Company is mainly engaged in insurance business and other financial service-related businesses, which will not have a significant impact on the environment or natural resources. The Company has also coordinated and promoted carbon reduction initiatives in multiple fields such as green outlets, green buildings, green travel, green services, and green office. The Company strengthens overall guidance and supervision, and strictly complies with national and local laws and regulations on ecological and environmental protection. In 2025, the Company recorded no major environmental emergencies, no significant environmental administrative penalties, and no cares of environmental criminal liability.

Green Branch

PICC P&C actively practices the green development philosophy, taking the lead in launching carbon neutrality pilots within the industry, continuously promotes eco-friendly renovation of office premises, and actively promotes the construction of carbon neutral branches. As of the end of 2025, PICC P&C has established a total of 2 carbon neutral branches.

Xiamen Jimei Branch Company has successfully obtained the "Carbon Neutrality Certificate" through energy-saving renovation, rooftop photovoltaic power generation systems construction, and carbon credit management implementation, becoming the first "Carbon Neutrality" business network in China's insurance industry. This branch is equipped with 399.73 square meters of photovoltaic panels. In 2025, the branch network generated a total of 104,690 kilowatt hours of electricity, reducing carbon dioxide emissions by 73.6 tons. Among them, grid connected power generation generated 56,356 kilowatt hours, with a profit of 22,159 yuan. The self-used part was 48,334 kilowatt hours, and the self-used part reduced electricity costs by about 37,941 yuan. The annual electricity cost was saved by 60,100 yuan.

In February 2025, PICC P&C Northern Information Center was awarded LEED Silver Certification, reflecting the Company's practical outcome in green building and low-carbon operation. In December 2025, the Northern Information Center obtained the National Green Computing Power Infrastructure Certification, becoming the first national green computing power facility in the insurance industry certified in accordance with the national standard "*Green Data Center Evaluation* " (GB/T 44989-2024).

Green Travel

PICC P&C has continuously promoted green travel initiatives by advocating the use of energy-efficient and low-carbon transportation methods. We have strengthened the standardized management of official vehicles, reasonably controlling the scale of official vehicles, reducing the number of official vehicles allocated, and promptly phasing out high energy consuming official vehicles. Meanwhile, the Company has actively promoted the concept of green travel and low-carbon travel, encouraged employees to prioritize green travel methods such as public transportation and urban rail transit. At the headquarters office, the Company has coordinated with the property management company to set up bicycle parking areas and equipped employees with new energy vehicle charging facilities, comprehensively creating a favorable environment for green and low-carbon travel.

Green Services

PICC P&C keeps upgrading online insurance tools and scaling up the promotion and application of electronic policies. We have enhanced the online insurance process and page design to optimize insurance policy solutions. Based on various internet platforms such as mobile apps, WeChat, and official websites, we have provided users with end-to-end online self-service underwriting services, reducing the frequency of both customers and business representatives' travel while minimizing their carbon footprints. The issuance rate of electronic policies for motor insurance (self-owned vehicles) has reached 92%.

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Indicator Name	2023	2024	2025
Number of electronic insurance policies (10,000 pieces)	63,742.96	92,418.17	120,082.40

Building a Digital Service Platform to Promote online Operations

The Company has continuously promoted the construction of a digital service system, built a green and efficient online service model through the collaborative upgrading of self-operated platforms and intelligent customer service. Relying on self-operated platforms such as apps and mini programs, we have broken through regional restrictions and provided customers with 7 × 24 hour online insurance services for both motor and non-motor insurance, as well as the "Care Vision" aging friendly feature. The continuous iteration and upgrading of the intelligent customer service system further strengthen online service capacity, reduce the consumption of offline service resources, and comprehensively improve service efficiency and user experience.

Promoting "digital claims" and "low-carbon repair" to reduce claims-related carbon emission

- Over **90%** of cases have achieved online claims settlement
- The annual automatic dispatch and automatic loss assessment of car insurance and other automatic claims processing exceeded **100** million times
- The number of intelligent claims processing cases for small injuries exceeds **300,000**
- The 'claims digital employee' responds **24** hours a day, with a runtime of over **190,000** hours
- In the investigation of aquaculture insurance claims, the intelligent technology of "knowing the long and heavy in one auction" has been applied more than **7** million times

- Promote low-carbon repair technology, reduce replacement of over **2.61** million parts, and effectively reduce greenhouse gas emissions from automobile parts production
- **13** types of IoT technologies, including water immersion, electrical, and smoke sensing, are widely used in automatic claims warning prompts
- More than **40,000** IoT connected devices, covering **176** cities and **26** provinces, with over **110,000** warning notifications
- Agricultural insurance large-scale survey using satellite remote sensing technology, serving over **100** million mu of land

- More than **1** million mediation plans are automatically generated by "smart person injury"
- Provide customized online claims services for over **270,000** elderly people

Green Office Practices

PICC P&C actively advocates a simple and moderate green office philosophy, and strives to raise employees' awareness of conservation, environmental protection, and ecological protection. Through a variety of green and low-carbon practice activities, the Company guides employees to save water and electricity, choose green travel, and practice the Clear Plate Campaign, fostering a sound corporate culture that values ecological civilization.

Daily Office Management

PICC P&C fully promotes efficient and energy-saving lighting, dynamically adjusts air conditioning temperature. Doors and windows are kept closed during cooling and heating seasons to improve energy efficiency. The Company strictly enforces rules such as turning off lights when leaving workstations and powering down equipment in a timely manner. The Company reduces the use of disposable office supplies, prioritizes the procurement of recyclable and degradable office consumables, and promotes resource conservation and environmental friendliness.

The Company headquarters strictly complied with laws and regulations including *the "Environmental Protection Law of the People's Republic of China"* and the *"Energy Conservation Law of the People's Republic of China"* and fulfilled energy-saving targets issued by the Chaoyang District Development and Reform Commission of Beijing, orderly carried out equipment energy-saving renovation, and continued to operate the building intelligent control system.

Save Paper

PICC P&C strongly promotes paperless office operations, relying on platforms such as OA, email, and mobile platforms to realize online circulation and communication. The Company strictly controls color printing, selects low weight office paper, requires double-sided printing paper to minimize paper consumption.

Food Conservation

PICC P&C strengthens the management of cafeteria conservation, dynamically adjusts the frequency of food supply, promotes Clean Plate Campaign for cafeteria dining, to reduce the use of disposable tableware, and resolutely eliminate food waste.

Energy Conservation and Emissions Reduction

Waste Management

PICC P&C strictly complies with the "*Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution*", "*the Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution*" as well as relevant local regulations and standards. The Company has set targets to ensure that the growth rates of pollutant emissions and solid waste generated at its headquarters continue to decline year on year. Following the principle of waste sorting and proper disposal, the Company conducts classified management on domestic waste, construction waste in the front end, has equipped with dedicated garbage collection facilities. Through the property management company, all waste is handed over to qualified professional third-party institutions for standardized disposal, strictly complying with relevant national and Beijing environmental protection standards. In 2025, there were no major environmental incidents or significant administrative penalties related to waste disposal.

Indicator Name	2023	2024	2025
Domestic waste (ton)	182.21	161.70	163.30
Kitchen waste (ton)	43.33	81.58	79.56

In 2025, the Company's headquarters continues to carry out quantitative monitoring of domestic waste and kitchen waste, as well as testing of cooking fume emissions from the canteen. Since the maintenance and upgrading of the kitchen exhaust environmental protection equipment, namely the fume purifier, at the headquarters canteen in 2022, annual environmental testing of cooking fume emissions has been conducted, in compliance with the *Air Pollutant Emission Standard for Catering Industry (DB11/1488-2018)*. According to the *Air Pollutant Emission Standard for Catering Industry (DB11/1488-2018)*, the concentrations of particulate matter, cooking fumes and non-methane hydrocarbons of the canteen fume purifier were 1.5/0.2/1.87 (unit: mg/m^3), respectively, all of which decreased compared with 2024 and complied with the Beijing catering industry standard for cooking fume emission from air pollution.

The hazardous waste generated by PICC P&C Headquarters mainly comes from waste batteries and waste lamps, as well as electronic equipment waste generated in office space. All hazardous materials are collected and transported by qualified professional service providers to certified hazardous waste disposal facilities. No unexpected environmental risks are involved.

Indicator Name	2023	2024	2025
Waste batteries (nos)	315	295	280
Waste lamp tube (pieces)	4,951	831	1,876

Energy Management

PICC P&C has set up an energy-saving leadership group head by the President, responsible for energy management and energy-saving and emission reduction related work. The Company complies with the "*Energy Conservation Law of the People's Republic of China*" and the "*Measures for the Energy Conservation Management of Key Energy-consuming Entities*", and formulates internal rules governing corporate energy management and energy conservation.

The Company has set dual control targets for energy consumption for 2023–2025. The energy consumption per 10,000 yuan of output value (revenue) at the headquarters is required to decrease by 2.9% annually compared with the baseline of the 13th Five-Year Plan period. The total energy consumption target for 2025 is 3,280 tons of standard coal equivalent, while the actual consumption is 2,215 tons, 32% lower than the target. The headquarters has continued to carry out energy-saving retrofitting. In 2025, energy-saving upgrades for high-power equipment were completed. Compared with 2024, electricity consumption has decreased by approximately 120,000 kWh, natural gas consumption fell by 2,969 cubic meters, and gasoline consumption was reduced by 2,847 liters. In 2025, compared with the period before the curtain wall structural sealant retrofit in 2023, purchased heat consumption decreased by approximately 3,000 GJ. The staff canteen at the headquarters has actively carried out electricity and gas conservation campaigns to lower power and natural gas usage as well as exhaust emissions.

Indicator name	2023	2024	2025
Electricity consumption (kWh)	445,259,042	454,879,327	447,929,547
Heat consumption (purchased heat) (GJ)	1,170,338	981,645	953,735
Natural gas usage (cubic meters)	5,502,291	5,472,872	5,471,982
Motor gasoline (liters)	44,647,518	41,304,390	30,329,253
Diesel (liters)	322,331	371,803	289,496
Coal Gas (ton)	613	360	168
Coal (ton)	1,124	1,604	1,335

Water Resources Management

The headquarters of PICC P&C strictly complies with the "*Water Pollution Prevention and Control Law of the People's Republic of China*" and local water-saving regulations, and comprehensively promotes water-saving work. Water-saving reminder signs are installed in pantries, utility rooms, restrooms and other public areas to raise employees' awareness of water conservation. The water pressure of supply equipment is optimized to regulate water output reasonably. All sanitary fixtures use reclaimed water for flushing, effectively reducing tap water consumption. The Company has conducted a review and research on the water usage situation, and has set a target to limit the annual tap water consumption of the Company headquarters within 20,000 tons from 2025 to 2030.

Daily office and operational water supply mainly rely on unified municipal water supply. Wastewater is treated by the building's on-site sewage treatment facilities up to discharge standards before being discharged into the municipal pipe network. The Company faces no risks related to water intake, drainage or water resources. In 2025, the domestic wastewater discharge of the Company's headquarters was approximately 15,940 tons, fully complying with applicable industry wastewater discharge standards.

Indicator Name	2023	2024	2025
Water consumption of tap water (ton)	18,076	18,732	19,925
Reclaimed water consumption (ton)	18,619	19,523	18,599

Resource Recycling

PICC P&C promotes resource recycling practices in line with the circular economy philosophy. Non-confidential documents, waste newspapers, discarded paper and other recyclables generated from office operations at the headquarters building were disposed of at designated locations in accordance with waste classification requirements. After inspection and standardized sorting by dedicated staff, these materials are uniformly transported to designated temporary storage areas and handed over to qualified renewable resource institutions for professional recycling, treatment and reuse, achieving efficient resource circulation.

Transmitting Green and Environmental Protection Concepts

PICC P&C integrates the green development philosophy into daily business operations, establishes an energy-efficient operation and management system, and fosters employees' awareness of ecological and environmental protection. Through green operation training, diversified publicity campaigns and online learning courses, the Company continuously improves the green development literacy of all employees and actively creates a green and low-carbon cultural atmosphere. Based on its internal talent development framework, the Company has developed and launched a series of online courses, including *Serving Environmental Protection - Green and Dual Carbon Series, Accelerating Comprehensive Green Transition of Economic and Social Development to Building a Beautiful China*, and *Promoting Green Development for Harmonious Coexistence between Humanity and Nature*. These courses systematically interpret the national Dual Carbon strategy and the Company's energy-saving and emission reduction roadmap, further strengthening employees' awareness of environmental responsibility.

Meanwhile, the Company actively encourages institutions at all levels to carry out various forms of environmental protection publicity and practical activities based on local conditions. The Company disseminates green concepts to employees, customers, and the general public, and collaborates with all stakeholders to advance the green and low-carbon transition.

Addressing Climate Change

PICC P&C has actively responded to national Dual Carbon goals, and supported the construction of Beautiful China. The Company has strictly followed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the climate-related disclosure requirements under the *"Environmental, Social and Governance Reporting Guide"* of the Hong Kong Stock Exchange, and the *"Enterprise Sustainability Disclosure Standard No. 1 — Climate (Trial)"* issued by the Ministry of Finance of the People's Republic of China, as well as other domestic and international climate-related disclosure rules. Starting from four dimensions, namely governance, strategy, climate risk management, and indicators and targets, the Company has proactively addressed the challenges and opportunities brought by climate change, and continuously supported the achievement of the national strategic goals of carbon peaking and carbon neutrality.

Governance

PICC P&C has embedded climate governance into the governance system of green finance and sustainability, and established a multi-level governance structure led by the Board, executed by the management, and coordinated by the Green Finance Committee and its office. The Company has clarified the governance structure of green finance and sustainability to supervise and manage climate change issues, review ESG and climate-related strategies and reports, incorporate climate change response into annual key work of green finance and sustainability, and integrate it into management system, standard system and implementation process. Through special training, performance evaluation, salary incentives and other measures, the Company ensures the performance capacity of director and senior executive, forms closed-loop management mechanism, and guarantees the effective advancement of climate change response work.

Strategies

PICC P&C actively participates in climate governance, continuously strengthens the identification, assessment, monitoring, and response of climate change risks, systematically evaluates the potential impact of climate change on the Company's finances and operations, and conducts climate scenario analysis and stress testing. Meanwhile we steadily promote innovation in climate-related insurance protection and services, optimize product and investment strategies, implement special management measures in low-carbon operation and support for clean energy development, and comprehensively improve the quality and efficiency of climate risk management.

Identification and Assessment of Climate Risks and Opportunities

Based on its own business characteristics, PICC P&C systematically identifies and evaluates climate change-related risks and opportunities from three dimensions: short-term, medium-term, and long-term. In response to the identified climate risks and opportunities, the Company has established a full process response mechanism by improving management systems, clarifying monitoring processes, and implementing management measures, solidly advancing climate change risk governance and seizing opportunities.

Identification and assessment process of climate risks and opportunities

Identification of climate risks and opportunities

- Aligned with domestic and international climate-related information disclosure requirements, and comply with national laws and regulations, insurance industry supervision requirements, and industry standards related to climate risk;
- Refer to industry characteristics and peer disclosure practices;
- Identify the climate risk and opportunity points faced by the Company in the business process based on its own business characteristics;
- Establish a database of climate change risks and opportunities.

Climate risk and opportunity assessment

- Assess the likelihood, extent, and financial impact of climate risks and opportunities;
- Regularly evaluate climate change risks and opportunities through expert discussions and other forms.

Application and disclosure of climate risk and opportunity assessment results

- Incorporate the evaluation results into corporate governance and management decision-making to support strategic planning, business layout, and risk preference management, and enhance the forward-looking and systematic response to climate change;
- Establish a regular reporting and tracking mechanism for climate risk and opportunity related information, support Board of Directors and management to continuously grasp relevant progress, and promote dynamic optimization of management measures.

Identification and Assessment Results of Climate Risks and Opportunities

Climate Related Risks - Physical Risk

Acute Risk	Impact on the Company	Response Measures
Increased severity of extreme weather events **Liability side:** With the intensification of climate change, the frequency of extreme weather and natural disaster events has significantly increased, the underwriting risk of insurance institutions has also increased, such as increased property losses in areas such as auto insurance, non-auto insurance, and agricultural insurance. **Asset side:** Extreme weather events may cause more significant disasters to the investment targets of insurance institutions in infrastructure, real estate and other fields, thereby affecting the value of investment portfolio assets. **Operation side:** Frequent occurrence of extreme weather events may pose more threats to the normal operation of enterprise operation location and facilities, as well as wellness and safety of employees.	**Impact time range:** short to medium term **Impact level:** high **Potential financial impacts:** decrease in operating income, increase in claim payments, increase in research and development costs, asset impairment, and increase in operating expenses	**Liability side:** Based on the experience of developing catastrophe insurance, the Company continuously optimizes disaster risk assessment models and monitoring tools, and incorporates climate factors into underwriting evaluation and pricing mechanisms; strengthens risk survey and loss reduction services, reduces losses exposure through pre-disaster identification and assessment; conducts climate scenario analysis and stress testing, and optimizes business structure; improves the application of emergency plans and risk warning for extreme weather, enhances post-disaster response efficiency, and mitigates the risks of claim payment fluctuations and business interruption. **Asset side:** The Company regularly assesses the impact of physical risk on the value of portfolio assets and cash flow stability, incorporates relevant factors into the asset allocation and risk management framework, and dynamically adjusts investment strategies to enhance the portfolio's resilience and robustness to shocks. **Operation side:** The Company continuously improves infrastructure disaster resistance, strengthens data center disaster recovery system construction, strengthens business continuity guarantee mechanisms, reduces the impact of extreme weather on information system security and company operation stability; for newly added operating sites, fully considers geographical location and potential climate risks.

Chronic Risk	Impact on the Company	Response Measures
Changes in rainfall (water) patterns and extreme changes in climate patterns **Liability side:** Changes in climate patterns affect the profitability of underwriting targets, increase the accident frequency, and result in increased claims for property loss insurance. **Asset side:** Changes in climate patterns affect the profitability of investment targets, rise in default rates, which poses challenges to asset quality management and leading to decrease in investment returns. **Operational side:** Changes in climate patterns leading to water scarcity and other issues, the operational capacity of the Company may decrease, and additional costs may also arise; at the same time, it may affect the work efficiency of claim adjusters, cause additional human resource costs, or affect customer satisfaction.	**Impact time range:** medium term **Impact level:** high **Potential financial impact:** decrease in operating income, increase in claim payments, increase in research and development costs, asset impairment, and increase in operating expenses	**Liability side:** Based on measures such as disaster risk assessment modeling, underwriting pricing embedding climate factors, scenario analysis and business structure optimization, the Company integrates physical risk stress test results to incorporate chronic climate variables such as precipitation pattern changes, sea level rise and temperature changes into long-term risk monitoring and limit management, explores adaptive products and risk reduction services, enhances resilience to cumulative fluctuations in long-term claims through reinsurance arrangements and capital buffer management. **Asset side:** The Company gradually incorporates climate scenario factors into investment risk assessment and allocation decisions, controls risk exposure to high exposure industries, promotes the integration of ESG concepts into investment research processes, optimizes investment structure with policy guidance, and improves the level of green and low-carbon asset allocation. **Operation side:** Regional climate exposure has been taken into consideration to enhance remote management and business continuity guarantee ability, so as to enhance operational adaptability in the context of long-term environmental changes.
Sea level rise **Liability side:** The underwriting target faces the risk of flooding, resulting in an increase in property loss insurance claims. **Asset side:** Increase operating costs, which in turn affects the investment portfolio value of insurance institutions. **Operation side:** Some operation points and their own assets face the risk of flooding.	**Impact time range:** long term **Impact level:** medium **Potential financial impact:** decrease in operating income, increase in claim payments, increase in research and development costs, asset impairment, and increase in operating expenses	
Average temperature rise **Liability side:** An increase in average temperature is often accompanied by more frequent and intense extreme weather events, such as heatwaves, droughts, wildfires, hurricanes, etc. These events will lead to more property losses, thereby increasing claim payments for insurance companies. **Asset side:** The increase in average temperature and sustained high temperatures may increase the operating costs of investment targets, thereby affecting the investment portfolio value of insurance institutions. **Operational side:** An increase in average temperature or sustained high temperatures may cause damage to infrastructure such as office buildings, data centers, and branch offices, increasing maintenance costs; may affect the personal safety, attendance rate, and work efficiency of employees, resulting in additional human resource costs.		

Climate Related Risks - Transition Risk

Policy and Legal Risks	Impact on the Company	Response Measures
Carbon price increase **Asset side:** The rise in carbon prices will increase the operating costs of various industries (especially high carbon emission industries). Enterprises that have not actively transformed will face high carbon taxes or fines, increasing operating costs and thereby affecting the investment portfolio value of insurance institutions. **Operational side:** If a company is included in the carbon emission market, an increase in carbon prices will increase cost expenditures. At the same time, in order to reduce carbon emissions, more resources need to be invested in managing, monitoring, and reporting carbon emissions, leading to an increase in expenses related to energy conservation and carbon reduction, leading to an increase in operating costs.	**Impact time range:** medium to long term **Impact level:** medium **Potential financial impact:** asset impairment, increase operating expenses	**Liability side:** In response to the impacts brought by changes in the policy and legal environment, the Company continuously tracks regulatory requirements related to green finance and implements compliance arrangements, optimizes its business development direction, promotes innovation in green and climate-related products, and improves actuarial, underwriting and claims management processes to enhance adaptability. **Asset side:** In terms of investment management, the Company is gradually improving its green investment management mechanism, expanding green asset allocation, prudently controlling the exposure to high-carbon industries, and promoting an orderly decline in the carbon intensity of its investment portfolio. **Operation side:** The Company promotes the construction of green office and energy-saving facilities, integrates low-carbon concepts into daily operation management, and continuously improves green operation performance.
New economic policies for low-carbon transition **Liability side:** Climate related policies and legal requirements are becoming increasingly stringent, and traditional industries are facing severe challenges in low-carbon transition, which may affect some customers of insurance institutions, thereby transmitting related risks to insurance institutions. For example, insurance customers may encounter new risks during the low-carbon transition, leading to an increase in claim probability. **Asset side:** Climate-related policies and legal requirements are becoming increasingly stringent, which may affect the investment targets of insurance institutions. For example, energy and carbon emission-related control policies may lead to an increase in the related energy costs and compliance costs of investment targets.	**Impact time range:** short, medium, and long term **Impact level:** high **Potential financial impact:** decrease in operating revenue and asset impairment	
Litigation risk **Operation side:** The Supreme People's Court of the People's Republic of China has issued relevant opinions on judicial services to support carbon peaking and carbon neutrality. In the future, cases related to energy conservation and emission reduction, low-carbon technology, carbon trading, green finance, and corporate environmental information disclosure will be tried in accordance with the law. If the Company fails to fulfill its legal obligations in the respect of relevant products, transactions, and information disclosure in accordance with the law, it may face litigation risks.	**Impact time range:** medium term **Impact level:** low **Potential financial impact:** increase operating	

Technology and Market Risks	Impact on the Company	Response Measures
Emerging technology development **Liability side:** The rapid development of clean energy technology, the improvement of energy consumption standards, and the growing market demand for green products and services are accelerating the elimination of traditional technologies, and there may require adjustments to the accurate pricing of new technology underwriting. **Asset side:** Technological improvements and business structure adjustments may affect the operating costs and competitiveness of some investment targets, and even lead to transformation failures, which may result in asset impairment risks for insurance institutions.	**Impact time range:** medium to long term **Impact level:** medium **Potential financial impact:** decrease in operating revenue and asset impairment	**Liability side:** In response to the uncertainty of technological pathways and the potential impact of low-carbon transition, the Company relies on professional risk control capabilities, strengthens cooperation with third-party institutions, continuously track the development of emerging technologies, and incorporate relevant information into risk management and products pricing decisions; simultaneously advance digital transformation and online services, improves operational efficiency, and reduce resource consumption. **Asset side:** Through due diligence and shareholder participation, the Company guides the invested entity to accelerate technological upgrading, regularly evaluates the impact of relevant risks on the asset portfolio, and optimizes the allocation structure in a timely manner.
Consumer preference shift **Liability side:** Consumers tend to prefer climate or green-related products, and if they cannot quickly provide products and services that better meet their needs, they may face the risk of losing specific customers.	**Impact time range:** medium to long term **Impact level:** medium **Potential financial impact:** decrease in operating income	**Liability side:** Continuously track industry trends and customer demands, the Company dynamically optimizes business layout and product structure, strengthens risk pricing and underwriting management, and enhances market adaptability; pays close attention to the potential impact of changes in capital markets and industry valuations on investment portfolios, strengthens portfolio monitoring and structural optimization, and enhances the stability and volatility resistance of asset allocation.

Reputation Risk	Impact on the Company	Response Measures
Negative public opinion/investor attention **Operation side:** With the improvement of sustainability concept in society, if the Company's business model is not consistent with low-carbon economy and the trust of stakeholder is reduced, it may damage the Company's reputation and have a negative impact on revenue and market value.	**Impact time range:** medium to long term **Impact leve:** low **Potential financial impacts:** decrease operating income and increased operating expenses	**Operational side:** The Company actively aligns with national development strategies, fulfills social responsibilities, continuously improves ESG and climate governance capabilities, and promotes the achievement of economic, social and environmental benefits; strengthens brand and information communication management, timely discloses ESG practice progress, enhances transparency and stakeholder trust, and steadily shapes a responsible and sustainable corporate image.

Climate Related Opportunities

Opportunity Type		Main Opportunity Factors	Impact on the Company	Response Measures
Resource efficiency	Promote green buildings	**Operation side:** Through efficient energy management and energy-saving materials, green buildings significantly reduce energy consumption; optimize design and construction to further reduce daily operation and maintenance costs.	**Impact time range:** short term **Impact level:** medium **Potential financial impact:** increase in fixed asset value	**Operation side:** The Company promotes low-carbon operation practices from the perspective of operation management and resource utilization optimization. By building carbon-neutral outlets, the Company improves energy-saving and carbon reduction management measures, and accelerates digital applications, promotes green office operation and low-carbon travel, thereby establishes a resource-effective and efficient operation model. Actively respond to national policies, the Company participates in climate-related public welfare actions, continuously enhances social influence and brand recognition, and promotes the improvement of corporate sustainability capabilities.
	Adopting lower carbon transportation modes	**Operation side:** encouraging employees to commute or travel using lower carbon transportation will help reduce carbon emissions. Promoting paperless and electronic business processes will help reduce transportation costs and operational costs.	**Impact time range:** short term **Impact level:** low **Potential financial impact:** reduced operating expenses	
Energy source	Applying Low Emission Energy and New Technologie	**Operation side:** The development of renewable energy and other technologies, the improvement of resource utilization efficiency and the strengthening of clean energy utilization are important reduction of greenhouse gas emissions measures. The energy structure is continuously optimized, and the application of clean energy or new technologies can help enterprises reduce medium - and long-term operating costs.	**Impact time range:** medium to long term **Impact level:** medium **Potential financial impact:** reduced operating expenses	**Operation side:** The Company promotes low-carbon operation practices from the perspective of energy substitution and technology application, introduces clean energy and energy-saving technology transformation, and reduces traditional energy dependence. Actively respond to national policy guidance, the Company promotes green transition practices, and facilitates continuous transformation of enterprise operations towards a low-carbon model.
Products, Services, and Market Opportunities	Innovative products and services	**Liability side:** A series of green insurance and service demands have been derived from the low-carbon transition and development of society. Insurance institutions can play the professional ability of risk management, assist insurance companies in climate risk assessment, monitoring and warning, and provide climate risk reduction services. **Asset side:** Since the introduction of the Dual Carbon goal, China's green finance market has entered an accelerated phase of rapid development, and the demand for green financing is continuously rising. There is substantial growth potential for the scale of green investment by insurance institutions.	**Impact time range:** short, medium, and long term **Impact level:** high **Potential financial impact:** increased operating revenue and investment income	**Liability side:** The Company explores new markets, promote innovation in green insurance, expands product supply in low-carbon technology, carbon market, ecological carbon sink and catastrophe protection, promotes the application of "insurance + service + technology" mode, combines protection function with risk warning and disaster prevention and loss reduction services, and provides risk management support for green industry. The Company strengthens cooperation with relevant institutions, enrich climate protection services, and provides professional risk management suggestions for clients based on risk survey capabilities. **Asset side:** The Company seizes the investment opportunities of low-carbon transition, participates in green project construction, and increases the proportion of green asset allocation.

Climate Scenario Analysis and Stress Testing

PICC P&C actively implements sustainable development concepts, researches methods for climate risk stress testing, and scientifically enhances its professional capabilities in climate risk management. In 2025, the Company conducted climate physical risk stress tests centered on extreme weather events, taking into account macro policies, regulatory requirements, and characteristics of climate risks. Based on scenarios assumptions from the Network of the Central Banks and Supervisors for Greening the Financial System (NGFS), the Company systematically assesses the potential impacts of natural disasters such as typhoons and extreme rainfall and flooding risks on insurance liabilities under various climate scenarios, effectively enhances climate risk identification and quantitative assessment capabilities, and provides solid support for improving the climate risk management framework and supporting regulatory disclosure requirements and strategic decision-making.

Pressure Test Object

Insurance type: Based on the Company's business development, select corporate property insurance, household property insurance, engineering insurance, motor damage insurance, and agricultural insurance (crop insurance) that are more affected by climate risks as the insurance types for stress testing.

Disaster cause: Considering the characteristics of regional natural disasters in China and the Company's claims experience, extreme rainfall and flooding risks and typhoons are selected as the main climate risk factors.

Climate Scenario Selection

Select the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) scenario to conduct climate scenario analysis and stress testing, including Net Zero 2050 Scenario, Below 2 ° C Scenario, Delayed Transition Scenario, Nationally Determined Contributions (NDCs) Scenario, and Current Policies Scenario.

Climate Scenario Name	Scenario Description
Net Zero 2050 Scenario	A low-emission scenario assuming that, through stringent climate policies and technological innovation, global net zero CO_2 emissions are achieved around 2050, with an orderly transition to limit global warming to below 1.5° C by the end of this century.
Below 2° C Scenario	A low-emission scenario assuming a gradual strengthening of climate policies, resulting in a 67% likelihood of limiting global warming to below 2° C by the end of this century in an orderly manner.
Delayed Transition Scenario	A medium-emission scenario assuming relatively loose policies in the early stage, with global CO_2 emissions peaking around 2030, followed by the implementation of more stringent policies to limit warming to below 2° C.
Nationally Determined Contributions (NDCs) Scenario	A medium-emission scenario based on all policies pledged under the Paris Agreement, including both implemented and yet-to-be-implemented policies. This scenario has relatively low transition risks but cannot achieve the global warming targets of the Paris Agreement, resulting in higher physical risks.
Current Policies Scenario	A high-emission scenario assuming that only currently implemented policies are maintained. This scenario has relatively low transition risks but cannot achieve the global warming targets of the Paris Agreement and presents the highest physical risks.

Climate Risk Model

Monte Carlo simulation is adopted, incorporating academic literature as well as internal and external data. By selecting different climate scenarios, transmission relationships between natural disasters and the Company's underwriting portfolio are established, and different physical risk loss measurement models are developed for corporate property insurance, household property insurance, engineering insurance, agricultural insurance, and motor damage insurance. Through model measurement, indicator results under different climate scenarios are obtained.

Coverage Period

Considering the long-term and gradual nature of climate change, in accordance with China's Dual Carbon strategy work arrangement, combined with regulatory and industry practical experience, the time nodes are set at 5-year intervals, covering the years 2030-2060, covering the short, medium, and long term, and conducting climate scenario and stress testing analysis.

Stress Testing Results

Overall, insurance losses caused by extreme rainfall and flooding and typhoons show a gradual increasing trend over time. Based on the measurement results, the annual growth rate of the average loss amount of underwriting business remains relatively moderate, and the risk level is within a controllable range. Under the respective impacts of extreme rainfall and flooding risks and typhoons, the increase in the total annual average losses across all lines of business in 2030 is relatively low, all not exceeding 5%; in 2040, the total annual average losses of all lines of business increase slightly, but remain below 10%; in 2050, the increase in the total annual average losses of all lines of business remains below 20%; after 2050, the total annual average losses of all lines of business further increase. It is expected that by 2060, under the Current Policies Scenario, the increase in the total annual average losses caused by extreme rainfall and flooding risks may exceed 20%, while that caused by typhoons may exceed 10%.

Table of Changes in Annual Average Loss Amount of Extreme Rainfall and Flooding

Scenario	2030	2040	2050	2060
Net Zero 2050 Scenario	⩽ 5%	5%-10%	5%-10%	5%-10%
Below 2° C Scenario	⩽ 5%	5%-10%	10%-20%	10%-20%
Delayed Transition Scenario	⩽ 5%	5%-10%	10%-20%	10%-20%
Nationally Determined Contributions (NDCs) Scenario	⩽ 5%	5%-10%	10%-20%	10%-20%
Current Policies Scenario	⩽ 5%	5%-10%	10%-20%	20%-30%

Table of Changes in Annual Average Loss Amount of Typhoon

Scenario	2030	2040	2050	2060
Net Zero 2050 Scenario	⩽ 5%	⩽ 5%	5%-10%	5%-10%
Below 2° C Scenario	⩽ 5%	5%-10%	5%-10%	5%-10%
Delayed Transition Scenario	⩽ 5%	5%-10%	5%-10%	5%-10%
Nationally Determined Contributions (NDCs) Scenario	⩽ 5%	5%-10%	5%-10%	5%-10%
Current Policies Scenario	⩽ 5%	5%-10%	10%-20%	10%-20%

PICC P&C actively explores innovative practices in climate risk management on the investment side, and systematically constructs a path of "method research - capacity building - practical verification". At the level of methodological research, we conduct in-depth analysis of international mainstream tools such as climate scenario analysis and stress testing, and explore the establishment of a climate risk assessment methodology that adapts to local regulatory requirements and industry characteristics, taking into account the characteristics of insurance fund utilization; at the level of capacity building, special training will be organized in a hierarchical and classified manner, targeting key personnel in investment decision-making, risk management, asset allocation and other key positions. Climate risk identification, quantitative analysis and portfolio management technology will be systematically taught, and efforts will be made to cultivate a composite professional team; at the practical verification level, select key investment portfolios for case testing, simulate asset value fluctuations and credit risk transmission under different climate scenarios, and verify the effectiveness and operability of the methods and tools. Through the above measures, PICC P&C has gradually established an investment climate risk management framework covering the entire process of "identification - evaluation - response", providing solid guarantees for the stable operation of insurance funds and green and low-carbon transition.

Climate Risk Response and Practice

Climate risk response constitutes the ultimate anchor of climate risk management. Based on assessment results, PICC P&C adopts differentiated measures and proactive prevention and control mechanisms. We advance coordinate risk response across the underwriting side, investment side, and operational side, balancing rigorous risk control and development opportunities. By innovating green insurance products and services, practicing green investment principles, and promoting green and low-carbon operations, the Company supports sound operations and low-carbon transition.

Risk Avoidance

For business areas with high climate risk uncertainty and significant loss volatility, PICC P&C adheres to prudent underwriting principles. By optimizing underwriting conditions and risk boundary setting, the Company embeds risk management requirements upfront, and guides clients to enhance their risk management capabilities, thereby reducing risk exposure and moral hazard at the source.

Strengthening Climate Risk Research

PICC P&C has established a climate risk research mechanism and climate risk database, continuously improved its climate risk prediction capabilities and dynamically evaluates the impact of climate risks on insurance business. We continuously increase research and resource investment on climate change and catastrophic risks, and actively introduce advanced catastrophic risk assessment technologies and tools. Leveraging the research outcomes and tools of catastrophe models, we develop catastrophe insurance products and solutions to help quantify catastrophe risk and expand catastrophe business.

Strengthening Climate Risk Monitoring

PICC P&C conducts research on national natural disasters and climate risk trends on a regular basis, issuing risk alerts and monthly research briefings to provide reference for internal risk management. The Company continuously tracks changes in key climate indicators such as the Niño Comprehensive Region Sea Surface Temperature Anomaly Index (Niño index) and the Southern Oscillation Index (SOI), combines climate trend analysis to assess potential impacts of major disasters on operations. In terms of quantitative analysis, the Company studies the correlation between climate indices such as the El Niño–Southern Oscillation (ENSO) and tropical cyclone/typhoon activity in the Northwest Pacific, and evaluates and estimates catastrophe loss ratios of various insurance products based on disaster and loss data.

Optimizing and Adjusting Underwriting Strategies and Terms

PICC P&C strengthens risk control through comprehensive use of underwriting pricing and clause design. In terms of underwriting pricing, based on the results of climate risk assessment, the Company establishes a hierarchical pricing mechanism for different regions and industries, fully transmitting climate risk levels to insurance premiums, and guiding risk behavior with price signal constraints. In terms of insurance, the Company refines climate-related liability agreements, clarifies the scope of liability, compensation limitations, and claim arrangements under extreme weather conditions, and enhances the clarity and predictability of contracts with respect to climate risk.

Incorporating Climate Risk into Actuarial Assessment Models

PICC P&C leverages climate scenario analysis methods to continuously incorporate climate change factors into its actuarial model framework, and regularly conducts climate physical risk scenario analysis for relevant insurance business to identify and assess risk exposure and risk-bearing capacity under different climate scenarios, effectively identifying potential risk points. In this process, the Company extensively collects various natural disaster factors related to climate change. By establishing probability models for disasters such as typhoons and extreme rainfall and flooding, the Company applies climate-related environmental data to multiple areas including insurance pricing and risk management, thereby improves pricing accuracy and enhancing risk response efficiency. The relevant analysis results are further used for the dynamic calibration of actuarial assumptions and the optimization of actuarial model parameters, incorporating factors such as changes in disaster frequency and intensity into pricing calculations, thereby enhancing the forward-looking nature and robustness of actuarial assessment.

In the reserve assessment process, PICC P&C fully takes into account the impact of climate-related risks. Combined with the development patterns of catastrophe claim payments, the Company continuously improves actuarial assumptions and actuarial models, reasonably measures the potential impact of extreme weather on reserves, and dynamically assesses climate risk exposure in insurance business.

PICC P&C has applied research on the impact of climate change on insurance risks to business practices by introducing climate risk model into the corporate property insurance pricing model and completing the iterative upgrade and implementation of the pricing model, thereby achieving precise quantification of climate risk impacts on claim costs. The model conducts climate risk quantitative assessment across three dimensions. First, hazard factor analysis is carried out for different types of natural disasters to establish loss distributions for different hazard types, Second, based on different types of insured assets, vulnerability analysis is conducted to assess the susceptibility of assets to different hazards. Third, considering different coverage terms, the climate risk model is embedded into actuarial pricing model to evaluate the impact of climate risks on insurance losses and to estimate loss impact factors for various natural disasters, including typhoons, floods, extreme rainfall, snowstorms, hail, lightning, and debris flows, across different types of insured assets.

Following the model upgrade, on the basis of the existing layered risk measurement framework for conventional, large loss, and catastrophe risks in property insurance, the Company has further achieved differentiated pricing based on the geographical location of segmented underwriting assets, with significantly enhanced risk identification capabilities.

Going forward, the Company will continuously monitor model performance and climate change trends, deepen climate risk research, strengthen the development of its climate risk management system, iteratively optimize and expand climate risk pricing models, and steadily enhance its capability for refined climate risk pricing.

Climate risk factors

Hazard factor analysis—— distinguishing different types of natural disasters.	Climate risk quantitative assessment	Typhoons	floods	extreme rainfall	
Asset vulnerability analysis——distinguishing different types of insured assets.					
Assessment of climate risk loss impacts——distinguishing different coverage terms.	hail	snowstorms	debris flows	lightning	

Climate Risk Reduction Services

PICC P&C has further strengthened its risk reduction services, actively promoted the innovative business model of "Insurance + Risk Reduction Services + Technology", upgraded disaster risk management from traditional equivalent management to full-range risk reduction service system. Actively integrating into the national disaster prevention, reduction and relief system, the Company gives full play to insurance's role as an economic shock absorber and social stabilizer, and helps to reduce the level of climate risk losses.

Carry out Full Cycle Intelligent Risk Reduction Services

PICC P&C actively applies advanced technologies such as artificial intelligence, big data, the Internet of Things and satellite remote sensing to comprehensively build the Wanxiang Cloud risk reduction service platform. Empowered by technology, the Company deeply integrates risk reduction services into the entire insurance operation process, covering pre-underwriting, in-policy, pre-disaster, during-disaster, and post-disaster stages. Focusing on key sectors including agriculture, transportation, and construction, it provides professional services such as risk assessment, monitoring, early warning, and intervention, effectively mitigating climate-related risks.

Before disasters, nearly 36.83 million early warning notifications were issued, over 20,000 disaster-exposed vehicles were relocated, pre-disaster inspections were conducted for 117,400 non-motor insurance clients, property relocation arrangements or risk rectification suggestions were provided 38,200 times for non-motor insurance exposures, and a total of 378,000 mu of agricultural insurance crops were harvested in advance. During disasters, more than 6,500 high-risk locations were monitored, and over 56,000 vehicle rescue and diversion operations were carried out, effectively reducing disaster-related social losses. After disasters, the Company accelerated loss assessment, claims adjustment, and claims settlement to help customers resume normal production and daily life at an early date. The Company conducted case-by-case reviews for all major catastrophe claims and provided post-disaster risk management recommendations.

Based on extensive experience in insurance risk management, PICC P&C adopts digital risk control technologies such as the Internet of Things, big data, and artificial intelligence to independently develop the Wanxiang Cloud risk reduction service platform. The platform is dedicated to providing risk reduction services for workplace safety, livelihood protection, urban governance, meteorological and environmental management, achieving multi-dimensional innovation in technology, services, and business models. The Wanxiang Cloud platform integrates various types of risk data, risk control models, and social risk prevention resources. It has built four foundational platforms: a data resource platform, a risk model platform, a service operation platform, and an ecosystem cooperation platform. It offers nine categories of Wanxiang service tools and 85 customized products, aggregated over 220 million external risk data records across ten major categories. By establishing service channels directly connecting to customers, the platform supports risk reduction services across multiple scenarios and entire process, delivering more professional, personalized, innovative, and intelligent insurance solutions to customers.

▲ PICC P&C Wanxiang Cloud Risk Reduction Service Platform

The Hunan Branch has continuously put forward optimization suggestions for the property butler system based on practical business needs. The Hunan Branch has developed a closed-loop process management workflow for property risk management, and achieving full process tracking and visualization of all property potential hazards.

In November 2025, the Sichuan Branch carried out on-site disaster prevention and mitigation services in Taiyi Town, Shehong City, Suining. Based on the major local natural disaster risks, it relied on the "Fang Sao Sao" intelligent monitoring technology to conduct safety screening of key buildings, identified structural hazards and generate risk alert reports, and establish a dynamic monitoring mechanism. Through technological means, it enhanced early risk identification and early warning capabilities, and precisely extended risk reduction services to the primary level.

The Xinjiang Branch has advanced the forward deployment of disaster risk management through the "insurance + risk reduction + technology" model. Since 2023, with government support, it has led the pilot construction of hail suppression nets in Aksu, adopting a "insurance-funded + farmer co-sharing" mechanism, and has cumulatively built hail suppression nets covering 1,523 mu, forming a sound disaster prevention and loss mitigation mechanism driven by insurance and participated in by farmers.

In 2025, Fujian Branch provided risk control services for nearly 9,000 enterprises over 18,000 times, identified over 5,400 risk hazards, and achieved customer service coverage rate of over 92%, relying on the "Wanxiang Cloud" digital intelligence platform; provide work safety liability insurance coverage for nearly 20,000 enterprises across the province.

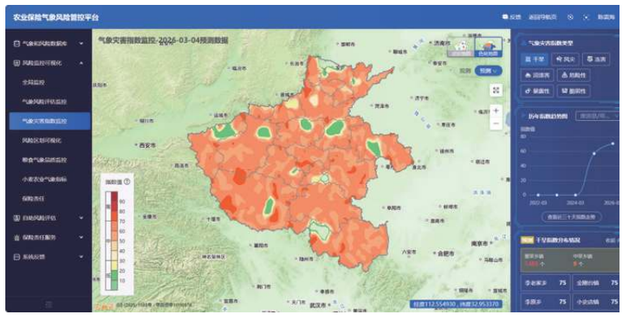
Ningbo Branch focuses on disaster risks such as typhoons and extreme rainfall and flooding, and together with seven parties including emergency management and meteorological authorities, has established a multi-party coordinated and precision-based catastrophe risk response model. By integrating historical disaster data, Ningbo Branch has developed a simulation system for extreme rainfall and flooding to enable dynamic assessment and early warning of inundation risks, supporting the completion of more than 1,000 water-related risk assessments and underwriting for corporate property insurance, and improving loss assessment and claims handling efficiency. The relevant achievements were selected as one of the "Important Achievements of the 2025 Financial Street Forum Annual Conference".

Strengthen Cooperation with Meteorological Authorities

PICC P&C has built professional meteorological service system featuring the "four pre-emptive mechanisms": forecasting, prejudgment, early warning, and prevention. The Company has deepened cooperation with the China Meteorological Administration and established service model of "meteorological information + professional services + expert consultation". The Company conducts regular data interconnecting covering 10 types of meteorological risk data to consolidate the data foundation of meteorological service. In the field of conventional meteorological services, the Company provides universal meteorological services such as weather monitoring and warning, travel reminders for the public. In the field of professional meteorological services, the Company provides customized meteorological early warning services for corporate clients, risk reduction service personnel, and other fields such as agricultural insurance, motor insurance, and legal entities. In 2025, the Company issued a total of 41.72 million meteorological early warning notifications to clients.

In 2025, the Company completed the Phase I construction of the Beijing Climate Insurance Service Center platform, integrating multi-dimensional meteorological data, cutting-edge meteorological research results, and professional service capabilities from the Beijing Meteorological Bureau with the Company's underwriting and claims operations. This enables full-process climate risk reduction services covering the entire business chain: pre-underwriting risk identification, in-policy risk reduction services, pre-disaster early warning and alerting, emergency response during disasters, and post-disaster claims services.

In 2025, the Company achieved real-time monitoring and early warning of disasters such as heavy rain and drought, pushing information to farmers in advance and guiding disaster prevention. Faced with severe drought in summer, the Company launched the "Drought Resistance and Seedling Protection" campaign, raising funds to donate more than 300 sets of irrigation equipment. After the continuous rainy disaster in autumn, the Company coordinated efforts at the provincial, municipal, and county levels, used drones and remote sensing to carry out precise survey and damage assessment, coordinated and dispatched harvesters and drying equipment to support emergency harvesting and loss reduction. A total of 350 million yuan in compensation for drought and flood disasters was paid throughout the year, providing strong support for post disaster production recovery.



▲ Henan Agricultural Insurance Meteorological Risk Control Platform

Risk Transfer

PICC P&C continues to strengthen its reinsurance management capabilities, by designing catastrophe excess of loss contracts, improving special contracts and allocation mechanisms, enhancing the underwriting capacity and risk diversification level in key areas of green insurance, providing stable and sustainable reinsurance support for green industries such as new energy, and diversifying underwriting risks. The Company actively explores innovative financial instruments such as insurance-linked securities (ILS), broadens risk diversification channels through new risk transfer methods, and transfers climate risks to the capital market.

Climate Risk Management

PICC P&C regards climate change risk as a key sustainability risk and incorporates it into the Company's comprehensive risk management framework, continuously improving management processes and governance mechanisms. Through scenario analysis and stress testing, the Company constantly optimizes risk modelling methods and scientifically assesses the potential impacts of climate factors on business operations and asset portfolios. In the full-process management of insurance business, the Company continuously strengthens climate risk control mechanisms covering risk identification, underwriting pricing, and post-disaster response, transforming climate risk factors into quantifiable, monitorable, and manageable practices, further enhancing the resilience and effectiveness of the risk management framework and supporting the Company's stable and sustainable development.

PICC P&C has incorporated climate risk-related factors into its risk limit monitoring indicator system, focusing on risk accumulation levels, risk retention limits, risk exposure scale, and capital occupancy resulting from catastrophe risks such as typhoons and floods, and sets risk thresholds. Through regular monitoring, the Company closely tracks the potential impacts of natural disasters on its business and prevents risks of significant claim payouts and declines in solvency caused by natural disasters.

In 2025, the Company organized ESG risk management training for risk management personnel in all departments at the headquarters and all branch offices, and delivered thematic training on green finance and sustainable development policies and practices to strategic planning teams across all branches.

Indicators and Objectives

Greenhouse Gas Emissions

PICC P&C continuously improves its carbon emissions management system, standardizes carbon inventory processes, and unifies carbon emissions accounting standards across the entire system. In 2025, the Company fully launched operational-level carbon inventory across the entire system, expanding the accounting boundary from the headquarters office premises to all branches across the system, and proactively disclosed greenhouse gas emissions data, providing a solid data foundation for scientifically formulating emission reduction strategies and steadily achieving carbon reduction targets.

Company Carbon Inventory Data

Indicator Name	2023	2024	2025
Total direct GHG emissions (Scope 1)			
Greenhouse gas emissions from natural gas combustion (tCO_2e)	11,896.67	11,833.06	11,831.14
Emissions from gasoline combustion (tCO_2e)	99,163.25	91,738.08	67,362.03
Emissions from diesel combustion (tCO_2e)	871.23	1,004.94	782.48
Emissions from coal gas combustion (tCO_2e)	1,792.91	1,051.09	491.06
Emissions from coal combustion (tCO_2e)	2,014.32	2,874.53	2,392.45
Total indirect GHG emissions (Scope 2)			
Greenhouse gas emissions from electricity (tCO_2e)	230,227.21	235,565.56	231,612.54
Greenhouse gas emissions from purchased heat (tCO_2e)	128,737.17	107,980.95	104,910.83
Total Other Indirect GHG Emissions (Scope 3)			
Employee travel (air and train) emissions (tCO_2e)	5,065.87	5,260.51	5,813.97
Total GHG emissions			
Total GHG emissions (tCO_2e)	479,768.63	457,308.72	425,196.50
Per capita greenhouse gas emission intensity (tCO_2e /person)	3.19	3.06	2.79

Notes:

1.The data statistics are based on PICC P&C and all its branches.

2.The Company's greenhouse gas emissions boundary covers direct emissions (Scope 1), indirect emissions (Scope 2 and employee travel emissions under Scope 3). The Company accounts for greenhouse gas emissions only in terms of carbon dioxide.

3.The greenhouse gas accounting for natural gas, gasoline, diesel, town gas, coal, and purchased heat are calculated with reference to the emission factors specified in the *"Guidelines for Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial)"*.

4.The electricity emission factor is based on the latest provincial average carbon dioxide emission factor for electricity.

5.Employee business travel covers domestic rail and air travel. The GHG emission factors are sourced from "*China's Product Life Cycle Greenhouse Gas Emission Factor Database*".

Carbon Peaking and Carbon Neutrality Action Targets

2025 To lay a solid foundation for achieving carbon peaking in 2025

- Significant progress has been made in the construction of green insurance products and service systems
- The green utilization of insurance funds is gradually increasing
- Gradually improving the energy utilization efficiency of self operation
- Basic establishment of the ability to serve the green and low-carbon development of the economy and society

2030 Leading the insurance industry to achieve carbon peaking goals by 2030

- The green insurance product and service system is relatively sound
- Further increase in green utilization of insurance funds
- Self operation achieves carbon peaking, high energy utilization efficiency, and a large proportion of green energy usage
- Further enhancing the ability to serve the green and low-carbon development of the economy and society

2060 Leading the insurance industry in 2060 to help achieve carbon neutrality goals

- The concept of sustainability is deeply integrated into all aspects, links and processes of the Company's operation and management
- A complete green insurance product and service system
- Comprehensive implementation of green utilization of insurance funds
- Realize carbon neutrality through self operation, and fully apply green energy in company operations
- Strong ability to serve the green and low-carbon development of the economy and society

PICC P&C actively responds to the national Dual Carbon strategy, leverages the professional functions of insurance, constructs an implementation tracking and evaluation mechanism aligned with its strategic planning, and coordinates the implementation of phased goals. At the same time, the Company fully integrates relevant requirements into the entire process of business management and resource allocation, focusing on the insurance side, investment side, and operation side, systematically implement multi-dimensional measures to promote the coordinated delivery of green and low-carbon goals. By continuously improving the comprehensive level of green transition of service economy and society, as well as reduce carbon emissions of its own operation, the Company is committed to mitigation and adapting to the impacts of climate change, and continuously enhancing its sustainable development capability. For specific measures, please refer to the "Environment (E) - Addressing Climate Change - Strategies" section.

Social

60 Social Contribution
70 Customer Service and Rights Protection
80 Employee Growth
92 Cooperation and Exchange
94 Public Welfare and Charity
96 Data Security

PICC P&C always adheres to the origin of insurance protection, focuses on its main responsibilities and main business, continues to provide professional, efficient and warm insurance service experience for the people, and effectively assists in serving national strategy, safeguarding economic development, safeguarding social stability, and enhancing wellbeing of people's livelihood.

Social Contribution

PICC P&C adheres to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, deeply implements the guiding principles of the Central Financial Work Conference, upholds the political and people-oriented nature of financial work, focuses on doing a good job in the "Five Major Tasks" in the financial sector, and fully serves the construction of Chinese-style modernization by providing high-level financial products and services.

Serving the Real Economy

PICC P&C is based on serving the overall development of the country, actively responding to the national strategy and industrial development deployment, focusing on national major equipment and core projects, overseas Chinese enterprises and major engineering risk protection, as well as the stable demand for safety production and operation of domestic enterprises. The Company systematically promotes the deep integration of insurance product services and actual production scenarios, and provides solid and reliable risk management support for key areas and important links of the real economy.

Supporting National Key Strategic Projects

PICC P&C continuously strengthens professional research in special insurance fields such as aviation, aerospace, and navigation, improves our underwriting capabilities and service levels, and provides sufficient and efficient insurance services for national key strategic projects.

Aviation	2025 marked the 51st anniversary of the Company's underwriting of the China Civil Aviation Joint Insurance Fleet. The Company led the escort with 76% of the chief underwriting share, fully supporting the high-quality development of China's civil aviation transportation industry. The Company provided exclusive or chief underwriting of loss of license insurance for pilots of Air China, China Eastern Airlines and China Southern Airlines, improving benefit protection for pilot groups, and maintaining stable operation of the aviation industry. The Company provided full process refined service guarantees for domestic large aircraft, effectively aggregating domestic underwriting capabilities, and supporting domestic commercial aircraft to enter the international market with greater financial innovation. The Company escorted the development of low-altitude economy and underwrote annual insurance business for all grades including consumer-grade, industrial-grade, and agricultural-grade in DJI.
Aerospace	PICC P&C maintained its leading position in aerospace insurance and has won the bid for all government-procured space-based aerospace insurance projects. In 2025, the Company won the bid for the Fengyun-4 03 satellite, Fengyun-3 08 satellite, the Ministry of Natural Resources 2.1meter remote sensing satellite, the Ministry of Natural Resources Marine 2E/F satellite, and the Ministry of Ecology and Environment Atmospheric 2 satellite.
Navigation	In 2025, PICC P&C underwrote the "Istanbul Bridge", fully guaranteeing the navigation of the China-Europe Arctic Express route, and underwrote the world's first 80,000-ton large-scale ocean-going through-hull aquaculture vessel "Zhedai Yuyang 60001".
Nuclear Energy	In 2025, PICC P&C was the chief underwriter of China's third-generation nuclear power technology flagship projects, with 3 units of the HPR-1000 (Hualong One) loaded with initial fuel, and 1 unit of the CAP1400 (Guohe One) loaded with initial fuel.

Safeguarding Overseas Chinese Enterprises and Major Projects

PICC P&C promoted the managed growth of China's overseas interests portfolio, prepared institutional documents such as the *"Business serving China's overseas interests Underwriting Policy"* and *"Business serving China's overseas interests Underwriting Practice"*, and standardized underwriting policies and processes. In 2025, the Company's business serving China's overseas interests covered 6 continents, over 149 countries and regions, served 817 Chinese enterprises, and underwrote 186 engineering projects.The Company paid claims of over 500 million yuan to Chinese enterprises going global along the Belt and Road.

In 2025, PICC P&C actively underwrote the Belt and Road Initiative project, providing 2.5 billion yuan of risk protection for the China-Argentina Metro Line B (Blue Line) Construction Insurance Project.Also the Company provided a risk guarantee of 3.5 billion yuan for the COSCO Shipping Chancay Port (Peru) Operational Insurance Project.

The Company's business serving China's overseas interests covered over

149 countries and regions

The number of underwritten engineering projects

186 projects

Serving and Supporting Work Safety

PICC P&C deeply implemented the requirements of the *"Notice on Expanding the Coverage of Urban and Rural Residential Catastrophe Insurance and Further Improving the Catastrophe Insurance System"*, continuously promoted the functional upgrading and coverage expansion of the Catastrophe Insurance Community, accelerated the construction of a guarantee system that combined policy support with market operation, and coordinated national unified deployment with local characteristic practices, effectively improving the overall guarantee level. In 2025, the Catastrophe Insurance Community provided a total of 33.71 trillion yuan in disaster risk protection for 74.89 million households nationwide. Local catastrophe insurance coverage extended to 157 prefecture-level cities and directly-administered counties by provincial government in 23 provinces, with a population of 478 million.

The Catastrophe Insurance Community provided disaster risk protection for

74.89 million households

At the 2025 China International Fair for Trade in Services, PICC P&C officially released the "PICC China Earthquake Catastrophe Model". Based on the outcome of the model and the application of professional tools, we assisted 124 provincial, municipal and regional branches in designing catastrophe insurance product plans. Among them, 31 catastrophe insurance projects in Shanxi, Hunan, Hainan and other provinces were implemented.

In the field of work safety liability insurance, PICC P&C implemented the requirements of the new *"Implementation Measures for Work Safety Liability Insurance"*, formulated the *"Management Measures for Accident Prevention Services of Work Safety Liability Insurance (2025 Edition)"* and implementation rules, and optimized and improved the accident prevention service model of "full process coverage and multi-mode progression". The Company focused on strengthening the positive role of liability insurance in participating in social governance, focusing on key areas such as safety production, food and drug safety, road traffic safety, medical disputes, construction project quality, community governance, and campus safety. The Company continuously provided diversified liability insurance products and services, including medical liability insurance, public liability insurance, school liability insurance, elevator liability insurance, etc. In 2025, PICC P&C provided a total of 284,600 work safety liability insurance clients, completed 751,300 services, assisted clients in identifying 515,900 risk hazards, and increased the overall service coverage to 92.42%.

Serving Rural Revitalization

PICC P&C takes serving the construction of an agricultural power as its responsibility, actively innovating agricultural and rural insurance products and service models, continuously improving the comprehensive service system for rural revitalization, and effectively promoting the improvement of agricultural quality and efficiency, rural harmony and livability, and farmers' income and wealth. In 2025, the Company's agricultural insurance provided agricultural risk protection of 1.99 trillion yuan to 46.6619 million households.

Serving to Ensure National Food Security

PICC P&C fully guaranteed the increase of grain production capacity, steadily expanding the coverage of agricultural product insurance that was related to the national economy, people's livelihood, and national food security. In 2025, the Company underwrote 400 million mu of three major grain crops, of which 351 million mu were covered by full cost insurance and planting income insurance. The Company continuously served the revitalization of the planting industry, focused on the protection of germplasm resources, breeding and seed production, and tackled key core technologies of seed sources. The Company continuously increased insurance supply and innovation, and assisting China's food security and agricultural modernization development. In terms of breeding insurance, we have insured 204 million fattening pigs, 10.5214 million breeding sows, 4.8673 million dairy cows, and 2.1968 million beef cattle. At the same time, the Company actively developed local characteristic advantage agricultural insurance, providing risk protection of 313.596 billion yuan for local characteristic agricultural insurance business in 2025.

PICC P&C's launched agricultural breeding project research and development interruption insurance, directly addressing the pain points in the field of agricultural breeding, accurately covering the research and development investment losses that might be caused by factors such as damage to breeding materials, key equipment failures, and loss of scientific research data during the scientific research process, effectively dispersing the unique risks of breeding enterprises in the scientific research process. As of the end of 2025, the product was launched in Fujian, Hainan and other places.

Expanding the Scope of Agricultural Insurance Services

PICC P&C accelerated the transformation and upgrading of agricultural insurance to "price protection, income protection, and brand protection", with a focus on expanding the coverage of full cost insurance and income insurance, and promoting the full life cycle insurance of the three main grains, such as the central government-subsidized soybean full cost insurance in Heilongjiang Province, the local government-subsidized highland barley full cost insurance in Tibet Autonomous Region, and the local government-subsidized potato revenue insurance in Pinglu District, Shuozhou City, Shanxi Province. At the same time, PICC P&C actively responded to the national strategy and developed a series of "marine ranch insurance" seawater aquaculture insurance products in Guangdong, Qingdao, Shandong, Jiangsu, Ningbo, Dalian and other places, providing solid support for the high-quality development of modern marine ranch. The Company launched the first batch of national agricultural cultural heritage protection insurance, providing comprehensive risk protection for the entire agricultural industry chain and key areas.

PICC P&C has established a cross-border insurance product research center in Hainan to serve the closure operation of Hainan Free Trade Port. The first insurance product developed by the center in China, "Cross-border Quarantine Insurance" (Cross-border Quarantine Trial Plant Damage Compensation Liability Insurance), was officially launched in April 2025, providing risk protection for nearly a hundred high-quality durian seedlings imported by a Hainan enterprise from Laos during trial plant quarantine on Moon Island.

Innovating Agricultural Insurance Service Model

PICC P&C established a risk reduction service system, deepened the service capabilities of "Agricultural Insurance + Meteorology" and "Agricultural Insurance + Remote Sensing", and promoted the construction of agricultural insurance risk reduction service centers and service demonstration parks around key business areas of planting, breeding, and forestry. Standardized operation services were implemented, and by the end of 2025, a total of 40 service centers and 52 demonstration parks have been built, promoting the implementation of 13 standardized operations such as risk warning, facility reinforcement, and emergency harvesting and drying.

At the same time, PICC P&C utilized meteorological data, climate models, and prediction tools to identify the impact of climate change on crops, strengthened collaboration with meteorological bureaus and other departments, obtained the latest climate change research results, and improved the accuracy of climate risk identification. Based on different regions, crop types, and climate risk levels, we have innovated and developed adaptive products such as meteorological index insurance, and effectively diversified various climate risks through diversified product supply and differentiated insurance pricing. In addition, climate risk training has been provided to agricultural business entities, supporting the promotion and installation of pre-loss reduction measures such as "hail-prevention nets" to reduce disaster losses from the source.

PICC P&C actively explored the transformation to a full-chain risk management model of "insurance, prevention, reduction, rescue and compensation", which integrated pre-disaster early warning, mid-disaster intervention and post-disaster compensation. Together with the Zhejiang Provincial Climate Center, we innovatively implemented the "Agricultural Insurance Meteorological Workstation + Risk Reduction Service" product landing model. The model was based on the "Agricultural Insurance Meteorological Workstation", which was operated in a physical way, to achieve an accurate assessment of meteorological disaster risks. Experts were organized in advance to guide farmers in carrying out disaster prevention and reduction measures such as seizing, strengthening facilities, and dredging ditches. Remote sensing, drones and other technologies were used to assist in risk identification and rapid loss assessment after disasters. At present, this model has covered 17 main agricultural products, including rice, tea, bayberry, loquat, hickory, and chrysanthemum, effectively achieving agricultural risk reduction.

Serving the Goal of Achieving Self-reliance and Strength in Science and Technology

PICC P&C closely focused on national strategic needs and the forefront of industrial development, continuously improved the entire life cycle insurance system of technology insurance, focused on intellectual property risk protection, support for the growth of technology enterprises, and key core technology support, and systematically strengthened the risk coverage of various links of technology innovation, stages of enterprise development, and various types of technology talents, providing solid insurance support for accelerating the realization of high-level technology self-reliance. In 2025, the Company's technology insurance provided risk protection of over 41 trillion yuan.

Providing Risk Protection Services for Intellectual Property Rights

PICC P&C actively expanded the depth and breadth of intellectual corporate property insurance services, developed patent intensive product liability insurance, generative artificial intelligence generated content infringement liability insurance, intellectual property infringement liability insurance (global), patent pool operation liability insurance, patent industrialization comprehensive insurance and other innovative products, and promoted the first batch of these innovative products to be launched in Qingdao, Guangzhou, Wuxi, Suzhou, Beijing, Hainan and other places nationwide. In 2025, PICC P&C provided over 26 billion yuan of risk protection for over 5,200 patents, trademarks, geographical indications, new plant varieties, and integrated circuit layout designs of over 4,600 enterprises, covering the entire process of intellectual property creation, protection, and application. At the same time, PICC P&C strengthened the capacity building for the quantification and assessment of science and technology risks, innovatively developed quantitative models for cybersecurity risks, took the lead in establishing a national technology achievements and intellectual property authentication and assessment service platform, and provided integrated services of insurance protection, risk assessment and transformation support for innovative entities.

In 2025, PICC P&C established the first technology achievements and intellectual property authentication and evaluation center in China. The center was based in Zhejiang and radiated throughout the country, dedicated to solving the problems of "high risk" "low demand" and "difficult transformation" in the transformation of scientific and technological achievements. As of the end of 2025, the center had connected with nearly 150 entities such as governments, universities, enterprises, and financial institutions, covering multiple fields such as biomedicine, new energy, new materials, scientific instruments, drones, and intelligent robots.

Serving Small and Medium-sized Technology Enterprises

PICC P&C assisted in the cultivation of technology enterprises, innovatively launching expense loss insurance for high-tech enterprises, providing risk protection for enterprises applying for high-tech enterprise recognition. This innovative product has been implemented in Beijing, Tianjin, Hebei, Liaoning, Jiangsu, Guangdong and other places. Among them, PICC P&C won the bid for the 2025 High-tech Enterprise Insurance Program for Application Fee Loss Project in Zhongkai High tech Zone, Huizhou City, Guangdong Province, in August 2025, covering more than 400 companies applying for recognition at once. Through insurance tools, we provided a "bottom line" for innovation in technology enterprises and accurately eliminated the worries of enterprises "willing to apply but afraid of losses".

For small and medium-sized technology enterprises, PICC P&C developed and promoted a convenient science and technology insurance product called "Ke Hui Bao", promoting a product structure featuring standardized main insurance policies + diversified supplementary insurance policies. We adhered to the principle of "Early Insurance, Small Insurance, Long-term Insurance, and Hard-technology Protection", prioritizing the protection of emerging risks such as research and development transformation costs, achievement transformation, and intellectual property rights. At the same time, we provided traditional risk protection to improve the insurance protection level of small and medium-sized technology enterprises.

In March 2025, PICC P&C's innovative underwriting of the country's first "Ke Hui Bao" park-level master insurance program was launched in Suzhou City, Jiangsu Province. The Economic Development Commission of Suzhou High-Tech Zone insured the first batch of 35 technology enterprises and provided 100% premium subsidies to help Suzhou High tech Zone to carry out the creation of a national cybersecurity industrial park (Jiangsu).

Supporting Technical Breakthroughs in Strategic Areas

PICC P&C innovatively launched a comprehensive insurance for embodied intelligent robots, provided comprehensive risk protection for the robot itself and third-party liability, and helped humanoid robots accelerate their commercial application and landing. The Company focused on the key links in the transformation of scientific and technological achievements, launched a phased exclusive insurance system of "Proof of Concept-Pilot Trial-Pilot Scale-up", established a three-layer risk protection system, and supported cutting-edge technology from laboratories to production lines. To meet the needs of low altitude economic development, we have developed compensation insurance for the loss of airborne detection equipment for low-altitude aircraft, covering various risks such as crashes and flight losses, and ensuring the safe operation of detection operations.

PICC P&C has launched a comprehensive insurance product with embodied intelligence "Self-Loss+ Third-party Liability" for robot application and held a product release and first order signing ceremony at the 4th Global Digital Trade Expo to assist in the commercial application of humanoid robots. The relevant outcome has been selected as the "CCTV Financial Power Model in 2025". As of the end of 2025, the product has been launched in Zhejiang, Jiangsu, Guangdong, Hubei and other places.

PICC P&C has launched an exclusive insurance product called "Proof of Concept-Pilot Trial-Pilot Scale-up" to fill the gap in early risk protection for technological innovation. Unveiled at the 2025 Financial Street Forum, the product establishes a three-layer protection system of "Basic Risk + External Risk + Technical Risk" for multiple cutting-edge projects from key laboratories, pilot testing platforms, and technology-based enterprises. It supports the transformation of technological achievements from "laboratory solutions" to "production line products". As of the end of 2025, the product has been launched in Jiangsu, Anhui, Hubei, Dalian, Xiongan New Area and other places.

PICC P&C has innovatively developed a low-altitude aircraft airborne testing equipment loss compensation insurance product, which has landed in Chongqing and Xiongan New Area for the first time nationwide. This product comprehensively considers professional factors such as equipment technical parameters, usage environment, and maintenance status, covering risks such as natural disasters, defects in inspection aircraft, abnormal communication links, and crashes or flight losses caused by air collisions, providing a "safety barrier" for the testing equipment of the National Robot Quality Inspection Center (Chongqing).

Serving Enhancement of People's Livelihood and Well-being

PICC P&C actively participated in the construction of a multi-level medical security system, expanded the coverage of inclusive insurance services, continuously strengthened the insurance protection for key groups such as the elderly, disabled, women, children, etc., and provided comprehensive and full cycle protection for wellness of the people.

Serving the Construction of a Multi-level Medical Security System

Participating the construction of a multi-level medical security system	
Critical illness insurance	• In 2025, PICC P&C's critical illness insurance covered 24 provinces and 203 cities, covering 430 million people.
Long- term care insurance	• In 2025, PICC P&C's long-term care insurance covered 18 provinces and 53 cities, with a coverage of 88 million people and providing nursing protection for 5.5618 million people.
Inclusive medical insurance	• In 2025, PICC P&C underwrote 17 government-led Huimin Insurance Program, covering 9 provinces and 30 cities. The number of insured people was 38 million, with claims exceeding 8.01 million and compensation payments of 709 million yuan. • In 2025, PICC P&C's Commercial Huimin Insurance Program covered 30 provinces and 294 cities, with 44.7414 million insured people and a compensation of 3.481 billion yuan.
Commercial health insurance	• Focusing on the wellness scenario needs of individual customers, we closely connected the basic medical insurance policy with the national medical reform policy, continuously upgraded the wellness insurance product matrix by population, disease and scenario, built and improved a multi-level commercial wellness insurance guarantee system consisting of basic accidental medical insurance, inclusive health insurance and mid-to-high end medical insurance, and focused on upgrading accident medical products, PICC offline self-operated Ankang series million-yuan medical products, and million-yuan medical products cooperated with Internet platforms to improve the level of wellness medical security for the people.

PICC P&C fully utilized the value of its own institutional branches, effectively leveraged the role of external institutions, accelerated the construction of the "Medical insurance+ PICC convenient service network", issued the *"Guiding Opinions on the Construction of PICC P&C Convenient Service Circle"*, with the goal of deepening the innovation of public service governance in medical insurance, and creating a number of medical insurance convenient service websites (points) with scale influence, service competitiveness, and digital driving force, and forming a high-quality, convenient, efficient, standardized and unified medical insurance convenient service circle with the characteristics of PICC. In 2025, the number of joint office branches jointly established by PICC P&C, medical insurance authorities and human resources and social security authorities reached 2,932. 16 branch companies have built a "Medical Insurance + PICC P&C " convenient service circle based on their company network, covering 75 cities. There are 1,106 various "Medical Insurance + PICC P&C " convenient service networks, which can carry out basic medical insurance services such as policy promotion, business consultation, business acceptance, and complaint and visit reception, effectively expanding the radius of medical insurance services.

In 2025, PICC P&C's "Multi level Nursing Insurance Smart Decision Service Platform" won the first prize in the 2025 National Smart Medical Insurance Competition and has been applied in the handling of long-term care insurance services in 21 cities in 8 provinces, including Jiangsu, Zhejiang, Guangdong, and Hainan. The Company passed AI quality inspection for a total of 47,700 nursing tasks, analyzed over 1.1 million nursing projects, shortened the manual review time by more than three times, and achieved 100% coverage of home nursing supervision.

Expanding the Scope of Inclusive Insurance Protection Services

PICC P&C continued to improve the management mechanism of inclusive insurance, accelerate the high-quality development of inclusive insurance, formulate and issue the *"Work Plan for Promoting the High Quality Development of Inclusive Insurance"* and the *"Work System of the Inclusive Insurance Development Committee (Trial)"*, clarifying the basic principles of political guidance, connotation development, overall coordination, and risk control, focusing on the key service groups and areas of inclusive insurance, and systematically deploying 23 key tasks covering nine areas. The Company has established the Inclusive Insurance Development Committee, with the Party Secretary serving as the chairman of the committee.

At the same time, PICC P&C released the *"Special Promotion Work Plan for New Citizen Insurance (2024-2026)"*, which established the new citizen insurance service as the core field and strategic breakthrough of "serving people's wellbeing" and included it in the overall business planning and assessment system of the Company. In 2025, the Company served 17.3 million new citizens and developed 23 exclusive products for new citizens and 5 exclusive products for new business personnel, focusing on the three main themes of "Contentment, Good-health, and Peaceful". Throughout the year, we provided protection for over 9 million takeout riders, over 1.6 million ride-hailing drivers, and over 500,000 home service personnel, achieving full coverage of the top platform for new business riders and ride-hailing drivers.

The Company continued to play the role of inclusive insurance in ensuring people's livelihoods, increasing insurance coverage for specific groups such as low-income groups, new citizens, people with disabilities, the elderly, women, students and children, and special professions, striving to meet the people's aspirations for a better life. In 2025, 853.4 trillion yuan of risk protection were provided to specific groups, covering 109 million people.

At the same time, the Company continued to strengthen the improvement of financial accessibility for residents in remote areas, low-income groups, and other underserved groups. For details, please refer to the "Social (S) - Customer Service and Rights Protection - Customer Service Experience - Improving the Accessibility of Financial Services " section.

The number of new citizens that the Company served

17.3 million new citizens

The number of products that the Company developed for new citizens

23 exclusive products

Serving Green Development

PICC P&C actively practices the concept of green development, focusing on the construction of clean energy system, comprehensive green transition of the economy and society, improvement of ecological carbon sequestration capacity, healthy development of green industries, and protection of natural ecosystems, and continued to expand the boundaries of green insurance services, providing multi-level and full cycle risk protection support for green, low-carbon, and circular development.

Ensuring the Development of Clean Energy

PICC P&C continued to improve its green insurance product matrix, actively expanding its insurance coverage in new energy fields such as offshore wind power, photovoltaic power generation, new energy storage, and hydrogen energy. The Company has launched special products, such as comprehensive insurance for the energy storage industry chain and comprehensive insurance for the new energy vehicle industry chain, providing solid support for China's energy structure transformation and healthy development of the new energy industry chain. In 2025, PICC P&C provided risk protection of 18.12 trillion yuan for customers in clean energy industries such as solar energy, wind energy, hydropower, and nuclear energy.

PICC P&C actively connected with green and low-carbon transportation construction projects, focusing on supporting modern transportation system projects such as railways and rail transit. In 2025, the Company underwrote 98 construction sections of green rail transit lines for key customers such as Yichang-Fuling high-speed railway, providing a cumulative risk guarantee of 267.1 billion yuan.

Risk protection for customers in clean energy industries

18.12 trillion yuan

Risk guarantee for construction sections of green rail transit lines of key customers

267.1 billion yuan

Assisting in Reducing Pollution and Carbon Emissions

PICC P&C continuously improved its environmental pollution liability insurance product system, strengthened local environmental risk protection product innovation, built an integrated risk map for environmental pollution liability insurance, and actively explored the establishment of a dynamic monitoring and early warning mechanism for environmental risks. The Company has established a new model for environmental pollution liability insurance that combines "Insurance + Risk Reduction + Technology." This model has been piloted in cities such as Wuxi, Quzhou, Huzhou, and Jiaxing, with coverage exceeding 19.8 billion yuan and reaching over 400 prefecture-level institutions nationwide.

In March 2025, PICC P&C, together with Wuxi Ecology and Environment Bureau of Jiangsu Province and Xidong Ecological Park, jointly unveiled the Environmental Pollution Liability Insurance Ecological Environment Damage Direct Compensation and Restoration Center. The center can provide a "one-stop" direct compensation service for enterprises participating in environmental pollution liability insurance when causing ecological damage, without the need for enterprises to advance ecological repair costs. The process is simplified, and the claim processing time can be saved by at least 3 to 6 months, greatly reducing the burden on enterprises.

Serving Green and Low-carbon Mobility

PICC P&C has implemented the work requirements of the National Financial Regulatory Administration, led the development of industry demonstration products, established a leading group and working group for the electric bicycle industry demonstration insurance project, and explored local policies, ownership, and insurance business models for electric bicycles. In 2025, inclusive electric bicycle insurance projects such as "Shanghai Bike Insurance" and "Nanning Bike Insurance" in Guangxi have been launched.

In 2025, PICC P&C underwrote 18.5725 million new energy vehicles, a year-on-year increase of 29.75%. The Company continues to leverage its advantages in channels, costs, data, claims, and other aspects, continuously improving its risk identification capabilities, continuously enhancing its customer management capabilities, actively serving the national new energy strategy, and promoting the transformation of new energy vehicle insurance towards high-quality development. The Company actively supports new energy vehicle companies to go overseas and promotes new energy vehicle insurance projects.

Actively Exploring Carbon Sequestration and Sink Enhancement

In 2025, PICC P&C issued the *"Notice on Accelerating the Development of Agricultural Green Insurance Products"*, compiling the payment framework for major carbon sink insurance products such as forest carbon sink insurance, bamboo forest carbon sink insurance, carbon sink index insurance, vegetation comprehensive carbon sink value insurance, and algae breeding carbon sink value insurance.

In 2025, the Company's carbon sequestration insurance provided 316 million yuan in risk protection in total, committed to providing comprehensive insurance coverage for ecosystems with carbon sequestration functions such as forests, wetlands, and oceans. The coverage area expanded to 9 provinces, including Shandong, Guangdong, Jiangsu, Guizhou, Hunan, Inner Mongolia, Chongqing, Fujian, and Liaoning. At the same time, the Company added carbon sink liability to existing forest insurance clauses and expanded the coverage of carbon sink insurance. The conventional policy forest insurance liability in Guangxi and four regions within the jurisdiction of Beijing has increased the liability for forest carbon sink losses caused by natural disasters, covering an area of 52.15 million mu.

The Company's carbon sequestration insurance covered 52.15 million mu

52.15 million mu

Safeguarding the Development of Green Industries

PICC P&C continued to promote innovation in green equipment, materials, and software related technology insurance, providing risk protection for various links such as technology research and development, equipment manufacturing, and operation and maintenance. We also accelerated the development of technology insurance related to research and development cost losses, intellectual property rights, and low-carbon, zero carbon, and negative carbon technology equipment in the field of green and low-carbon technology. In May 2025, PICC P&C launched its first national energy-saving and carbon reduction expense loss insurance in Huzhou City, Zhejiang Province, helping enterprises cope with practical risks such as equipment debugging and production reduction, unsatisfactory emission reduction effects, and carbon performance cost overruns commonly encountered in energy-saving technological transformation. In October 2025, PICC P&C issued the first "green energy-saving project energy efficiency insufficient loss insurance" for a hotel's energy-saving project in Xiongan New Area, covering the risk of failure to achieve energy-saving goals and becoming a vivid footnote to the high-quality development of the city empowered by green finance in Xiongan New Area.

Assisting in Ecological Protection

PICC P&C continued to focus on the ecological protection needs of key regions, providing comprehensive guarantees for major water conservancy projects, ecological governance, etc. with high-quality services, and helping to build a new pattern of high-quality development with ecological beauty, industrial prosperity, and people's wealth.

In April 2025, the Company underwrote the Yellow River Guxian Water Conservancy Hub engineering insurance and third party liability insurance with a 35% share, providing risk protection for property losses, potential third-party injuries, and property losses that might occur during the construction period of the project, with a coverage amount of 28 billion yuan. At the same time, we provided employer liability insurance protection for employees of Yellow River Guxian Water Conservancy Hub Co., Ltd. to safeguard their personal safety during specific work. Strong insurance protection strengthened the risk defense line of major national strategic projects and contributed insurance strength to the safety of the middle and lower reaches of the Yellow River.

Serving Regional Development

PICC P&C has comprehensively established a work system to serve the national and regional strategies, focusing on continuously improving the insurance service capabilities to serve the economic and social development of the region, continuously enhancing the breadth and depth of the Company's service to the national and regional strategies, promoting regional coordinated development, and using the insurance function to help promote Chinese modernization.

Providing insurance support for industrial transfer and cooperation in Beijing-Tianjin-Hebei, serving the co-construction and sharing of public services in Beijing-Tianjin-Hebei and improving the integrated handling mechanism for traffic accidents and insurance business in Beijing-Tianjin-Hebei.

Strengthening the construction of branch offices in Xiongan New Area, providing strong support for serving the economic and social development of Xiongan New Area, relieving non-capital functions of Beijing, and undertaking industrial transfer from Beijing to Tianjin and Hebei.

Strengthening the construction of science and technology insurance centers to provide technical support for the development of science and technology insurance; strengthening the construction of aviation insurance centers and supporting China's independent and controllable shipping insurance; strengthening the construction of reinsurance centers and accelerating the innovative development of reinsurance.

Strengthening industrial innovation linkage, building insurance and risk solutions for key industries, and promoting the development of private economy; strengthening product and service innovation in the field of new energy vehicles, exploring and promoting insurance protection products in the field of green and low-carbon energy; serving the construction of the Belt and Road Initiative, ensuring the "going global" enterprises, and supporting Hong Kong in consolidating its status as an international financial, shipping, and trading center while building a high ground for international innovation and technology.

Serving the green and comprehensive transformation of the economic development mode of the Yellow River Basin, safeguarding the ecological security of the Sanjiangyuan "Chinese Water Tower," and supporting the "Three-North" Project, and continuously increasing insurance coverage for the construction of major projects of the Yellow River water conservancy hub.

Focusing on ecological priority, green development, protection and restoration of the Yangtze River ecological environment, exploring the establishment of environmental risk monitoring and early warning mechanisms to serve the ecological protection of the Yangtze River Economic Belt.

Actively developing insurance and risk solutions that serve key industries such as Hainan's tourism industry, modern agriculture, and marine industry; promoting the construction of the Hainan Cross border Insurance Product Research Center, creating a cross-border insurance product system, and fully supporting the closure operation of the Hainan Free Trade Port.

Focusing on the coordinated development of the Chengdu-Chongqing region and the construction of the western land sea new channel, developing technology insurance, green insurance, industrial insurance, and trade insurance, serving the construction of the Chengdu-Chongqing Science and Technology Innovation Center, ecological environment governance, modern industrial system construction, and inland reform and opening up highland.

Customer Service and Rights Protection

PICC P&C adheres to a customer-oriented approach, focusing on service experience, insurance claims and rights protection, and systematically optimizing customer service architecture and processes. The Company continuously improves customer satisfaction by deepening product suitability management, optimizing elderly-friendly services, and improving service accessibility. At the same time, the Company actively promotes insurance knowledge, improves complaint handling and consumer rights protection mechanisms, and provides customers with professional, efficient, and reliable service guarantees.

Customer Service Experience

PICC P&C is committed to delivering premium services characterized by intuitive customer experience and readily accessible service delivery, effectively fulfilling the responsibilities and obligations of central SOEs, and fully safeguarding the beautiful life of the people.

Customer Service Management System

PICC P&C has established a customer management organizational structure coordinated by management and relevant functional departments. Both the headquarters and branches have established Consumer Rights Protection Departments/Customer Service Departments, responsible for coordinating and implementing the Company's consumer rights protection and customer service operation management, as well as clarifying the division of responsibilities between the headquarters and branches in customer service, complaint handling, and consumer rights protection.

PICC P&C formulated and implemented supporting systems for consumer rights protection, complaint management, service standard and quality management, customer satisfaction management, service resource management, 95518 hotline operation, and policy issuance management, forming a comprehensive and standardized customer management system.

Product Suitability Management

PICC P&C fully implemented the requirements of the *"Measures for the Administration of Product Suitability by Financial Institutions"* issued by National Financial Regulatory Administration, further formulated and issued the *"Management Measures for Product Suitability of PICC Property and Casualty Company Limited"*. The Company focused on understanding products and customers, suitability matching, compliance promotion and sales, and clarified the implementation of the product suitability framework, division of responsibilities, management specifications, as well as customer assessment and suitability matching requirements.

The Company has established a sound product suitability management mechanism to achieve the embedding of suitability management requirements in the Company's business operations and processes, including the development of systems for product suitability, product classification and grading, sales qualification grading, etc., and the addition of demand and financial payment level evaluation processes in the insurance process based on product characteristics, with clear suitability matching opinions. The Company has improved the product development and classification management mechanism, and implement differentiated authorization based on sales qualifications. The Company strengthened compliance training and practice management for sales personnel, regulated sales behavior, and ensured that its sales personnel have corresponding product sales qualifications. The Company has relied on information systems to conduct pre-verification and in-process control of the entire process of product suitability management. The Company has also strengthened the supervision and accountability of product suitability in the sales process through continuous monitoring, complaint management, and internal inspections.

In accordance with the relevant requirements of the Company, PICC P&C has displayed the QR code of the Company's official website product basic information page to consumers at the issuing business outlet, publicly disclosing product basic information and relevant information of product suspension, and publicly disclosing announcement policy inquiry, complaint, claim and other relevant information.

Optimizing Elderly-friendly Services

PICC P&C continued to enrich its products for the elderly, covering five major scenarios including wellness, accident, medical, cultural tourism, and long-term care insurance based on the various risk protection needs of the elderly, actively building a multi-level protection plan of "Product+ Service".

PICC P&C continued to improve its level of elderly care services. We issued the Company's first *"Elderly-Friendly Service Standards"* and conducted system-wide branch training to clarify the basic requirements regarding fundamental principles, service channels, product offerings, claims services, value-added services, consumer protection, and social responsibility for serving elderly customers.

PICC P&C continued to strengthen the intelligent application of online elderly care services. 95518 customer service has formed an exclusive team to provide "one click access" services to over 2.11 million elderly customers. The app and WeChat public account have created 15 elderly friendly features, serving nearly 300,000 people.

PICC P&C actively promoted the transformation of offline branches for the elderly, with 100% coverage of the upgrade of elderly service at the issuing branch. More than 3,000 retail outlets have established elderly care channels, implemented elderly care regulations, improved caring seats, provided magnifying glass, and medical kits, upgraded accessible channels or ramps, innovatively provided wheelchair services, and effectively improved the level of accessible services.

On the basis of improving elderly care and disability assistance services, we have jointly established 69 Trade union "Love Stations" with PICC Group/PICC P&C Labor Union, and 2,700 self-built "Love Stations" at policy-issuing outlets, extending to outdoor workers such as new citizens, environmental sanitation workers, taxi ride hailing drivers, express delivery drivers, and sellers, providing free drinking water, microwave heating, mobile phone charging, rest and cooling services, contributing to the further construction of harmonious and stable labor relations.

PICC P&C strengthened internal and external promotion of elderly care services. We have built an offline business outlet for promoting financial knowledge to elderly consumers, and actively carried out external promotion of elderly care services, with 527 articles published by mainstream media and 7 articles published by central-level media. Among them, a single article reading volume of over 880,000 in Xinhua Net. 19 articles were published on official WeChat and other websites, with a reading volume of over 200,000, constructing a diversified education matrix for the Company's "Battlefield+ Normalization".

"One click access" services served over

2.11 million elderly customers

The app and WeChat public account have created 15 elderly friendly features

15

The flagship store of the Qingdao Branch focused on the urgent needs, difficulties, concerns, and expectations of the elderly group. By building an "Insurance+ Service+ Technology" trinity financial service system suitable for the elderly, we continued to make efforts in the fields of wellness risk management and intelligent technology elderly-friendly adaptation, and strived to build an elderly service demonstration network. By setting up a green channel, developing an aging intelligent terminal, simplifying business process, configuring wellness examination equipment, we provided a more considerate, convenient and comfortable financial service experience for the elderly. Since its establishment, about 92 on-site activities have been carried out for the elderly population, reaching approximately 1800 people.

Improving the Accessibility of Financial Services

Enhancing Offline Coverage of Financial Services

PICC P&C continued to expand the coverage of its rural service outlets and improved its risk protection capacity. As of the end of 2025, the Company has 6,699 agricultural marketing service departments, 28,000 agricultural insurance service stations, and 130,000 agricultural insurance service points. The coverage rate of township branches is 84.7%, and the coverage rate of village branches is 28.8%.

PICC P&C has expanded its diversified and convenient services. By the end of 2025, the Company has collaborated with the government and other institutions to innovate and carry out cooperation in medical insurance services, police insurance linkage, anti-fraud cooperation stations, consumer dispute mediation, and other aspects at the issuing branches, further enriching the service content of the business hall. At the same time, the open network launched a special activity called "Escorting College Entrance Examination" during the college entrance examination season, and a volunteer door-to-door activity called "Guardian in Double Ninth Protection" during the month of respecting the elderly, serving a total of 100,000 people throughout the year, further enhancing the sense of service acquisition and happiness for different groups.

Improving the Convenience and Adaptability of Digital Service Channels

PICC P&C actively promoted the "online business hall", with over 3 million online approvals in 2025, covering more than 90% of cities, allowing customers to "skip queues and make fewer trips" and enjoy more convenient services.

PICC P&C continued to strengthen its self-operated platform construction. APP, self- operated platforms such as mini programs provide customers with 7*24 hours online insurance services for motor insurance and non-motor insurance, with the "Care Edition" elderly adaptation function. In 2025, PICC P&C's self-operated platform provided insurance services to a total of 4.38 million customers.

PICC P&C's online customer service utilized the "Sinan Intelligent Customer Service System" to construct a "multi-modal message" push system and a unified knowledge management system across multiple channels. This significantly improves the efficiency of online customer service.

- The average response time of the system has been reduced to **one-fourth** of the original time.
- Backend maintenance efficiency has increased by **300%**, and the accuracy rate of intelligent customer service responses on self-operated platforms has reached over **92%**.
- The interaction experience has been comprehensively upgraded, supporting multi-modal message pushes such as images and text. This gave users innovative service experiences.

Serving and Supporting Small and Micro Enterprises

In 2025, PICC P&C continued to increase its product and service supply to SMEs and sole proprietors, providing 56.2 trillion yuan of risk protection throughout the year. Among them, corporate business covered 407,000 sole proprietors and 2,326,000 SMEs.

Improving the Affordability of Insurance Service Prices

Some agricultural insurance products of PICC P&C provide rate discounts for residents in remote areas and low-income groups. For example, in Guizhou Province, the Company set preferential adjustment coefficients for the central financial assistance rapeseed planting insurance according to the preferential regions and the nature of the insured.

Enhancing the Overage of Financial Knowledge Popularization

PICC P&C targeted eight major requirements for protecting the rights and interests of financial consumers, actively extended the scope of "Financial Literacy Campaign in County Areas" and conducted differentiated education and publicity activities targeting students, elderly people, new citizens, ethnic minorities, farmers and other groups with relatively weak financial knowledge, as well as specific groups such as "disabled people" and "foreign visitors". During the "Financial Education Promotion Week" in 2025, the Company organized the theme activity of "PICC County-wide Campaign-Risk Reminder Delivering to Your Door" and conducted 2,500 knowledge popularization activities for specific groups in 6 regions and thousands of county grassroots units.

Improving Customer Satisfaction

PICC P&C continued to improve its customer satisfaction management mechanism, issued the Company's *"Customer Satisfaction Management Work Plan"*, standardized the follow-up and handling process of service issues, and gradually established a PICC characteristic customer satisfaction management system that covered the entire customer journey, closely connected with consumer insurance, accurately perceived service issues, and listened to customer voices.

In 2025, PICC P&C restructured the customer satisfaction (NPS) survey system function, actively listened to customer feedback, efficiently followed up on customer opinions and suggestions, and created a closed-loop management system tool for the entire process. PICC P&C launched 104 million transactional key contact NPS questionnaires throughout the year, fully leveraging the role of problem probes and providing clear guidance for service improvement. The Company strengthened the management of follow-up visits to dissatisfied customers, responded promptly and properly addressed customer concerns, referred proactively discovered customer dissatisfaction to potential complaints, extended the complaint management chain, advanced dispute resolution checkpoints, and continuously improved service quality and customer experience.

PICC P&C continued to optimize the construction of its internal service standardization system, ensuring and continuously improving the quality of customer service. In 2025, PICC P&C revised and issued the *"Series of Service Standard Documents"*, focusing on key areas such as consumer education and publicity, diversified services in business halls, complaint handling standards, claims risk management, etc., updating the standardized requirements of service interfaces and business processes, and significantly improving the completeness and operability of the system. The Company has increased its efforts in promoting service standardization training and continuously expanding its trainer team. In 2025, we conducted 2,233 service standardization training sessions, with a total of 212,400 participants across the system. PICC P&C also continues to conduct inspections on the implementation of service standards, improve the mechanism for effect evaluation, quality supervision, and rectification optimization, strengthen the closed-loop management of promoting improvement through inspection and remediation, and promote the effective implementation and continuous optimization of service standards.

The number of the Company service standardization training

2,233 sessions

Number of participants across the system

212,400 participants

The number of transactional key contact NPS questionnaires launched by PICC P&C

104 million copies

Protection of Consumer Rights and Interests

PICC P&C continuously deepens the construction of the "Comprehensive Consumer Protection" framework, solidly does a good job in protecting consumer rights and interests, focuses on improving institutional mechanisms, expanding the depth of financial education, optimizing complaint management and other key areas, continuously improves professional service levels and builds a high-quality service ecosystem with PICC characteristics, and effectively builds a barrier for consumer rights protection.

Consumer Rights Protection Policy System

In 2025, the Company continued to strengthen the management system for consumer rights protection, established a working mechanism that was coordinated by the Board of Directors, promoted by the senior executive level, coordinated by the Consumer Protection Commission, and fully participated by all staff, comprehensively integrating consumer rights protection into the business development strategy, corporate culture construction and corporate governance evaluation, and promoting the integration and development of the Company's business operation and consumer rights protection work.

Building a comprehensive consumer protection management system. PICC P&C has established a comprehensive consumer insurance management system with clear planning, clear architecture, sound mechanisms, and complete systems, achieving full coverage of consumer insurance work in all fields and processes. Taking the *"Measures for the Administration of Consumer Rights Protection Work"* as the overarching system, we promoted the establishment of a "Comprehensive Consumer Protection" system covering third-party cooperation, internet insurance, marketing and publicity, on the basis of a comprehensive consumer protection system.

Incorporating consumer protection into development strategies and strengthening customer orientation. PICC P&C has explicitly included consumer rights protection in the *"PICC P&C Strategic Planning Outline (2023-2027)"* and *"Consumer Rights Protection Work Plan (2023-2025)"* as a key focus of the business development strategy.

Establishing and improving consumer protection review and control mechanisms. PICC P&C has established a trinity mechanism of consumer protection review involving functional departments, consumer protection review departments, and legal compliance departments. This mechanism strengthened Three-Line-Defense for consumer protection reviews: pre-event, during-event, and post-event. We continuously improved the quality and effectiveness of consumer protection reviews in areas such as service design and development, pricing management, agreement formulation, and marketing communications.

Establishing a comprehensive consumer protection assessment system. PICC P&C followed the core goal of improving the effectiveness of consumer insurance work and reducing consumer complaints. We established and implemented an "All-year round, all-staff participation, full-process coverage" penetrating assessment system that covered differentiated evaluation of various departments, level evaluation of various branches, and special evaluation of main responsible persons and responsible leaders. The assessment indicators comprehensively covered key consumer rights protection businesses and key links such as appropriateness management, marketing promotion, information disclosure, sales behavior, cooperative institution management, training and assessment, personal information protection, financial education, etc.

Establishing and improving mechanisms for protecting consumers' personal information. The Company placed great importance on the protection of consumers' personal information, strictly controlling access to customer information and implementing technical safeguards. We adhered to the principle of "minimum necessity" in managing customer information, clarified consumers' rights to control their information, and standardized data usage to ensure comprehensive security for consumers' personal information. Specific protection policies and measures are detailed in the section "Social Chapter (S) — Data Security — Data Security Management Measures —Customer Personal Information Protection."

Customer Complaint Handling

PICC P&C issued the *"2025 Work Plan for Consumer Rights Protection of the Company"* and the *"Assessment and Evaluation Measures for Consumer Rights Protection of PICC P&C (2025 Edition)"*, systematically planning annual consumer protection goals, and improving the complaint management system that integrated "mechanism construction, classified disposal, dispute resolution, and smooth channels". PICC P&C achieves closed-loop control and digital empowerment throughout the entire process by improving the top-level governance structure, implementing classified and graded closed-loop management, promoting dispute resolution at the source, and strengthening institutional and channel guarantees, continuously reducing the total number of complaints and optimizing the structure.

Improving top-level design and governance architecture	• PICC P&C has established a consumer complaint management working group and rectification working groups in various provincial branches. • Established a comprehensive governance framework covering three major work ideas, six categories and 22 key measures, nine special governance actions, and four guarantee mechanisms. • Implemented complaint budget management, launched automated tracking and visualization systems, and established a mechanism for key demonstration subsidiaries.
Establishing a sound classification, grading, and closed-loop processing mechanism	• Established a classification and grading system for potential, simple, general, complex, and risk complaints, set differentiated processes and time limits, and handled complex and risk complaints directly by leaders. • Promoted the pilot of 95518 first station resolution and implemented the "1-hour quick response to complaints". • Promoted the "Display Name Cards" project, established "4008195518" consumer protection outbound service hotline and established an automatic case scheduling and high-frequency complaint escalation supervision mechanism.
Promoting diversified resolution and source governance of disputes	• Developed the *"Mediation and Resolution System for Insurance Consumption Disputes (2025 Edition)"* and implemented five major measures: "layered demonstration, focus sinking, process improvement, tracking and evaluation, and promotion and empowerment". • Cultivated benchmark mediation teams and demonstration institutions. • Used the NPS system to move forward management checkpoints, improved survey options, launched the "customer message board", and built a digital analysis platform. • Carried out special governance measures such as new energy vehicle underwriting, marketing harassment, and personal information protection.
Smoothing channels and strengthening institutional guarantees	• Publicized complaint methods on official websites and mobile clients, and set up convenient entrances. • Developed guidelines for the protection of consumer rights and interests in internet insurance and financing credit insurance businesses, and further standardized the consumer protection work of relevant business lines.

PICC P&C deepened the management of consumer rights protection complaints, optimized complaint supervision and traceability governance mechanisms, strengthened the full process closed-loop management of "pre-prevention, in-process control, and post-traceability", and conducted targeted centralized rectification. The Company has strengthened its system and team building, issued the *"Self-Collection Complaint Practice Operation Specification (2025 Edition)"*, organized practical operation training, standardized recording operations and service processes, and optimized complaint handling processes.

PICC P&C optimized the mechanism for resolving complaints and disputes, as well as promoted the resolution of conflicts at the grassroots level by pushing service supervision phone numbers to customers and facilitating two-way communication channels.

At the same time, we actively promoted the digitization of complaint management, vigorously promoted the construction of a comprehensive governance system for consumer complaints, upgraded the system to a consumer protection complaint management system that covered all channels and processes, embedded mobile office and automated scheduling functions, and enhanced data analysis and risk identification capabilities. We utilized diverse dispute resolution methods, summarized and extracted replicable and promotable new mechanisms for resolving disputes, promoted institutional learning and mutual learning, and accelerated the transformation of practical achievements.

In 2025, the Company received a total of 441,403 complaints, with 83.87% related to motor insurance and 16.13% to non-motor insurance. In terms of dispute categories, claims handling accounted for 66.60%, sales practices for 13.32%, underwriting for 9.85%, policy modification for 4.95%, and other issues for 5.28%.

Consumer Rights Protection Training

PICC P&C has formulated the *"2025 Internal Training Plan for Consumer Rights Protection"*, and has done a good job in organizing and deploying consumer protection training throughout the year. Taking the "trustworthy and committed consumer protection culture" as the guide, the Company adopted typical case warnings, "consumer protection lectures", "PICC schools", desktop screensavers, and online award-winning Q&A methods to carry out training and education for all employees covering all levels of institutions at the headquarters, provinces, prefectures, and counties, guiding all employees to internalize and externalize the protection of personal information in their hearts and actions, and promoting everyone's awareness, understanding, and compliance with regulations. PICC P&C continued to deepen the "Strengthen Consumer Protection & Enhance Training" training brand, gradually improving the Company's consumer insurance training course system that covered the "Four major groups" and "Six-type courses". The annual consumer insurance training has covered more than 1.2 million people.

Insurance Claims Service

PICC P&C resolutely implements the decisions and deployments of the CPC Central Committee, fully accelerates the process of insurance claims services, continuously optimizes the major disaster claims system, establishes and improves emergency response mechanisms and standardized operating procedures, constructs a rapid disaster claims system with PICC characteristics, and improves the level of insurance claims services. In 2025, the total number of claims cases exceeded 200 million, a year-on-year increase of over 10%; the compensation amount exceeded 390 billion yuan, a year-on-year increase of over 4%.

Establishing a sound system and organizational structure for major disaster claims	In 2025, In 2025, a total of 244 major disaster accidents were responded to and handled, with company-level emergency responses activated for 39 major disaster accidents, and over 13.1 billion yuan in catastrophe claims paid efficiently. **Strengthening Party building Guidance and organizational support.** 25 headquarters on-site working groups have been dispatched, coordinating more than 9580 party members throughout the system, and forming more than 800 CPC member commandos for major disaster response to shoulder the political responsibility of disaster relief and compensation. **Improving the system and operational system.** Issued key documents such as the *"General Guidelines for Disaster Claims Operations"* and the *"Implementation Plan for Early and Quick Claims"*, and organized over 400 practical exercises.
Enhancing emergency response and technology service capabilities	**Coordinating national efforts for efficient response.** 559 claims backbone personnel were dispatched nationwide for cross provincial support, with over 5,100 personnel dispatched within the province. Over 110,000 claims manpower, over 28,700 vehicles, and over 300,000 tools were invested. **Deepening the coordination between government and enterprises and industry leadership.** The Company actively integrated into the "National Emergency" pattern and established a professional rescue force of over 6,700 people. We led the establishment of the Disaster Insurance and Risk Reduction Branch of the China Association for Disaster Reduction, participated in drafting national standards, assisted in organizing national level disaster prevention and reduction forums, and demonstrated professional capabilities.

In 2025, after the "1.7" Xigazê earthquake, PICC P&C quickly responded. Frontline institutions and personnel raced against time, fought against cold and hypoxic aftershocks, and efficiently carried out claims and rescue efforts. Immediately after the earthquake, the emergency plan was launched, and PICC P&C carried out quick compensation and pre-compensation. The fastest compensation only took 30 minutes. The Company quickly mobilized a total of 18,000 relief supplies to be transported to the disaster area, including cotton coats, tents, sleeping bags, and other urgently needed materials for the affected population to help them warm up during the winter.

▲ *Penetrating to the epicenter at an altitude of 4,500 meters on the plateau, we were sparing no effort to carry out earthquake relief and claims services.*

The fastest compensation only took

30 minutes

The Company quickly mobilized a total of

18,000 relief supplies

In June 2025, areas such as Rongjiang and Congjiang in Qiandongnan Miao and Dong Autonomous Prefecture of Guizhou Province were hit by catastrophic floods, resulting in road collapses, flooded farmland, flooded houses, and multiple deaths. After the disaster occurred, PICC P&C immediately activated emergency response and fully organized flood relief and claims, achieving a compensation progress of over 80% within 6 days after the disaster, and a compensation progress of 100% for livelihood insurance types such as rural housing and agricultural insurance.

Compensation progress within 6 days after the disaster

80%

Compensation progress for livelihood insurance types

100%

Popularization of Insurance Knowledge

PICC P&C continues to expand the coverage and depth of financial education and publicity, systematically constructs a long-term mechanism for consumer rights protection publicity and education, and steadily promotes normalized and diversified financial knowledge popularization activities. In 2025, PICC P&C formulated and implemented an annual consumer rights protection education and publicity work plan, further established and improved a publicity and education work system that was tailored to local conditions and coordinated.

In March 2025, PICC P&C held the "3.15" financial consumer protection education and publicity campaign. During the campaign, the Company focused on protecting the eight basic rights and interests of consumers, innovating financial knowledge education and publicity work models. Focusing on five categories: "Rights Protection", "Case-based Insurance", "Anti-fraud and Non- fraud Prevention", "Knowledge Popularization", and "Smart Consumer Protection". The Company conducted 7,909 online and offline activities, reaching 190 million consumers. Among them, a total of 3,474 offline activities were carried out at the county level, with 1,115 official online channels releasing information and 16.3549 million clicks. The activities have continuously achieved practical outcomes.

▲ *PICC P&C launched"3·15" financial consumer protection education and publicity campaign"*

In 2025, PICC P&C carried out a series of themed activities on the "5.18" Customer Day, National Day, Spring Festival and other holidays, focusing on the five major sectors of "Comprehensive Consumer Protection", "Good Service", "Fun Interaction", "Favorable Products" and "Excellent Protection", actively responding to the national call to expand cultural tourism consumption and advance the Health China strategy, and organized 13 online interactive activities such as "Journey through Splendid China with PICC" and "Walk for Wellness: PICC in Action". During the customer festival, the entire system of PICC P&C carried out over 2,000 activities.

In September 2025, PICC P&C held the "Financial Education Promotion Week" activity. During the activity , the Company carried out the special activity of "Face-to-Face for the People". The main leaders of provincial-level branches/the chairman of the Consumer Protection Commission went deep into the front line and received customers on-site through various means. The participation rate of the activity reached 100%, and the customer demands covered 146 business scenarios, achieving 100% efficient response to customer demands. The Company created the theme activity of "PICC County-wide Campaign-Risk Reminder Delivering to Your Door", especially produced the "County Residents Financial Wellness Assessment questionnaire" and financial knowledge folding pages, and carried out 2,500 activities in 6 types of regions and thousands of counties at the grassroots level. The Company carried out themed online activities such as "Intelligent Consumer Protection" and "Decoding Suitability: A Campaign for Financial Risk Prevention", with over 165,600 participants. We held theme public welfare activities such as "Mediation Open Day" and "Consumer Lecture Hall", through real case studies and on-site explanation by expert, popularized the diversified resolution mechanism of financial disputes to the public, and demonstrated the dispute mediation mode with the characteristics of PICC.

▲ *Xinjiang Urumqi Branch Joins Hands with Traffic Police to Carry out the "First Lesson in School" Education and Publicity Activity*

During the Spring Festival, May Day, and National Day of 2025, PICC P&C continued to carry out a series of holiday service activities called "Heart Service, New Service", covering more than 300 cities and regions across the country. The activities involved nearly 10,000 claims service personnel, built over 1,500 warm post stations, served more than 240,000 people, and participated in over 1.05 million holiday themed online activities. The 95518 hotline provided 7 × 24 service to customers, giving timely, convenient, high-quality, and heartwarming online and offline service guarantees for holiday travel customers.

▲ *Provided mobile charging devices for new energy vehicle owners during travel*

Employee Growth

PICC P&C attaches great importance to the construction of a high-quality talent team, actively completes talent reserve work, relies on a market-oriented and professional talent development layout and diversified ability enhancement channels, and creates a high-quality talent team. Through the improvement of performance-based compensation incentives, the implementation of diverse benefit care, smooth communication and feedback channels, the Company continuously strengthens the competitiveness of enterprises, and continuously improves employee satisfaction.

Talent Pipeline Development Strategy

Talent Pipeline Development Mechanism System

Building a Multi-Directional Career Development Channel

PICC P&C establishes a unified job rank system, dividing all positions into three major job grades: management, professional, and skill based on job responsibilities, value contribution methods, and management needs. To meet different development needs, we build diversified career development paths, break down barriers between different grades, facilitate promotion channels for technical and operational positions, and continuously expand the depth and breadth of career development for young employees.

Establishing a Primary Level Training Mechanism for New Employees

PICC P&C has established a primary level training mechanism for newly recruited fresh graduates. After one year of employment, high-quality school recruited personnel from the provincial and local headquarters will be arranged to participate in primary level training at the national primary level. They will participate in sales, claims, customer service and other work as frontline employees throughout the entire process, deepen their understanding of the insurance market and insurance customers, enhance their political and business abilities, and exercise their strong skills and style.

Strengthening the Supply of Cadres and Talents

PICC P&C guides cadres to establish a correct view of political performance by improving the system and mechanism, clarifying selection standards, and standardizing work procedures. The Company promotes those who excel, rewards those who perform well, demotes those who are mediocre, and eliminates those who are incompetent, continuously improves the quality of work, and ensures that the supply of cadres and talents is in line with the high-quality development needs of the Company.

Measures for the Development and Cultivation of Talent Pipeline

Smoothing Career Promotion Path

PICC P&C has always been committed to improving the employee career development system, continuously expanding the growth space of employees, building a comprehensive, hierarchical, and diversified career development platform, and promoting the reasonable flow of employees between institutions, lines, and departments. The Company implements job management by category and sequence, and establishes a performance evaluation and incentive mechanism that matches it. The Company continuously improves the internal talent market mechanism, implements open competition for key positions, strictly regulates the selection and appointment process, strengthens the entire process of publicity and supervision, and effectively ensures the standardization, transparency, fairness, and impartiality of talent selection work.

The Company attaches great importance to the construction of a cadre team, boldly discovers and cultivates young cadres, selects them through hierarchical selection, and emphasizes education and training in practice to promote growth and success. The Company normalizes the promotion of communication between headquarters and cadres at all levels of institutions, selects outstanding headquarters cadres to exercise in primary level district and county institutions, and provides assistance to institutions in difficult and remote areas. The Company selects primary level employees to learn and exchange at headquarters, organizes orderly rotation and exchange of key groups and positions, and expands the scope of practical training and career development paths for cadres and employees. In 2025, the headquarters of PICC P&C arranged 31 people to go to primary level for training (including support work), 21 technical support personnel deployed to Qinghai, Tibet, and Gansu.

The number of people arranged to go to primary level for training by headquarters of PICC P&C

31 people

Promoting Learning through Examinations and Improving Professional Level

PICC P&C new employees must complete onboarding training punctually and to standard, pass the qualification examination for new hires, and enhance their overall competence and professional knowledge. For professional talents in key fields such as underwriting and claims, regular professional qualification exams are organized to promote learning and continuously improve the ability level of professional personnel.

Continuously Strengthening Training and Empowerment

PICC P&C focuses on young cadres at the department level within the system who meet the requirements. The head office cooperates with renowned universities to conduct education and specialized training, with a focus on strengthening ideals and beliefs, enriching theoretical education, strengthening professional literacy, enhancing comprehensive abilities, and broadening management perspectives. According to the management authority of cadres and in combination with the construction of cadre ranks, provincial branches select young cadres to participate in professional short training projects organized by higher education institutions, industry associations, and qualified social institutions.

Fair Recruitment

Equal Employment	PICC P&C adheres to the principle of equal employment, strictly abides by relevant national laws and regulations, as well as recruitment management measures such as the *"Recruitment Management Measures of the People's Insurance Company (Group) of China Limited"*, adheres to the principles of "fairness, equality, competition, and merit selection", provides all job seekers and employees with equal employment and development opportunities, and eliminates various discriminatory factors such as race, faith, gender, age, marital status that affect employment, promotion, and career development. The Company establishes a full process recruitment review mechanism to eliminate violations such as forced labor and child labor from the source, and ensures long-term stability of the employee team. In 2025, there were no cases of child labor or forced labor disputes within the Company, and there have been no employee work stoppages or collective strikes in the past three years.
Refusal to Discrimination and Harassment	PICC P&C has achieved zero tolerance for any form of discrimination and workplace harassment, and has set up clear reporting channels for discrimination and harassment incidents, effectively protecting the legitimate rights and interests of whistleblowers. Once the above-mentioned behaviors were found, corrective or disciplinary measures would be strictly taken.
Promoting Campus Recruitment to Improve Quality and Efficiency	PICC P&C continues to strengthen the campus recruitment work, insisting on using campus recruitment as a main channel to supplement the talent team and improving the quality of the employee team, further optimizing the educational age structure of the Company's employees, and enhancing the Company's employer brand influence.
Increasing the Absorption of Professional Talents	In 2025, PICC P&C added a total of 4,622 professional talents in key fields such as financial technology, product actuary, underwriting and claims, and risk control, further consolidating the construction of the talent team.

New Employee Training Mechanism

Regularly Carrying out Primary Level Training for Campus Recruitment of New Employees

PICC P&C implements a unified new employee training plan and conducts annual training for new employees, arranges new employees to experience multiple positions at the primary level and frontline, further enhancing their emotional understanding and in-depth understanding of the Company's overview and frontline insurance business, effectively promoting new employees to combine their learned majors with primary level practice and accumulate experience, apply what they have learned at the primary level and frontline, and effectively match their future practical work.

Encouraging Mentorship for New Employees

The Company encourages units within the system to provide mentors for new employees, and through mentoring and mentoring, carry out professional skills and work experience inheritance, help new employees actively integrate into the Company, establish cultural identity, familiarize themselves with the work environment and business processes, independently complete their own work, and help new employees quickly complete the transition from leaving school to entering the Company. Among them, special staffing and subsidies are allocated to fresh graduates who go to county-level institutions for training at the provincial and local headquarters, along with various guaranteed measures to stimulate employees' internal motivation.

Organizing New Employee Training

In order to effectively enhance the job competence and professional competence of new employees, PICC P&C adopted an online and offline parallel mode to carry out the Company's 2025 new employee training, with a total of 5,731 new employees participating in the system.

The number of new employees participating in the system

5,731 employees

Graduate Internship/Apprenticeship Program

PICC P&C continues to strengthen its cooperation with well-known universities in China. We have signed cooperation agreements with multiple universities and established nearly a hundred internship bases for college students, providing a front-end and accurate employment platform for outstanding college students.

In July 2025, the Nanjing branch of Jiangsu Province and Kangda College of Nanjing Medical University held a signing and awarding ceremony for the practical teaching base at the Wutai campus of Nanjing Medical University. The Nanjing branch has officially become the practical teaching base for medical insurance and related majors at Kangda College of Nanjing Medical University.

Employee Training and Growth

Regular Performance Evaluation and Feedback Process

PICC P&C continues to improve the performance evaluation and feedback mechanism, formulate the *"Implementation Rules for Performance Management at the Headquarters of PICC Property and Casualty Company Limited"*, strengthen the incentive management for employee performance compensation, continuously improve the talent evaluation system, and ensure accurate measurement of employee value and reasonable returns. The content of employee performance evaluation includes two dimensions: key work indicators and comprehensive evaluation indicators. The performance evaluation results are divided into five levels: "excellent", "good", "competent", "basically competent", and "incompetent". Performance evaluation results will be communicated to the respective departments and employees in an appropriate manner. After the feedback of the performance evaluation results, if the assessed person has any objections to the evaluation results, they can make a grievance and request reconsideration. The performance evaluation results serve as an important basis for selection and appointment, training and education, management supervision, incentive and restraint, accountability and liability investigation, etc.

Performance Appraisal Process

Setting performance goals	At the beginning of the year or at the beginning of each assessment cycle, we discuss and determine specific and measurable performance goals with employees based on the Company's strategic goals and individual job responsibilities.
Regular communication and feedback	During the assessment cycle, we regularly communicate with employees to understand their work progress, provide necessary guidance and support, and provide timely positive or constructive feedback.
Collect evaluation information	We collect information about employee performance through multiple channels to ensure the diversity and objectivity of information sources.
Formal evaluation	At the end of the assessment cycle, we conduct a comprehensive evaluation of employees' performance based on the collected information. The evaluation content should cover work outcome, behavioral performance and other aspects.
Evaluation feedback	We provide feedback on performance evaluation results to employees, discuss their strengths and areas for improvement. We encourage employees to provide their own opinions and suggestions, and jointly explore future development plans.

Development Training Plan for Professional Lines

In order to strengthen professional empowerment, PICC P&C designs and organizes the implementation of a special training support plan. Through training demand research and analysis, a course list with a clear structure and practical content is formed, and high-quality teacher resources of the relevant departments of the headquarters are actively coordinated. Regular "sending training to primary level" activities are carried out, and the training focuses on the key areas of branch business development and capacity building, with a focus on product development, underwriting and claims verification strengthen professional empowerment in risk reduction management and other aspects, while also taking into account the improvement of comprehensive management capabilities such as public opinion response, financial management, and compliance internal control. By combining face-to-face/online teaching, case studies, and interactive communication, we can effectively assist our subsidiaries in improving their business expertise and management efficiency.

At the same time, PICC P&C regularly holds various professional skills training, professional level recognition exams, and professional skills competitions, etc. Through mechanisms such as "training, examination and competitions", the Company hones the skills of professional talents, creates a professional atmosphere of "benchmarking, learning, catching up, mutual assistance, and surpassing", and helps employees grow and become talents.

The Guangdong Branch strengthened the professional empowerment of employees, enhanced the team's ability to perform their duties, held a provincial technology line skills training course, and enhanced employees' professional literacy through systematic training. The branch organized and carried out the "Youth Set Sail '25" New Recruit Training, through panoramic teaching, quality development, and course learning, to help new employees quickly integrate into the workplace.

Shandong Branch focuses on improving employees' professional literacy and performance ability, and constructed a normalized professional training and training system with political quality training, job learning, special skills training, and vocational qualification exams as the content. In 2025, various training services were provided, covering a total of 211,000 people.

Shandong Branch 2025 New Employee Cohesion & Team Building Camp ▶

Skills and Knowledge Development Training

PICC P&C has formulated and issued the *"PICC P&C 2024-2027 Education and Training Plan"* and the *"Key Points of the Company's Education and Training Work for 2025"*, focusing on leadership empowerment and overall ability improvement, enhancing the political, strategic, systematic, and effective nature of education and training, and providing high-quality education and training for cadres and employees.

In order to comprehensively improve the comprehensive quality and performance efficiency of cadres and employees, specialized areas such as "Five Colleges", "Great Lecture Hall", and "Workplace Tools" have been set up on the online training platform, focusing on leadership improvement and the cultivation of common abilities in the workplace. The platform arranges content such as leadership skills, management practices, efficient work methods, and essential skills in the workplace. The zone is open to all cadres and employees within the system, aiming to assist them in continuously improving leadership, strengthening workplace literacy, and improving work efficiency through normalized online learning.

Layered and Classified Training to Strengthen the Core of Leadership

For cadres at all levels, the training, rotation, selection, and demonstration shifts organized by superiors and the headquarters will be the main focus, with the rotation training shifts responsible by provincial branches as auxiliary. The integration of offline and online training will achieve full coverage of cadre education and training, continuously strengthen the three political capacities of cadres, and continuously improve their comprehensive leadership in overcoming difficulties and solving practical problems. The specific training programs include leadership cadre class, young cadre class, prefecture level institution head class, primary level branch company head class, newly appointed leadership cadre class, etc. The Company provides training for new employees, professional talents, and system employees, including new employee training, professional training, and knowledge training for all employees, to strengthen their ability foundation and provide support for team collaboration and leadership implementation.

For middle and senior level cadres: 8 sessions of training for middle and senior level cadres were held to effectively improve the theoretical level of party spirit, political ability, professional ability, and development thinking of middle and senior level cadres in the system, and to forge a loyal, clean, and responsible high-quality professional financial cadre team. We organized one comprehensive ability improvement course for newly appointed leaders of local and municipal branches, three rotation training courses for leaders of local and municipal branches, and one demonstration training course for leaders of local and municipal institutions to achieve full coverage of main leaders, continuously strengthen the competitive advantage of the system's regional market, and support the high-quality development of the Company.

For primary level cadres: We held one demonstration training session for primary level cadres to improve their political ability, organizational leadership ability, business management ability, market competition ability, and compliance management ability. We held one "Comprehensive Ability Improvement Class for Young Cadres (Reserve Cadres)" to enhance the ability of young cadres to do things and succeed. We held a demonstration class for enhancing the comprehensive abilities of district and county branch company managers, empowering them to enhance their political literacy and performance abilities.

For employees: With the goal of comprehensively improving their political literacy and workplace skills, and assisting their growth and development, relying on the two major online training platforms of the operational corporate property insurance e-learning platform and training management system, through the Company's visual course system, we focused on arranging special skills training, structured expression, document writing courses such as AI tool usage, emotion management, and workplace etiquette to help employees to solidify their ideological foundation and improve their overall workplace literacy and work efficiency.

Building a Curriculum System and Integrating Leadership Development

PICC P&C carries out job learning map drawing work, and develops a professional course system suitable for different positions of cadres and employees, as well as various training programs. We focused on developing relevant courses to assist in the implementation of company strategies and solving practical work problems for cadres and employees. While enhancing the professional spirit and practical ability of cadres and employees, we let leadership cultivation run through the entire learning process.

PICC P&C has established a training resource system that integrates "base, platform, teachers, and courses" to help create an integrated resource platform and promote resource co construction and sharing.

Guiding the related work of the training institute	• We promote the PICC P&C Research Institute to provide excellent teaching support, strengthen academic operations, strengthen communication and resource integration. As of the end of the reporting period, a total of 81 training sessions were organized, with a training volume of approximately 40,084 person days.
Building two major online training platforms	• We coordinated the operation of the corporate property insurance e-learning platform and training management system, optimized content configuration, and provided support for various departments and lines to carry out online training. As of the end of the reporting period, a total of 43.88 million online learners were organized throughout the year.
Strengthening the construction of teaching staff	• The Company has comprehensively sorted out the resources of trainers at the headquarters, provincial, and prefecture levels, and conducted a 2025 assessment of the employment period of part-time teachers at the headquarters level. After a series of work processes such as self-evaluation, preliminary review, review, and appointment, 262 part-time teachers at the headquarters level have been finally renewed. The Company deeply participated in the first teacher course competition of PICC Group, and a total of 142 people were hired as part-time teachers at the headquarters level through a "direct train" after the competition and held one training session for part-time teachers at the headquarters level.
Promoting the construction of visual course system	• Through the "Learning Map Consultant Empowerment Workshop", the learning development map of 44 positions was drawn, and the outcome of the Company's visual course system construction was preliminarily formed, providing support for the growth, rotation, and promotion of cadres and employees.
Enriching course resources	• In 2025, the Company completed a total of 503 internal course audits and launched them online. As of the end of the reporting period, more than 20 high-quality live streaming course resources have been pushed, and the online learning platform currently has more than 7,000 regular online courses throughout the system.

Supporting Practice for Degree Courses and Certificates

PICC P&C has established a degree course and professional qualification certificate support system covering all employees, and also provides training course support for part-time employees and cooperative suppliers, ensuring equal participation opportunities for different employers and cooperative entities in professional ability improvement, and helping to build a diversified and professional talent development system.

Degree Program Support

PICC P&C continues to promote the construction of its curriculum system, open up an online training platform for all employees within the system, and rely on the platform to establish personal learning files for all employees within the system. According to the *"Interim Measures for the Management of Cadre Education and Training of the PICC Property and Casualty Company Limited (Revised) "*, cadres and employees who participate in various types of learning and training can register and earn points in the employee's learning files after completing the review process. Among them, continuing education and training with educational qualifications are based on obtaining degrees or corresponding points at the education level. At the same time, PICC P&C regularly implements course research and update iterations, continuously improving the development of platform functional requirements based on different user needs and daily management needs. By promoting learning through exams, we aim to stimulate employees' enthusiasm for self-directed learning, supplemented by necessary training resources, to help build a high-quality and professional workforce and continuously enhance the Company's talent competitiveness. As of the end of 2025, the online training platform basically achieved full participation, with a training coverage rate of nearly 100% and an average learning time of 70 hours per person.

The online training platform with a training coverage rate of nearly

100%

Average learning time

70 hours per person

Qualification Certificate Support

PICC P&C provides institutional guarantees and resource support for formal employees to participate in relevant professional qualification exams and obtain external authoritative qualification certifications (including CFA, FRM, actuarial professional qualifications, etc.). For employees who have passed relevant qualification exams and obtained qualification certificates, the Company will reimburse a certain proportion (60%) of the exam fees according to the standard, effectively reducing the economic burden of employee preparation.

PICC P&C always regards the evaluation of professional titles as an important measure to strengthen the professional construction of the Company's talent team. The Company deeply implements the opinions and requirements of the state and higher-level units on deepening the reform of the professional title system, strictly follows the procedures for professional and technical job qualifications, and does a good job in the application, review evaluation of materials, thesis defence, and assessment recommendation of senior professional title candidates. At the same time, the Company organizes the recognition of intermediate and junior professional titles periodically according to work arrangements.

Establishing a Professional Talent Certification System

PICC P&C actively builds a professional talent certification system, enhances employees' professional abilities, and creates a world-class non-life insurance professional team. The Company establishes multi-directional professional development channels such as underwriting, claims settlement, actuarial science, and technology, and conducts qualification exams at various levels in different fields. Employees can fully learn, grow, and hone their skills through the internal training mechanism of the Company. Among them, outstanding talents can be appointed as senior professional technical positions by the Company.

In 2025, PICC P&C organized and conducted 2 qualification examinations for new employees across the entire system, with a total of 8,567 candidates from the headquarters and system branches as references. The Company carried out the selection and examination of the new Youth Cadre Training Class, with a total of 304 people for reference.

Joint Training Program

PICC P&C continues to strengthen cooperation with education and training institutions, adopting cross-border education and training methods, providing more diverse training and exchange opportunities, and continuously improving employees' professional knowledge and skills.

The "Youth Cadre Training Class" (also known as the "Peking University Class") is a high-quality training program jointly organized by PICC P&C and the School of Continuing Education, Peking University. Since 2000, it has been held for 26 consecutive sessions, providing strong talent support for strengthening the education and training of outstanding middle-aged and young cadres in the Company.

In 2025, PICC P&C and Peking University jointly organized two "Peking University Classes", including one basic education class (42 days) and one high-end training class (14 days), with 156 participants. The "Peking University Class" matches the work scene, stimulates the study enthusiasm, and forms the actual training outcome through organizing and carrying out the manager symposium, expanding training, group discussion, practical sharing, graduation project, etc.

▲ *PICC P&C was awarded the title of '2025 Outstanding Partner Institution' by the School of Continuing Education, Peking University.*

In 2025, Gansu Branch took the lead in collaborating with Lanzhou University to carry out three sessions of Gansu-Qinghai-Ningxia "Lanzhou Class", with more than 100 trainees per session, completing a total of 21 days of centralized training (7 days per session). According to the differences in the development stages of the insurance market in the northwest region and the characteristics of the positions of managers, the "Lanzhou Class" has systematically constructed the " Young Eagle - Rising Eagle - Elite Eagle - Mighty Eagle" cadre pipeline model, adopting a diversified teaching mode of "university professor theoretical teaching + company expert policy interpretation + case study + action learning", injecting sustained talent power into the high-quality development of the regional insurance industry.

▲ *live lecture: "Lanzhou Class" (Session 1), 2025*

In 2025, Jiangsu Branch and Nanjing University collaborated to carry out two "Excellent Talent" training programs for management cadres, with 66 students in each session and a total of 54 days of centralized training completed. The course was divided into four modules: political literacy improvement, business management, professional knowledge, and comprehensive literacy improvement. It flexibly adopted forms such as lectures, lectures, seminars, action learning, and elite communication to broaden the perspective of management cadres, strengthened core abilities such as team leadership and risk decision-making, and helped management cadres transform from "experienced managers" to "professional leaders".

▲ *The closing ceremony of the first session & opening ceremony of the third session of "Excellent Talents" training class project*

Employee Rights, Interests, and Protections

Salary Management

Salary based on job, equal pay for equal work: Salary is linked to performance, prioritizing efficiency while ensuring fairness. This achieves the organic unity of effective incentives and internal equity, while ensuring that salary levels remain highly competitive. PICC P&C issued the *"Notice on Further Strengthening the Management of Total Wages, Subsidies and Benefit"* to further standardize the order of income distribution. The salary structure of employees consists of fixed and floating parts, with the floating part linked to performance, achieving an organic unity of effective incentives and internal fairness. Branches at all levels shall strictly implement the relevant policies of local minimum wage.

Establishing a Clawback Mechanism for Performance-based Compensation: The Company strictly implements regulatory requirements and sets up a deferred compensation and clawback system for senior management personnel and key positions that have a direct or significant impact on operational risks, ensuring that the payment period of performance-based compensation matches the risk duration of the corresponding business. In accordance with the relevant requirements of the *"Interim Measures for the Administration of Performance-based Compensation Clawback of PICC P&C"*, the restraining guiding role of performance-based compensation shall be fully exerted to prevent radical business behavior and illegal and irregular behavior, and to promote the stable operation and sustainability of the Company.

Non-remuneration Rights and Protection

Employee Welfare Protection

PICC P&C strictly complies with relevant laws and regulations to make full contributions to employees' social insurance (five insurances and one fund) and enterprise annuity, formulates and strictly implements the *"Management Measures for Vacation of the Headquarters of PICC Property and Casualty Company Limited"*, comprehensively guarantees the rights and interests of employees' rest and vacation, covering annual leave, personal leave, sick leave, work-related injury leave, family visit leave, marriage leave, funeral leave, maternity leave, maternity inspection leave, paternity leave, breastfeeding leave, parental leave, only child care leave various types of holidays such as compensatory leave.

In accordance with national policies, the Company has established and improved a non- salary benefit system, providing basic social insurance, housing provident fund, supplementary medical insurance, employer's liability insurance and other diversified welfare guarantees for all formal employees and part-time employees, achieving 100% coverage of non-salary benefits, and constructing a multi-level and all-round employee health and safety protection system.

Non-salary benefits coverage

100%

Implementing Care for Female Employees

PICC P&C fully guarantees the welfare of female employees, complies with laws and regulations such as the *"Women's Rights Protection Law"* and the *"Special Provisions on Labor Protection for Female Employees"*, and provides female employees with maternity leave, maternity inspection leave, breastfeeding leave, and other leave. In 2025, PICC P&C actively organized and participated in various activities, including the "Reading Initiative", "Legal Education", and "Women's Day Themed Events". At the same time, PICC P&C has solidly promoted the construction of female employee care rooms, "nursing rooms", and "mommy cabins", vigorously carrying out activities to jointly build "female employee care rooms". The primary level of nine branches in Hebei, Shandong, Shaanxi, Jilin, Shanghai, Guizhou, Xinjiang, Qinghai, and Qingdao, as well as the PICC Group trade union, have jointly built female employee care rooms.

▲ *The Labor Union of Chongqing Branch Held the "Her Power Blooms Fragrance" Female Workers Climbing and Hiking Activity*

Deepening Inclusive Services

PICC P&C has improved the headquarters service system, implemented care and condolence, and carried out various types of condolence for 212 people, including marriage and childbirth, retirement and departure, employee and immediate family member deaths, illness and hospitalization. The Company distributed a condolence fund of 375,400 yuan, implemented collective benefits such as holiday condolence for union members, and enhanced employee happiness. We strengthened service measures and innovated the summer care service for the children of headquarters members for the first time. 74 children participated and were promoted by Xinhua News Agency and the All-China Federation of Trade Unions.

▲ *Summer Care Program for Children of Union Members at PICC P&C headquarters*

Carrying out Targeted Assistance

PICC P&C has carried out the "Two Festivals" warmth giving activity in 2025, with a total of 1,084 frontline branches visited by the system, including 9,377 employees in need, families in need, frontline employees who stayed on duty during the holiday, and dispatched temporary cadres. A total of 7.2947 million yuan of condolence funds have been distributed. We organized and carried out a union cooling activity, with a total of 44,242 people comforted by the system and 3.7795 million yuan of cooling supplies distributed. We organized the "PICC Employee Love Day" donation activity in 2025, with 164,000 employees in the system donating a total of 2.5221 million yuan, and applying for a love fund of 2.56 million yuan for 155 employees of the Company.

Number of frontline branches visited

1,084 branches

Distributed condolence fund

7.2947 million yuan

Building a Happy Home for Employees

PICC P&C has rich activity carriers, organizing various cultural and sports activities such as Spring Festival Gala, online brisk walking, and headquarters table tennis match. The Company has also organized the "June 1st" Children's Day parent-child farming activity at the headquarters, attracting 971 employees and children from various departments at the headquarters in Beijing to participate. The Company organized and participated in PICC Group's 2025 Beijing Headquarters Workers' Games, and continued to win the Championship of Overall Team Standings at the Games.

▲ *PICC P&C Formation for the PICC Group's 2025 Beijing Headquarters Workers' Games*

Caring for Wellness of Employees

Occupational wellness Management: PICC P&C has established a wellness Management Center, arranged medical experts for weekly visits, assisted employees in handling medical registration, effectively meeting daily diagnosis and treatment needs. The Company organizes annual wellness physical examination for all employees, and cooperates with high-quality medical units to provide diversified physical examination packages to help employees discover and prevent wellness hazards in a timely manner.

Emergency capacity building: PICC P&C has carried out special emergency training for automatic external defibrillator (AED) for two consecutive years, and widely publicized emergency knowledge through OA Health & Wellness Corner, restaurant and elevator video channels, and organized a total of 91 AED practical training sessions. The office area is equipped with first aid kits and emergency equipment to enhance the emergency self-rescue and mutual rescue capabilities of all staff.

Organized AED practical training

91 sessions

Employee Communication and Participation

Deepening Democratic Management

PICC P&C establishes sound systems and mechanisms to safeguard the legitimate rights and interests of employees. The Company convened the first and second meetings of the Fourth Staff Congress, which reviewed and approved the *"Proposal on Resignation of the Company's Employee Supervisor", as well as the "Implementation Rules for the Management of Resignation of Company Employees"* and *"Implementation Rules for the Management of Resilient Retirement of Company Employees"* and other institutional provisions related to the vital interests of employees, and elected directors of the Company's employees. In addition, the first session of the Seventh Staff Congress at the Company Headquarters was held, which reviewed and adopted the *"Management Measures for Occupational Clothing of Employees at the Company Headquarters (Revised in 2025)"*, and elected employee representatives for the headquarters constituency of the Company's Staff Congress.

▲ *The First Session of the Fourth Staff and Workers' Congress of PICC P&C*

▲ *The First Session of the 7th Staff and Workers' Congress of PICC P&C Headquarters*

Building Harmonious Labor Relations

Through extensive collective negotiation, all provincial branches of PICC P&C have earnestly implemented the collective contract system and promptly renewed expired collective contracts. All 36 provincial branches have signed collective contracts under their jurisdiction. In 2025, 148,180 employees signed collective bargaining agreements; 69,474 female employees have signed collective bargaining agreements; 69,474 people signed protection agreements for female employees.

Employee Appeal Grievance Management

PICC P&C actively listens to the voices of employees and provides diversified communication channels for the expression of opinions from all levels of employees, including employee representative meetings, the establishment of a dedicated email for receiving feedback, the establishment of dedicated procedures for letters and visits on the office platform, communication with superiors, human resources departments, and trade unions, etc. The Company ensures that employees are aware of relevant channels through publicity, training, and other means, and continuously maintains smooth communication and feedback channels. The Company actively carries out investigation and verification on the collected clues of grievance or specific problems reported by employees, and forms the verification results after fulfilling relevant approval procedures to promote the effective implementation and response of employee opinions and suggestions. At the same time, PICC P&C takes strict "confidentiality" measures to prevent the leakage of personal privacy and safeguards the personal interests of employees while effectively safeguarding the security of personal information of employees.

Employee Satisfaction Survey

In terms of human resource management, PICC P&C regularly conducts employee satisfaction surveys and leadership style evaluations for headquarters labor contract employees. Based on data-driven evaluations, the Company accurately identifies work shortcomings and dynamically improves the effectiveness of human resource management.

In terms of union services, PICC P&C conducts regular union member satisfaction surveys to accurately meet the diverse needs of employees and continuously optimizes service supply. Among them, a special survey on the summer care service of children of headquarters union members in 2025 showed that the parental participation rate reached 85.14%, with an average satisfaction score of 96.88, and the service quality was highly recognized by employees.

PICC P&C places great emphasis on employee experience, conducting annual multi-dimensional surveys and continuously improving human resource management and trade union services.

Cooperation and Exchange

PICC P&C systematically promotes the fine management of supply chain, promotes the compliance of partners, and ensures the quality of cooperation. We actively carry out exchanges within and outside the industry, focusing on cutting-edge issues such as technology empowerment and green finance to deepen cooperation and practice. We lead and participate in multiple regulatory and industry key research projects to jointly explore the high-quality development path of the insurance industry.

Supply Chain Management

PICC P&C continues to strengthen the full cycle management of the supply chain, focusing on the three aspects of supplier access, behavioral norms and data security protection, and building a systematic and standardized management system. We have improved the management policies and assessment mechanisms for supplier, clarified the responsibilities and obligations of supplier in terms of business ethics, anti-corruption and information protection, and jointly signed a code of conduct and a commitment letter of integrity with suppliers to promote the compliant operation and sustainability of the supply chain.

Supply Chain Management Policy

PICC P&C strictly follows national laws and regulations such as the *"The Bidding Law of the People's Republic of China"* and the *"Interim Regulations on Centralized Procurement Management of State-owned Financial Enterprises"*. In the procurement work, we fully implement the relevant provisions on supplier selection, management, and assessment specified in the *"Measures for the Administration of Centralized Procurement"*, *"Measures for the Administration of Decentralized Procurement"*, *"Measures for the Administration of the supplier Management"*, and *"Measures for the Administration of Online Mall Procurement (Trial)"*, strictly adhering to the supervision and management requirements of supplier. We continuously improve the standardized processes such as the *"Work Norms for Bidding Agency"* and improve the supplier management system. We develop and promote supplier to sign *"Commitment Letter of supplier Code of Conduct"*, *"Commitment Letter of supplier Integrity and Integrity"* and *"Integrity and Good Faith Agreement"* to effectively prevent the risk of violations in the procurement process. Among them, the *"Commitment Letter of supplier Code of Conduct"* clearly requires supplier to follow the principle of fair competition, comply with relevant laws and regulations on environmental protection in their location, fulfill their responsibilities in terms of human rights protection, and stipulate that all suppliers participating in the procurement project must sign the commitment Letter.

PICC P&C actively promotes green procurement and fully applies the e-procurement management platform and online mall system . In 2025, we achieved online approval management of the entire process of decentralized procurement projects, and the online mall has fully supported supplier online quotations, significantly improving procurement efficiency, information security, and energy conservation and emission reduction level. We collaborated with supplier to fulfill corporate social responsibility, incorporating sustainable development requirements into the *"Commitment Letter of supplier Code of Conduct"*, and making it an important admission condition for suppliers to participate in procurement projects.

Supplier Anti-Corruption Policy

PICC P&C fully conveys anti-corruption and integrity policies to suppliers included in the procurement management scope during the procurement implementation process, and requires suppliers participating in procurement activities to sign the *"Commitment Letter of Supplier Code of Conduct"*. The commitment letter stipulates that supplier shall engage in commercial activities in a moral manner, adhere to the principle of fair competition, comply with all applicable anti-corruption laws and regulations of the place where it operates and the country, and shall not engage in any bribery, corruption, malicious collusion, malicious fraud or other bad behavior that damages the interests of the Company.

Industry Exchange and Research Topics

PICC P&C actively responds to the government's call, implements various policy deployments, maintains close coordination with government departments, industry associations, relevant enterprises, universities, etc., actively builds communication and cooperation mechanisms, promotes resource sharing and business linkage, conducts research on topics such as ESG, climate risk and green insurance, forms systematic outcome, and assists the industry in green transformation and sustainability.

The Company's participation in some research projects in 2025

Project research section	Project research content
Standard specification development	• Participated in drafting the national standard *"Sampling Verification Method for Collapsed/Damaged Rural Housing in Disaster-Affected Areas"* by the National Technical Committee on Emergency Management and Disaster Reduction & Relief. • Participated in the formulation and review of the *"Application Specification for Remote Sensing Technology in Agricultural Insurance"* by the Insurance Association of China. • Deeply participated in the construction of the new energy vehicle classification system and the calculation of benchmark rate linkage schemes, and supported the sustainable and precise development of new energy vehicle insurance. • Led the research on two industry standards, *"Application Specification for Building Insurance Risk Reduction Based on Synthetic Aperture Radar Interferometry (InSAR) Technology "* and *"Application Specification for Urban Waterlogging Monitoring and Early Warning Information Insurance"*, to provide support and guidance for risk reduction service practice.
Climate risk research	• Participated in the research on *"Artificial Intelligence and Climate Finance"* led by the Chinese Academy of Sciences, completed the research report on "*Insurance Climate Risk Management Based on Artificial Intelligence"*, and explored cutting-edge technologies to empower risk management. • Participated in the construction of the *"Joint Laboratory for Disaster Assessment and Insurance"* project of the Ministry of Emergency Management of the People's Republic of China, submitted annual strategic research and technical prediction reports for key laboratories, and participated in relevant academic seminars and acceptance work meetings. • Participated in the technical exchange and calculation of the *"Standardization Plan for Typhoon Heavy Rainfall Catastrophe Index Insurance in Guangdong Province"*, and supported the construction of a regional disaster risk prevention system. • Participated in financial meteorological service training courses and continuously explored the deep integration of meteorological data and insurance business.
Project research	• Participated in the *"14th Five Year Plan"* key research and development plan of the Ministry of Science and Technology of the People's Republic of China, titled *"Research and Application Demonstration of Key Technologies and Standards for Insurance of Major Disaster-bearing Bodies in Typhoon and Flood Catastrophe Chains"*. The research focused on the insurance compensation mechanism for property structure damage and bulk crop losses caused by typhoons and flood disasters, integrated the insurance and reinsurance loss and risk assessment business platform for typhoon and flood catastrophe disaster chains, and conducted an application demonstration of the model platform in the eastern coastal area. • Undertook the research project *"Research and Practice on the Application of InSAR Technology in Insurance Industry to Support the Belt and Road Initiative"* by the China Society for Finance and Banking, and explored its practical path in insurance underwriting, claims settlement, and risk reduction by combining InSAR technology application cases. • Undertook the research project of the Insurance Society of China on the business model of corporate property insurance companies under risk reduction services, analyzed typical cases in various fields such as enterprise finance, engineering, and catastrophe insurance, and explored the business model and implementation path of corporate property insurance companies under risk reduction services.
Project cooperation	• Collaborated with China Agricultural University to carry out a livestock and poultry whole genome selection model project to support pig risk assessment, insurance product innovation, claim reduction, and assist in rural revitalization.

Public Welfare and Charity

PICC P&C always takes serving the people's livelihood and improving the well-being of the people as its conscious responsibility. We continue to carry out various forms of targeted assistance, public welfare charity and volunteer services, actively fulfill corporate social responsibility, and share high-quality development outcomes with society. In 2025, we made charitable and other donations of 42 million yuan, of which 39 million yuan was donated for public welfare purposes. Our donation insurance provides risk protection of 116.172 billion yuan.

Assistance Action

PICC P&C attaches great importance to rural revitalization and targeted assistance work. In early 2025, we systematically deployed the annual tasks, formulated documents such as the *"2025 Targeted Assistance Work Plan"* and *"2025 Paired Assistance Work Plan"*, and provided assessment methods and task lists to ensure the orderly progress of work. In 2025, we organized a total of 28 research guidance groups and 111 people to conduct on-site research in designated counties to ensure the accuracy and effectiveness of assistance measures. Throughout the year, we directly invested 15 million yuan in free assistance funds to five designated counties, with a focus on supporting the development of industries and increasing farmers' income in the assistance areas. The targeted poverty alleviation efforts have been rated as "good" with the highest ranking in the central unit's designated assistance assessment for seven consecutive years. At the same time, we actively promoted consumer assistance and guided trade unions at all levels throughout the system to complete consumer assistance of 23.35 million yuan.

PICC P&C donated a total of 2.9622 million yuan in funds and insurance to Chayouzhong Banner, Ulanqab, Inner Mongolia, to implement multiple agricultural assistance projects such as hail prevention and disaster reduction, agricultural monitoring system construction, water-saving irrigation, and miscellaneous grain frying, effectively supporting the development of local characteristic industries.

The Jiangxi Branch continues its tradition of providing targeted assistance for over 20 years, organizing employees to carry out the "Love for Students, Building a Dream for the Future" public welfare action at Gongxi Town Central Primary School in Lean County. We have provided scholarships and learning materials to 30 disadvantaged students, and have invested over 10,000 yuan in assistance funds.

Volunteer Service

PICC P&C actively organizes and carries out volunteer service activities, and continues to build a volunteer service brand. We take the youth volunteer service team as the main body to carry out rich and colorful volunteer service activities such as financial and insurance knowledge education, charity desk donations, red-themed educational sessions, and charity haircuts for new citizens' children, students in difficult circumstances, special education institutions, and elderly care institutions. We have also actively participated in important events such as the 15th National Games.

Employee Volunteer Service	2023	2024	2025
Volunteer service duration (hour)	78,348.2	36,778.5	34,676.0
Number of participants in volunteer services (people)	19,052	20,452	19,880
Main service targets and number of beneficiaries(people)	723,234	443,287	396,873

In 2025, representatives of young employees from PICC P&C once again visited the Love Hope School in Daxing District to carry out the "Love Desks Light Dreams" themed group day activity. By donating desks and cultural and sports supplies, and conducting red-themed public welfare lessons in classes, we deepened patriotic education and continued to convey public welfare warmth.

The Guangdong Branch organized young volunteers to participate in the 15th National Games and Paralympic Games. They provided insurance consultation and protection services for on-site spectators and event participants, covering a total of 70,000 people, with a daily duty time of over 12 hours.

The Committee of the Communist Youth League of Guangdong Branch organizes young employees to assist in the torch relay of the 15th National Games

Data Security

PICC P&C always prioritizes information security, data security and privacy protection, and integrates data security risks into the Company's Comprehensive Risk Management framework. The Company continuously optimizes the security management system and institutional norms, regularly conducts data leakage prevention investigation, strengthens the random inspection and control of sensitive data emails, and continuously improves the data security guarantee ability and security governance level.

Management Structure and System

Information Security Organizational Structure

PICC P&C has established a unified and standardized network and data security governance system with clearly defined responsibilities. The Party Committee and the Director of the Company are responsible for the data security work of the Company. The main person in charge of the Company is the first person responsible for data security, and the leader in charge of data security is the direct responsible person. The Company's Network and Data Security Leadership Group is the highest leadership organization for network security work. Each provincial branch establishes a network and data security leadership group at its level to ensure that the Company's management requirements are effectively communicated to all functional departments and branches at all levels.

Information Security Organizational Structure	
Hierarchy	Duty
Party Committee and Board of the Company	• The responsible party for data security management work
Network and Data Security Leadership Group	• Responsible for implementing relevant laws, regulations, and regulatory requirements, establishing a "three lines of defense" mechanism for network and data security risks, reviewing network and data security strategic plans, ensuring consistency with the Company's business strategic plans, and approving major network and data security work matters.

Information Security and Privacy Protection Policy

PICC P&C strictly follows the requirements of laws and regulations such as the *"Cybersecurity Law of the People's Republic of China"*, the *"Data Security Law of the People's Republic of China"*, and the *"Personal Information Protection Law of the People's Republic of China"*. The Company has developed a data protection policy system applicable to all institutional levels and covering all business lines.

Section	Data Security and Customer Information Protection Policy
Data Information Protection Policy	• According to the principle of *"who manages business, who manages business data, and who manages data security"*, management systems such as the *"Data Security Management Measures"* and *"Customer Information Management Measures"* are formulated to integrate data security and customer information protection requirements throughout the entire data processing lifecycle, applicable to all institutional levels, and covering all business lines.
Data Information Management Specification	• Developing system specifications such as *"Data Classification and Grading Specification"*, *"Data Life Cycle Security Specification"*, *"Emergency Plan for Data Security Incidents"*, *"Implementation Rules for Impact Assessment of Customer Personal Information Protection"*, *"Emergency Plan for Customer Personal Information Security Incidents"*, *"Personal Information Collection and Management Specification"*, *"Service Resource supplier Management Specification"*, etc. Through a series of systems, clarifying the responsibility of each business port to protect personal information, and establishing a punishment mechanism for infringement of personal information rights. Classifying and managing the behavior and categories of processing personal information based on the degree of impact on personal information rights, and establishing a closed-loop management mechanism of pre assessment, in-process control, and post supervision based on the degree of risk.

PICC P&C has stipulated data security protection requirements for scenarios such as third-party data cooperation and cross-border data transfer. The Company has standardized the classified and graded protection strategies across the entire data lifecycle, including collection, transmission, storage, access, export, display, development and testing, aggregation and integration, entrusted processing, sharing, joint processing, deletion, and destruction.

Data Security Management Measures

Data Security Protection Measures

PICC P&C adopts a combination of active and passive data security protection measures. By establishing a technical system for network and data security protection, it enhances its data security protection capabilities, actively carries out data security protection, and establishes and improves operational mechanisms such as network and data security risk monitoring and incident response, continuously improving its capabilities in risk early warning and security incident handling.

In terms of active protection, the Company strengthens data leakage risk prevention from the source through periodic vulnerability scanning and penetration testing, database desensitization, and isolation of office networks from the internet and data center networks. The Company improves the disaster recovery system, builds a disaster recovery environment at different levels, and ensures business continuity through data backup, recovery verification, and key hardware dual machine hot backup/cluster deployment.

Vulnerability Scanning And Testing	• Regularly conducting vulnerability scanning and penetration testing to promptly identify and fix network and information system vulnerabilities.
Data Desensitization	• Deploying a database desensitization platform and implementing dynamic desensitization strategies for testing environment data and database access.
Office Network Isolation	• Promoting the implementation of office network and internet isolation, and further enforcing isolation between office network and data center network for terminals in certain key positions, in order to mitigate potential data leakage risks.
Data And System Disaster Recovery	• Improving the backup and disaster recovery management system, classifying and constructing a disaster recovery environment for key information systems, conducting important data backups, and regularly verifying the effectiveness of recovery.The key hardware adopts dual hot standby/cluster deployment, and establishes a backup mechanism for core equipment accessories to ensure business continuity.

In terms of passive protection, the Company has established a comprehensive data leakage prevention and emergency response system, formulated policy documents such as *"Emergency Plan for Data Security Events"* and *"Emergency Management Regulations for Network Security Events"*, and has constructed a full process management mechanism covering early warning monitoring, emergency response and post-incident handling. The Company establishes a warning monitoring and response mechanism through standardized operating procedures, clarifies emergency procedures, compacts responsibilities of all parties, and ensures efficient incident resolution. Focusing on the security of personal information of customers, the *"Emergency Plan for Customer Personal Information Security Incidents"* is formulated. This plan specifies concrete response procedures for security incidents-such as the tampering, leakage, destruction, unauthorized acquisition, or illegal use of personal information that negatively impact the legitimate rights and interests of individuals or organizations, and the Company conducts regular emergency drills.

Network Attack Protection	• Adopting measures such as firewalls, intrusion detection systems, and malicious code protection systems to strengthen network attack protection.
Network Security Monitoring	• Building a network security monitoring system to achieve 7 × 24 hour normalized network security monitoring operation.
Risk Monitoring Tools	• Conducting risk monitoring for sensitive email outgoing, application interface data interaction, database access behavior, etc.
Data Security Emergency Plan	• Developing an emergency plan for data security incidents, clarifying the incident handling mechanism and procedures, organizing emergency drills, and ensuring rapid and orderly response in the event of an incident.
Customer Personal Information Security Emergency Plan	• Developing emergency plans for customer personal information security incidents, clarifying the incident handling procedures, organizing emergency drills, and ensuring rapid and orderly response in the event of an incident.

Continuously Promoting Data Protection Drills

PICC P&C regularly conducts practical offensive and defensive drills, while also regularly conducting emergency drills in multiple scenarios. In 2025, PICC P&C completed four rounds of attack and defense drills, five phishing email prevention drills, and one ransomware attack drill, aiming to comprehensively test and continuously improve the Company's defense and emergency response capabilities in different threat scenarios.

Selected Emergency Drill Scenarios	
Scenario	Objective
Attack from the Internet	• Simulating the intrusion behavior of real hackers from the internet side, conducting offensive and defensive combat exercises on the target system, and testing the overall strength and effectiveness of the network security defense system.
Attack from the internal network	• Simulating the infiltration behavior of potential threats from the internal network side, conducting targeted attack and defense exercises on the target system, and testing the reliability of the internal network isolation strategy and internal monitoring system.
Phishing email attacks	• Simulating the email content and sending scenarios of real attacks, testing and enhancing the ability of all staff to identify, report, and preventing phishing emails, continuously consolidate the Company's overall network security awareness and defense line, and strengthening the key security link of "civil defense".
Ransomware attack	• Simulating being attacked by ransom virus, testing the effectiveness of anti ransom virus prevention measures and data backup mechanism, verifying the standardization of event disposal process, and enhancing the overall ransom virus defense capability of the Company.

Customer Personal Information Protection

PICC P&C has established a strict customer personal and sensitive data access control and technical protection system, standardized customer information lifecycle management based on the principle of "Minimum Necessity", clarified consumer information control rights and established multi-channel exercise paths, strictly standardized data usage and third-party sharing processes, and comprehensively protected consumer information security and legitimate rights and interests.

Access Control and Protection Measures for Customer Personal/Sensitive Data

PICC P&C implements strict data access control, implements effective protection plans, and focuses on strengthening management of customer personal information. The Company incorporates data security requirements into software development security management standards and embed data security protection capabilities in application systems, including data access permission control, sensitive information screening and display, etc. For the management of sensitive personal information, the Company has clarified the rules for handling sensitive personal information (including minors under the age of 14) in the *"Customer Personal Information Privacy Protection Policy"*, informing them of the necessity of handling sensitive personal information and the potential impact on information owners.

The Company has formulated and released an account management system, clarifying account permission management requirements, usage requirements, and technical requirements, covering various types of users such as internal personnel, personal agents, and cooperative institutions. The Company establishes a centralized account permission management platform, standardizes the process of account permission application, approval, and configuration, and strictly follows the principles of "real-name registration", "alignment of employee, ID, role, and permission", "minimum permission", and "default rejection" to carry out account permission management. The Company regularly organizes account permission reviews and cleanups, focusing on users with job changes, resignations, or long-term inactivity in the system. The Company strengthens the rigid control of information systems, implements dual factor login authentication for important systems, and restricts the same account from logging in on multiple terminals simultaneously.

In the field of technical protection, the Company adopts various technologies to implement data access control.

Cryptography	• Using password technology to protect the confidentiality and integrity of sensitive personal information storage.
Deidentification technology	• Using deidentification technology to reduce the risk of personal information leakage in storage, transmission, and logging.
HTTPS and message verification code technology	• Ensuring the confidentiality and integrity of personal information transmission process through HTTPS and message verification code technology.
Desensitization specifications and supporting technologies	• Developing desensitization specifications and supporting technical components, and displaying sensitization throughout the system.

Collection, Use, and Retention of Customer Information

PICC P&C has made a public commitment in its *"Customer Personal Information Privacy Protection Policy"* to resolutely prevent illegal acquisition of personal information from third parties, strictly adhere to the principle of "Minimum Necessity", and not excessively collect personal information unrelated to business processing.

The Company implements a full lifecycle closed-loop management for the collection, use, and retention of customer information for different business types and product types. Only personal information directly related to insurance services is collected. Before information collection, customers will be clearly informed of the purpose, scope, and retention period of information use, fully protecting their right to know and consent. The Company clearly defines the standard for the duration of retaining consumer personal information, which is to retain consumer personal information for the period required to achieve the purposes stated in the *"Customer Personal Information Privacy Protection Policy"*, unless an extension of the retention period is required or permitted by law.

Providing Personal Information Control Rights to Customers

PICC P&C has specified in its *"Customer Personal Information Privacy Protection Policy"* that consumers have the right to access, modify, and delete their personal information. The Company provides consumers with functions such as accessing the original text of the *"Customer Personal Information Privacy Protection Policy"*, personal basic information, insurance products and services on the official WeChat official account. Unless the insurance law, anti-money laundering law, e-commerce law, and other laws and regulations require companies to continue retaining personal information, consumers can delete personal information by canceling their accounts.

The Company publishes personal information processing rules on official websites, mobile device client apps, WeChat official accounts, WeChat mini programs, TikTok mini programs, and other network operation platforms, providing consumers with convenient and fast channels to exercise their power. Consumers can also request personal information control from the Company through various methods such as online customer service, calling 95518, etc. The Company will respond promptly and handle it properly.

Consent Policy for Using Consumer Data for Other Purposes

PICC P&C has formulated unified and applicable personal information processing rules, covering all consumers who accept the Company's insurance products and services. The relevant rules are published on the Company's official website, PICC APP, official WeChat, and other channels in the *"Customer Personal Information Privacy Protection Policy"*.

PICC P&C does not rent, sell, provide, share or transfer personal information to any Company, organization or individual, except with necessary and sufficient authorization or due to legal regulations. For personal information that has been authorized or entrusted for processing, the Company clarifies the personal information protection obligations of both parties in the cooperation agreement signed with the partner, strictly follows the principle of "Minimum Authority" to use personal information, strictly prohibits the use of personal information without the consent of the client for various business transactions, strictly prohibits the use of personal information for improper marketing, improper collection, and other activities, and establishes a supervision mechanism for the performance of the partner's personal information protection.

In response to the provision of personal information to third parties, the Company strictly complies with the requirements of the *"Personal Information Protection Law of the People's Republic of China"*, and conducts an impact assessment of the legality, legitimacy, necessity, and security of personal information processing in advance to ensure compliance and risk control throughout the entire process. For matters that require the customer's separate consent, the Company develops a dedicated notification and authorization text. After the customer's independent authorization and consent, relevant personal information can be provided to third parties, fully safeguarding the customer's right to know, consent, and choice.

Supplier Data Security Management

Supplier and Business Partner Data Protection Policy

PICC P&C carries out data prevention and spill investigation, regularly checks sensitive data email incidents, and requires the responsible party to rectify the problems within the specified time limit. The company sorts out the current situation and security risks of third-party organization data cooperation in the Company, develops a third-party cooperation data security governance plan, and strengthens data security guarantee capabilities.

Supplier Information Security Management Measures

PICC P&C explicitly requires supplier to comply with laws and regulations on information security and privacy protection and conduct inspections to verify compliance. All information provided by the Company or obtained during business dealings with the Company is considered trade secrets, sensitive and proprietary information. Supplier may disclose company information only with authorization or as required by law and shall not disclose company information to unauthorized third parties or the public. Supplier shall not engage or authorize any third-party service supplier to process company Information without the prior written consent of company. Those involving state secrets must strictly comply with relevant national and company regulations.

Conducting personal information protection impact assessment and data security assessment, strengthening the evaluation and review of the security of cooperative institution systems, and minimizing the scope of data transmission.

For supplier procurement and business cooperation involving data interaction scenarios, data security clauses shall be added to the contract or agreement to clarify the data security protection responsibilities and obligations of both parties.

Supplier participating in procurement activities are required to sign the *"Commitment Letter of supplier Code of Conduct"* and make commitments related to information privacy protection. The commitment letter specifies the regulations that suppliers must comply with in terms of information security and serves as a necessary condition for supplier to enter the warehouse and participate in the Company's procurement projects.

When connecting with cooperative institution systems, measures such as interface authentication, HTTPS secure transmission protocol, IP address whitelist, and data transmission log recording are adopted to strengthen data security protection during the docking process.

In 2025, the Company completed the mid-term evaluation of supplier for centralized procurement projects and the assessment and evaluation of supplier for the first three quarters of decentralized procurement projects, involving 14,796 centralized procurement suppliers. Currently, the Company is actively promoting the assessment and evaluation of supplier for the whole year of 2025.

Table: Assessment and Evaluation Results of supplier in the First Three Quarters of 2025

Grade	Number of participating suppliers in centralized procurement evaluation	Number of participating suppliers in decentralized procurement evaluation
Excellent	201	8,113
Good	310	4,434
Qualified	123	1,472
Unqualified	11	132
Total	645	14,151

Information Security Management Audit and Certification

Information Security Management System Certification

PICC P&C actively implemented the national requirements for network security level protection, and invited authoritative evaluation institutions to conduct a three-level system level protection evaluation every year to effectively identify information system security risks and strengthen rectification, continuously improving the level of information system security protection. PICC P&C adhered to the concept of systematic management, continuously optimizing and improving information security management. In 2025, PICC P&C successfully passed the annual supervision and audit of ISO27001 Information Security Management System, ISO20000 Information Technology Service Management System, ISO22301 Business Continuity Management System, and Personal Financial Information Protection Capability (Level II) for IT service standardization, business continuity assurance, and personal information protection capabilities, continuously strengthening the standardization of information security management.

▲ *ISO22301 Business Continuity Management System*

▲ *ISO27001 Information Security Management System*

▲ *ISO20000 Information Technology Service Management System*

▲ *Personal financial information protection capability (Level II)*

Information Security System Audit

According to the requirements of the *"Guidelines for Security Management of Insurance Company Information Systems (Trial)"*, *"Guidelines for Disaster Recovery Management of Insurance Industry Information Systems"*, *"Notice of the General Office of National Financial Regulatory Administration on Strengthening the Management of Mobile Internet Applications in the Banking and Insurance Industry"*, *"Measures for the Supervision of Information Technology Outsourcing Risks in Banking and Insurance Institutions"*, *"Guidelines for the Management of Informatization Work in Insurance Companies (Trial)"* and other systems, The Company conducts a systematic audit of information technology risks every two years and generates corresponding audit reports.

Internal Audit: In September 2025, the Audit Department/Audit Center of PICC Group dispatched an audit team to carry out the PICC P&C's information technology audit for the year 2025. The audit period was from May 2023 to August 2025.

External Audit: In 2025, PICC Group and PICC P&C hired Ernst&Young Audit Company to conduct financial and internal control audits, which included review contents such as general control of information technology, information security, and application control.

When PICC P&C formulates its annual audit plan, it clarifies the information technology special audit plan. In 2026, the Company plans to carry out compliance audits of mobile application business, data security and governance audits, and self- builds application audits to prevent company information security risks.

Information Security Management Training

PICC P&C attaches great importance to network and data security operation practices, security awareness education and training, formulates a network security training plan, and orderly promotes its implementation. Every year, all employees participate in network security training, self-inspection and rectification, sign the *"Commitment Letter for Network Security Self-Inspection and Rectification"*, and effectively improve their awareness of network security. In 2025, PICC P&C conducted more than 30 network and data security training and education campaigns, focusing on multiple common security risk scenarios such as data security, personal information protection, attack and defense technology, AI security, development security, phishing emails, etc. The level of network security awareness among all employees continues to improve. The Company held the "2025 Cybersecurity Promotion Week" Campaign to promote network security knowledge and improve the overall security protection level of the Company.

The Company has issued departmental confidentiality management policies, continuously strengthened the safety management of confidential personnel, organized all staff to participate in confidentiality education and training activities, strengthened the management of confidential documents, carried out departmental Confidentiality self inspection and self-evaluation work, and eliminated hidden dangers of loss and leakage.

Practical Training on Network and Data Security Operations

Trainees	Training Requirements
All staff	• New employees must participate in onboarding training, which includes network and data security content. • Participating in annual network security self-inspection and rectification for all employees, and signing the *"Commitment Letter for Network Security Self-Inspection and Rectification"*.
Third party on-site personnel	• Moving the security awareness promotion to the entry stage and requiring the on-site personnel to read and sign the *"Network Security Confidentiality Commitment Letter"* before handling attendance and other work matters. • Participating in annual network security self-inspection and rectification for all employees, and signing the *"Commitment Letter for Network Security Self-Inspection and Rectification"*.
Third party partner	• 1. During the contract signing process, it is required that the cooperating manufacturers sign the *"Network Security Commitment Letter"* simultaneously to strengthen the security management of the cooperating personnel. • 2. Participating in the Company's supply chain security self-inspection every year and signing the *"Supplier Network Security Responsibility Commitment Letter"*.

Safety Awareness Promotion, Education and Training

Trainees	Training Content
Technology Line Leadership	• Conducting specialized training on technology security compliance, promoting policy situation and corporate governance level security content, and strengthening technology security compliance management.
Technology professional positions in cybersecurity, research and development, operations and maintenance	• Organizing specialized training on security and personal information protection, and strengthening the technical capabilities for customer information and data security protection during system construction and maintenance.
All staff	• Organizing "Cybersecurity Promotion Week" Campaign and customer personal information protection training activities, promoting knowledge of cybersecurity, data security, and personal information protection through desktop screensavers, PICC Academy, and offline award-winning Q&A, organizing all staff to conduct self-inspection and rectification of cybersecurity, signing a network security commitment letter, and improving the overall security protection level of the Company.

The *"Key Points of Personal Information Privacy Protection Policy for PICC P&C Customers"* has been disclosed on the official website, please refer to details

https://property.picc.com.cn/cx_gywm/shzr/fzzcysj/202511/t20251120_646869073749110784.html

The *"Key Points of PICC P&C Data Security Management Policy"* has been disclosed on the official website, please refer to details

https://property.picc.com.cn/cx_gywm/shzr/fzzcysj/202510/t20251020_635537487028047872.html

Governance

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PICC P&C always adheres to and strengthens the comprehensive leadership of the Party, through deep learning and meticulous understanding, building a solid ideological foundation, and through practical work and steadfast actions, fulfils responsibilities and commitments. Focusing on the modern corporate governance objectives of standardization, transparency, and efficiency, the Company continuously improves its governance mechanisms, prioritizes the development of Board diversity, and enhances its sustainable governance capabilities. Meanwhile, the Company strengthens the quality of information disclosure and maintains routine positive communication with investors. Additionally, the Company adheres to risk management principles, reinforces compliance management and the construction of commercial ethics, and strengthens intellectual property protection and innovation-driven development. Through a robust governance framework, the Company safeguards high-quality and sustainable development.

Party Building Guidance

In 2025, the Party Committee of PICC P&C adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the spirit of the 20th CPC National Congress and all previous plenary sessions, firmly implemented the deployment requirements of the Party Committee of PICC Group, insisted on governing the Party with the spirit of reform and strict standards, led high-quality development with high-quality Party building, and effectively transformed the advantages of Party building into governance efficiency and development momentum.

Deepen and Solidify Theoretical Learning

PICC P&C has deepened the implementation of the "First topic" system, formulated and issued the "*Key Content Arrangement for the 2025 Special Study of the Company's Party Committee Theory Learning Center Group*". The Company has provided high-quality assurance for the Theory Learning Center Group of the Company's Party committee to study 8 times, had 24 discussions and exchanges, and led the provincial and municipal Party committees to carry out more than 3,700 central group studies, participated in more than 10,100 discussions and exchanges, armed with the Party's innovative theories and guided practice.

Improve the System of Full and Rigorous Party Self-governance

PICC P&C continues to deepen the "Comprehensive Party Building" work pattern, implements the Opinions on Strengthening the Party Building in the Financial System and the key points of the PICC Group's Party Building work. The Company systematically sorted out and improved 237 rules and regulations for the Company's Party Building. Adhering to the annual central work and the goal of comprehensive strict governance of the Party, the Company studied and formulated a series of rules and regulations such as the *"Key Points for Party Building Work in 2025", "Key Points for Party Conduct and Clean Government Construction in 2025", "Implementation Plan for Party Affairs Publicity"*, and *"Implementation Measures for Promoting and Improving the Comprehensive Strict Governance of the Party System by the Company's Party Committee"*. The Company developed a management system for the implementation of tasks related to comprehensive strict governance of the Party, and utilized technological empowerment to reduce burden and improve efficiency at the primary level.

The Company promotes the regular and long-term rectification of inspections findings, solidly implements the central inspection "Looking Back" and the rectification of feedback issues in the third round of inspections by the 20th CPC Central Committee, conducts self-assessment on the 9 newly formulated or revised regulations, and comprehensively inspects the implementation and quality of system construction.The Company carried out the "Five Ones" warning education, and held 382 special warning education meetings at all levels of the Company system. Party secretaries at all levels taught 359 warning education and anti-corruption Party courses.The Company continuously builds a strong defense line for integrity and consolidating the effectiveness of warning education.

The provincial and municipal Party committees had carried out meetings more than

3700 times

Participated in more than

10,100

discussions and exchanges

Systematically sorted out and improved rules and regulations for the Company's Party Building

237 items

Held special warning education meetings

382 times

Deepening the Integration of Party Building and Business

PICC P&C adheres to the leadership of Party building in primary level governance, deeply implements the "Four Going Down to the Grassroots" work method, strictly implements the system of Primary Level Party building contact points. The Company set up 2,859 contact points for Party building for the Party committees of three-level organizations at the head office, provincial, and local levels. Meanwhile, the Company closely focuses on the needs of development, the urgency of reform, and the linkage between the upper and lower levels of primary level expectations, promotes resonance with the same frequency, efforts in the same direction, and joint answers to the same questions, effectively solving practical problems for primary level work, and promoting the upgrading of primary level Party building through the integration of points and areas. We actively promoted the "Four Step Learning Method" and "Secretary's Challenge Project", building the "Four Strong Party Branches", conducted more than 7,600 joint learning and construction projects, and systematically formed 2,583 Party member assault teams, actively responded to natural disasters and emergencies such as the Shigatse earthquake in Tibet, the sinking accident in Qianxi, Guizhou, and the hail disaster in Beijing, fully exerting the role of a battle fortress and a vanguard model, and demonstrated the mission and responsibility through practical actions.

Conducted joint learning and construction projects

more than **7,600**

Formed Party member assault teams

2,583

Improving Primary Level Party Building Governance

PICC P&C focused on improving the quality and efficiency of primary level Party building, and solidly promoted work from three aspects: organizational construction, guidance services, and assessment and evaluation. First, the Company strengthened primary- level infrastructure construction. We implemented the three-year action plan for improving the quality of primary level Party organization construction, optimized the system's Party building organizational structure and personnel allocation. In 2025, the Company added 202 new staff at the provincial and local levels, and achieved the independent establishment of Party and mass work departments in 36 provincial-level institutions. Meanwhile, the Company promoted the dynamic proportion of "one shoulder responsibility" for managers and Party organization secretaries of district and county branch companies to reach 100%, established the Party committee of branches in the intermediary sector, and achieved effective coverage of Party organization and work. Second, the Company strengthened mentoring and guidance services. We improved the mechanism of primary level Party building contact points and strengthened guidance and support for primary level Party building work. In 2025, the Company recruited 1,773 Party members throughout the year, with young Party members accounting for 82%. The Company carried out the *"I Solve a Difficulty for the People"* activity, built a practical toolbox for Party affairs, released 4 sets of 81 document templates, purchased 25 Party affairs courses, and effectively reduced the burden and increase efficiency of primary level Party affairs work. Third, the Company strengthened innovation in evaluation and evaluation. For the first time, the evaluation standards for the key work of the Party's mass line had been issued, and the evaluation indicators for the "Four Strong" Party branches of the headquarters had been issued. A regular inspection and notification mechanism had been established, a visual evaluation system had been constructed, and special inspections had been carried out to stimulate the vitality of the Party building line.

Annual recruited Party members

1,773

Corporate Governance

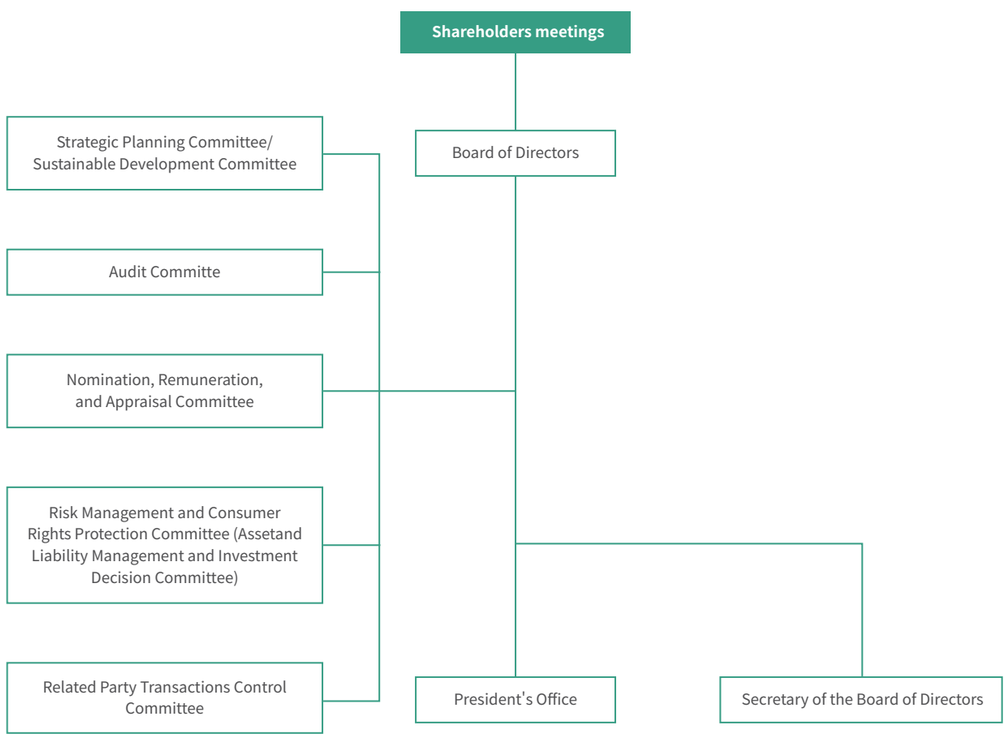
PICC P&C focuses on a scientific and efficient governance framework, continuously promotes the optimization of governance mechanisms, strengthens internal control compliance and decision-making supervision. The Company solidifies its business foundation with professional governance capabilities to ensure the standardized and efficient operation of the governance system. For more information on corporate governance, please refer to the "Corporate Governance Report" section of PICC P&C's 2025 Annual Report.

Governance Structure

PICC P&C strictly complies with the requirements of relevant laws and regulations such as the *"Insurance Law of the People's Republic of China"*, the *"Company Law of the People's Republic of China"*, the *" Securities Law of the People's Republic of China"*, and other relevant laws and regulations. The Company regulates corporate governance in accordance with the "*Code on Corporate Governance*" in Appendix 14 of the *"Listing Rules of the Stock Exchange"* of Hong Kong. The Company has formulated and introduced special rules and regulations such as the *"Management Measures for Related Party Transactions of PICC Property and Casualty Company Limited "* and the *"Work Rules of the Related Party Transaction Control Committee of the Board of Directors of PICC Property and Casualty Company Limited"* to continuously improve the Company's governance system.

In 2025, PICC P&C revised *the* "*Articles of Association*" and no longer established a Supervisory Board. The supervisory functions of the original Supervisory Board were assumed by the audit committee. The newly revised "*Articles of Association*" clarifies the responsibilities and authorities, rules of procedure and working procedures of the Shareholders' Meeting, the Board of Directors and its Executive Committee (including the Audit Committee), forming a balance mechanism of power and efficient decision-making.

Corporate Governance Structure



Board Independence and Diversity

PICC P&C emphasizes the independence and diversity of its Board of Directors to ensure objective and comprehensive decision-making. As of the issuance of this report, the Company has a total of 10 directors, including 3 executive directors, 2 non-executive director and 5 independent directors, to ensure that the independent directors participate in the Company's decision-making in an objective manner, with strong checks and balances in supervision, matching of powers and responsibilities, optimization of functions, and in-depth participation in the Company's high-quality development. To ensure diversity in the composition of the Board of Directors and the expression of views, the diversified composition of the Board of Directors is measured in terms of gender, age, region, cultural and educational background, professional experience and skills to ensure comprehensive decision-making. There are three female directors on the Board of the Company, accounting for 30% of the total.

All the members of the Board have rich experience in economics, finance, insurance, accounting, law and other fields. In 2025, the Company held 3 shareholders' meetings, 11 meetings of the Board of Directors, 35 meetings of the Board's special committee, and 5 meetings of the Board of Supervisors.

In 2025, the Company continued to strengthen the capacity building of the Board of Directors to fulfil their duties, and regularly organized professional and systematic training, involving corporate governance and listing rules, anti-money laundering and counter-terrorist financing, sustainability and information disclosure, modern enterprise system with Chinese characteristics, and related party transaction compliance management.

Time	Training Content
January 2025	• Organized directors to participate in the latest revision of the *"Corporate Governance Code"* in Appendix C1 of the listing Rules by the Hong Kong Stock Exchange.
August 2025	• Organized directors to participate in anti-money laundering and counter-terrorist financing knowledge training. • Held the first independent director lecture and organize directors to participate in the special training on *"Sustainable Action and Information Disclosure"*.
October 2025	• Held the second independent director lecture and organize directors to participate in the special training on *"Building Modern Enterprise System with Chinese Characteristics"*.
December 2025	• Organized independent directors to participate in anti-money laundering and counter-terrorist financing training organized by the Anti-Money Laundering Bureau of the People's Bank of China. • Organized independent directors to participate in the Company's Hong Kong Stock Exchange related transaction information disclosure training.

Investor Rights Protection, Remuneration Management, and Related Party Transactions

To effectively protect the legitimate rights and interests of investors, PICC P&C has established an efficient and standardized investor relationship management mechanism. In strict accordance with institutional norms and procedural requirements, the Company comprehensively protects the rights and interests of all shareholders, especially small and medium-sized shareholders. The Company's profit distribution decision-making process is standardized, the operating mechanism is sound, the dividend standards and ratios are clear and definite, all of which are strictly implemented in compliance with the *"Company's Articles of Association"* and relevant review processes. Since 2024, the Company has implemented annual and mid-term cash dividends every year.

PICC P&C has established a sound remuneration management system for directors and senior management. The Nomination, Remuneration and Assessment Committee regularly evaluates the structure of the Board, formulates remuneration policies and structures for directors and senior management, and constructs an assessment system that includes financial indicators, non-financial indicators, achievement of strategic objectives, corporate governance compliance and other aspects. We conduct annual assessments and provides reasonable recommendations on compensation and benefits to the Board of Directors. The Company incorporates the performance evaluation results as an important basis for determining the compensation and incentives of directors and senior executives. For independent directors, in addition to fixed directors' fees, variable directors' fees are tied to annual performance evaluation outcomes.

PICC P&C strictly adheres to the principle of fair market transactions, and in accordance with the *"Management Measures for Related Party Transactions of the PICC Property and Casualty Company Limited"*, the Company ensures fair pricing, compliant procedures, and timely information disclosure of related party transactions, and there is no behavior that harms shareholder interests through related party transactions. The Company has established a Related Party Transaction Control Committee, which is responsible for reviewing the management system and implementation of related party transactions, coordinating the identification, review, and maintenance of related parties, and undertaking the review, filing, risk control as well as special rectification of related party transactions, so as to continuously improving the standardized management level of related party transactions.

Investor Communication and Information Disclosure

PICC P&C always strictly follows the regulatory rules of the securities listing location and the relevant information disclosure requirements of the National Financial Regulatory Administration to ensure the implementation of regulatory regulations. The Company has formulated the "*Regulations on Information Disclosure Management of PICC Property and Casualty Company Limited*", continuously improving the information disclosure mechanism, standardizing business processes, conducting regular special training, and fully ensuring the timeliness, authenticity, accuracy, and completeness of the preparation and disclosure of regular and interim reports. On this basis, the Company optimizes the information disclosure work from multiple dimensions, comprehensively presents its business development results and performance of social responsibilities to investors and stakeholder, continuously improves the quality of information disclosure, and steadily elevates its overall disclosure level.

Strengthen Disclosure Management	• Actively connect with regulatory standards and policy requirements, closely follow up on the promotion of sustainability disclosure standards, grasp the trend of sustainability, and timely disclose the Company's sustainable development situation.
Expansion Information Channels	• Focus on the mainstream trends and hot topics of sustainable development at home and abroad. Relying on the Company's official website, official WeChat official account, mainstream media and other information disclosure channels, we strengthen the promotion of sustainable development-related information, and timely release relevant policies and practices, statements, reports, highlights of achievements and other information. We demonstrates the results of the Company's work on sustainable development in multiple ways, and enhances the level of external reach of the Company's information on sustainable development.
Enriching Information Readability	• Taking into account the information needs of different stakeholders, PICC P&C releases content such as *PICC P&C Releases 2025 Interim Results* and *China PICC P&C 2024 Claims Service Report* through its official website, enhancing the readability of the periodic reports with illustrations and text, and responding to the concerns of stakeholders with visualization of the key information.

PICC P&C attaches great importance to the management of investor relations, adheres to the principles of compliance with the law, openness and transparency, and timely discloses key information such as the Company's development strategy, financial status, operating performance, material events, and handling of investor demands to investors and the public. All information that should be disclosed is uniformly released through regulatory-designated platforms such as the Company's official website, the website of the Hong Kong Stock Exchange, and the website of the Insurance Association of China, effectively ensuring the transparency of information disclosure.

PICC P&C continues to facilitate diversified investor communication channels, actively and efficiently serving domestic and foreign institutional and individual investors, continuously enhancing mutual trust and understanding. In 2025, the Company conducted over 500 investor interactions through regular performance releases, roadshows, on-site receptions, online communication, participation in investment banking meetings, and active visits.

Accumulated communication with investors exceeding

500 person times

In November 2025, PICC Group and PICC P&C jointly held an investor open day in Shenzhen with the theme of *Practice and Prospects for High-Quality Development of Non-Auto Insurance,* presenting the Company's goals, systems, and advantages in high-quality development of Non-Auto insurance to the capital market.

Risk Management

Risk Management Architecture

PICC P&C has established a risk management organizational system where the Board of Directors assumes ultimate responsibility. The Risk Management and Consumer Protection Committee (Asset and Liability Management and Investment Decision-making Committee) under the Board of Directors is authorized to manage specific functions, while the Audit Committee under the Board of Directors conducts oversight. The Senior management directly leads the system, with the Risk and Compliance Committee under the senior management coordinating and supervising cross-functional activities. All departments and subordinate institutions perform their respective roles in accordance with defined responsibilities.

The Company has established a dedicated Risk Management Department, responsible for leading the construction of the comprehensive risk management system, guiding and supervising all departments and institutions at all levels to carry out comprehensive risk management work, and taking the lead in insurance risk, operational risk, and credit risk management. The General Administration Department, Strategy Department, and Capital Department respectively lead the management of reputation risk, strategic risk, market risk, and liquidity risk. Provincial branches have set up Risk Management Departments to undertake the function of risk management and assigned the risk management staff.

The Audit Department of the Company is responsible for supervising the risk management policies, the operation and effectiveness of the Company's risk management system, conducting audits in accordance with regulatory requirements and relevant regulations of the Company, and reporting to the Audit Committee of the Board of Directors.

Risk Management System

PICC P&C has deeply implemented the requirements of the CPC Central Committee for preventing and defusing major financial risks, adhered to the overall risk management objectives of "operational compliance, asset safety, capital adequacy and value creation", adhered to the bottom-line thinking on risks and the concept of prevention as the main focus, highlighted comprehensive risk management and risk prevention and control in key areas, strengthened key prevention and control, source prevention and control, scientific and technological prevention and control, and systematic prevention and control, continuously improving the Company's risk management capabilities and risk prevention and control effectiveness.

The Company continues to improve the risk management organizational structure and systems. The Company optimizes the risk appetite framework and promotes the integration of risk appetite and business management. We enhance the foresight of capital management and deepens the practice and application of capital management in business management. The Company upgrades risk management-related information systems and improves the quality and efficiency of risk management through technological empowerment. PICC P&C increases efforts in risk identification, assessment, early warning and self-investigation in key areas, and assists in the sustained and healthy development of the business. We strengthen risk management awareness and concepts cultivation, and promotes the whole system to establish a correct business concept, performance concept, risk concept.

In 2025, the Company's solvency remained stable and adequate, and the risk composite rating and solvency risk management capability assessment were maintained at favorable levels. There were no systemic risk events that affected normal operations, and overall risks were controllable.

PICC P&C established a sound risk management training system. In 2025, the Company conducted a total of three risk management series of training sessions on solvency risk management, risk appetite, ESG risk management, operational risk loss data and other related topics, and organized all branches to participate in the Group's annual risk and compliance training.

PICC P&C establishes and improves its ESG management mechanism, integrates relevant work into comprehensive risk management system, maintains long-term sustainability, maintains ESG rating at a good level, and focuses on climate risk and ESG investment-related risks. For more information on climate risk management, please refer to the "Environment (E) - Addressing Climate Change - Climate Risk Management" section of this report.

Compliance and Business Ethics

PICC P&C continuously adheres to the concept of compliance management, continuously improves the compliance management system and operating mechanism, cultivates a compliance culture, strictly adheres to the bottom line of risk prevention and control, and resolutely prevents systemic risks. The Company covers compliance requirements at all levels, business lines, and positions, focusing on regulatory priorities and prominent risks to carry out investigations, consolidates compliance management and risk prevention and control responsibilities at all levels, and builds a rigorous and efficient risk prevention and control system.

Compliance Internal Control

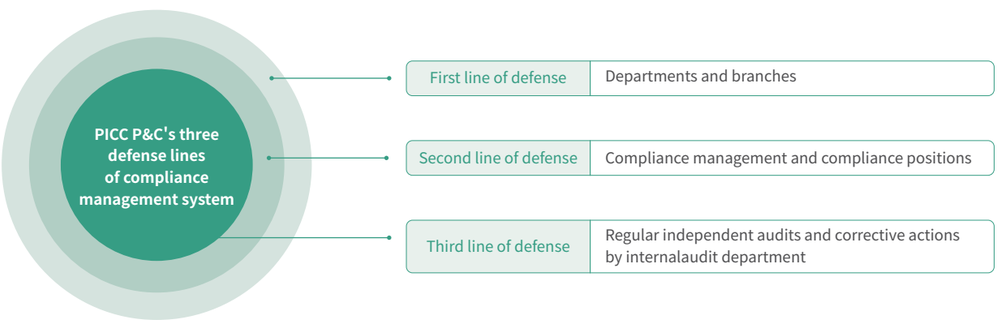
Compliance Management Mechanism

The Board of Directors of the Company and its specialized committees actively perform compliance management duties and strive to consolidate the main responsibility of the Board of Directors for compliance management and control, and consider related motions such as the annual internal control assessment report, the risk assessment report and other important motions on the Company's compliance management, which involve key areas including financial accounting, internal auditing, connected transactions, anti-money laundering mechanism and information disclosures.

The Company has continued to improve its internal control and compliance system. In 2025, in accordance with the latest laws and regulations, regulatory requirements, and higher-level policies, the Company issued the *"Compliance Management Measures"* and improved the compliance management structure. The Company has appointed compliance officers in provincial branches, strictly safeguarded their participation and investigation rights, fully played their core role, and strengthened the guarantee of compliance personnel's performance.

The Company has established three lines of defense for compliance management that perform their respective duties and collaborate efficiently. Each business department and branch of the Company performs the duties of the first line of defense and has the primary responsibility for compliance management within their scope of responsibility. The compliance management department and compliance positions perform the duties of the second line of defense, fulfilling professional supervision and guidance responsibilities. The internal audit department performs the duties of the third line of defense and regularly conducts independent audits of the Company's compliance management to ensure the effective operation of the compliance system.

The Company takes the implementation of the *"Regulations on the Compliance Management of Financial Institutions"* as an opportunity to comprehensively optimize the compliance assessment system, taking the penalty reduction rate as the core assessment indicator of the first line of defense, increasing the weight of the first line of defense compliance assessment, and promoting the establishment of the business philosophy of "managing business must manage compliance, and managing development must manage risks".



Compliance Culture Construction

PICC P&C continued to strengthen compliance promotion. In 2025, the Company established and dynamically updated a compliance training and promotion repository for 15 key business areas, embedded compliance training content in quarterly company-wide business analysis meetings and quarterly risk compliance committee meetings, strengthened compliance promotion and training for main leaders at all levels, newly promoted cadres, young cadres, and key position personnel, and improved the compliance awareness of all staff. At the same time, based on current regulatory regulations and the actual business management of the Company, the *"Compliance Operation Red Line Manual"* had been revised and issued to promote all employees to understand the bottom line and red line in their operations.

In 2025, the Company's full system compliance training coverage rate was 100%.

The Company's full system compliance training coverage rate was

100%

Compliance Behavior Management

PICC P&C firmly maintains financial security and stability, continues to improve compliance management mechanisms, solidly promotes compliance management work such as anti-money laundering, antitrust, anti-corruption, etc. Compliance and business ethics training covers all employees (including part-time and suppliers). The Company regularly carries out routine audit, special audit and risk investigation, strengthens employee compliance behavior supervision, continuously improves risk management and com-pliance operation level, and provides strong guarantee for promoting the stable operation of the Company.

Compliance Management of Anti-Money Laundering and Counter-Terrorist Financing

PICC P&C strictly complies with laws and regulations related to anti-money laundering, counter-terrorist financing and sanctions compliance. Aligning with regulatory requirements and business realities, the Company clarifies that the Board of Directors takes ultimate responsibility for money laundering risk management in accordance with laws, regulations and the Company's articles of association. In 2025, in accordance with the new *"Anti-Money Laundering Law"* and relevant rules and regulations of the People's Bank of China, the Company revised and issued 13 special anti-money laundering rules including the *"Measures for the Management of Money Laundering and Terrorist Financing Risks (Revised in 2025)"*, ensuring consistency between its internal provisions and regulatory requirements. We clarify the anti-money laundering responsibilities of product line departments, and further improves the comprehensive anti-money laundering system covering large-value and suspicious transaction reporting, customer identification, preservation of customer identity information and transaction records, information security protection, self-assessment, as well as rewards and punishments for anti-money laundering work.

The Company and all its provincial branches have established leading groups for anti-money laundering and counter-terrorist financing work, with the main person in charge of the organization serving as the team leader. The legal and compliance department is responsible for leading the anti-money laundering management work and effectively implementing all anti-money laundering obligations. In 2025, with the dynamic changes in the anti-money laundering regulatory environment and the continuous deepening of the Company's own risk control responsibilities, the Company comprehensively sorted out, clarified, refined, and adjusted the division of responsibilities among the member departments and relevant departments of the anti-money laundering and counter-terrorist financing work leadership group, effectively strengthening the organizational leadership and overall coordination of anti-money laundering and counter-terrorist financing work.

The Company regularly conducts targeted anti-money laundering training for employees from different business lines, positions, and levels. In 2025, external expert was invited to carry out anti-money laundering training, focusing on directors, supervisors and senior management to enhance their compliance performance capabilities. At the same time, anti-money laundering training was delivered to new employees, staff of the legal and regulatory line, and managers of district and county branches. A total of 9,200 employees participated in the training, focusing on the latest situation and performance requirements of anti-money laundering supervision, and continuously improving the coverage and application ability of employees' anti-money laundering knowledge.

During the reporting period, the Company did not have any litigation or administrative penalties related to anti-money laundering.

The number of employees participated in anti-money training

9,200 人

In 2025, PICC P&C invited external expert of the People's Bank of China to conduct anti-money laundering training for the entire system

Promotion of legal compliance and anti-money laundering work for new employees of PICC P&C in 2025

Anti-Monopoly, Anti-Unfair Competition, and Fair Trade

PICC P&C established a sound anti-monopoly, anti-unfair competition, and fair trade compliance management system, formulated and issued special management systems such as the *"Compliance Operation Red Line Manual"*, conducted regular compliance training for management personnel, actively guided employees to maintain good business behavior, and maintained the order of fair competition in the industry. The Company issued the *"Commitment Letter of Code of Conduct for supplier"*, fully conveying to all suppliers included in the procurement management scope the principle of fair competition, compliance with all applicable anti-corruption laws and regulations of the countries and regions where they operate, and prohibited bribery, corruption, malicious collusion, fraudulent practices or other improper acts that harm the interests of the Company. The Company implemented the anti-monopoly work deployment of PICC Group, put forward specific requirements for the regulatory review of the co-insurance agreements of all branches, conducted compliance audits on contracts from the perspective of fair competition, integrity and mutual benefit, and ensured that relevant businesses are subject to compliance evaluation and declared in accordance with legal requirements.

In 2025, the Company launched training courses such as the "Demonstration Class for Improving the Comprehensive Ability of District and County Branch Company Managers" and the "Rotation Class for the Comprehensive Ability of Main Leaders of Local and Municipal Branch Companies" to strengthen the promotion and training of the *"Anti-Unfair Competition Law" and the "Anti-Monopoly Law"*.

In 2025, the Company did not incur any administrative penalties or lawsuits involving false advertising, monopolistic behavior, or infringement of trade secrets.

Intellectual Property Protection

PICC P&C strictly complies with laws and regulations including the *"Anti-Unfair Competition Law of the People's Republic of China"*, the *"Trademark Law of the People's Republic of China"*, the *"Patent Law of the People's Republic of China"*, and the *"Copyright Law of the People's Republic of China"*. The Company has issued special systems such as the *"Management Measures for Patent and Software Copyright of the PICC Property and Casualty Company Limited (2024 Edition)"* to strengthen the creation, application, protection, management and services of patents and software copyrights, consolidate the institutional foundation for the Company's intellectual property protection, and establish an intellectual property protection system coordinated by the head office and supervised and managed by branches at all levels.

The Company has established and continuously improved its intellectual property protection efforts. We have established specialized institutions or equipped professional personnel to be responsible for the management, protection, transformation and application of patents and software copyrights. The Company has established strict review procedures to standardize the working mechanisms and processes of each stage of the patent lifecycle, strengthen patent protection management, software copyright registration management, and trademark registration management. At the same time, through the creation, application and protection of patents, the Company encourages invention and creation, protects innovation investment and outcome, thereby enhancing independent innovation ability, promoting technological progress, strengthening the protection of technological innovation and R&D 'results', and improving the ability of intellectual property creation and application.

By the end of 2025, the Company had applied for 1,130 patents, including 760 invention patents; granted 333 patents, including 113 invention patents; and registered 1,291 software copyrights. In 2025, the Company applied for 206 new patents, including 163 invention patents; granted 92 patents, including 45 invention patents; and newly registered 172 software copyrights. Organized 2 trainings related to intellectual property protection to enhance the awareness and ability of intellectual property protection of the Company's employees. (Note: The cumulative registered software copyrights include the part not counted in 2024)

Tax Policy

PICC P&C strictly complies with national tax laws, regulations, and related policy requirements, fully implements tax management work, discloses tax information in accordance with the law, completes all tax payment work on time and in full, and strictly prohibits illegal tax evasion and evasion. At the same time, the Company carries out regular tax self-examination and self-correction, identifies potential risk points, and ensures that the entire tax work process is compliant and orderly.

Fairness and Protection of Rights and Interests

PICC P&C continuously adheres to the development concept of equality, justice and inclusion, deeply integrates fair competition and rights protection into the entire process of corporate governance and business behavior, effectively protects the legitimate rights and interests of employees, supply chain partners, customers and stakeholders, and maintains a fair, transparent and orderly market ecosystem.

In terms of safeguarding employee rights and interests, we strictly abide by labor laws and regulations, adhere to equal opportunities and fair employment, and resolutely eliminate discrimination based on gender, age, race, religion, ethnicity, disability, region, and other factors. We establish a scientific and reasonable salary (welfare) and promotion system, ensure equal development opportunities for employees, smooth channels for employees to voice their demands, and safeguard the legitimate rights and interests of employees. At the same time, we actively practice the concept of diversity and inclusion, respect individual differences, build a platform for the development of diverse talents, and help different groups to enhance their value.

In the supply chain management and business cooperation, we adhere to the principles of openness, fairness, integrity and compliance, and establish a full-process control mechanism for supplier access, bidding and procurement, cooperation evaluation, compliance supervision, etc. We strengthen the prevention and control of integrity risk and unfair competition risk, eliminate unfair transactions, commercial bribery and infringement, and ensure equal participation, fair competition and mutual benefit of all types of market entities.

The Company continues to improve the long-term mechanism of rights protection and compliance management, regularly carries out compliance training, supervision and verification, and risk and hidden danger investigation and rectification, and embeds the business ethics of fairness, justice, respect for rights, integrity and responsibility into all aspects of business operation. The Company promotes the construction of a harmonious, stable, co-built and shared sustainability ecosystem through responsible business behavior, and earnestly fulfills the social responsibility and ESG governance commitments of financial central enterprises.

Anti-Corruption

Improve the anti-corruption and integrity management system. The Company strictly implements the relevant provisions of the *"Rules for Discipline Inspection and Supervision Organs on Handling Prosecutions and Accusations"*, promotes the standardization of internal petition and reporting work. The Company has formulated specialized regulations including the *"Interim Provisions on the Management of Disciplinary Inspection and Supervision Complaints and Reporting Work of PICC P&C", " the Measures to Encourage Real-Name Reporting of Complaints at PICC P&C (Trial)", "the Complaint Handling Measures of PICC P&C" ,"Implementation Rules for Letters and Visits Work of the Head Office", "Emergency Work Plan for Letters and Visits of the Head Office", "Norms for disposal of Clues of Suspected Duty Crimes (Trial)", "Norms for Promoting Reform and Governance through Cases"*, etc. These regulations standardize and guide the process of reporting letters and visits, emergency disposal mechanism and protection of the legitimate rights and interests of whistleblowers. The Company has actively opened multiple reporting channels, and established supervision and reporting mailboxes through email, and Party Building Cloud.

Strictly protect whistleblowers. To implement confidentiality requirements for petition and reporting management, *"the Measures to Encourage Real-Name Reporting of Complaints at PICC P&C (Trial)"* proposes to establish a real name whistleblower protection mechanism, clarifies the key work of special protection for whistleblowers, formulates corresponding accountability provisions for violations of whistleblower protection policies, and prevents whistleblowers from retaliation.

Establish a sound business behavior control process. Focusing on the key issues of corruption, the Company carries out special deployment and centralizes rectification, strengthens holiday inspections and supervision, continues to strengthen the risk investigation of key personnel and key system permissions, and solidly promotes the construction of integrity among employees and suppliers. At the same time, the Company transmits its anti-corruption and integrity work requirements to cooperating suppliers, to build a solid business ethics risk prevention and control line. For suppliers who are suspected of violating the Code of Business Conduct, the Company promotes the system to terminate cooperation from top to bottom and improve the anti-corruption mechanism of suppliers.

Normalized integrity and compliance training. Focusing on the full-process management of integrity in practice, we accurately carry out hierarchical and classified education. For new employees, we launch integrity education as soon as possible, solidly deliver the first integrity lesson upon entry, and solidify the foundation of compliant employment. Adhering to the principle of parallel self-discipline and external discipline, and complementary positive guidance and warning education, we guide employees to establish correct views on wealth and values. We conduct regular policy promotion and training on business ethics for all Board members, all employees, outsourced personnel and insurance agents, and integrate integrity requirements into daily education, management and supervision. The training covers policy and regulatory interpretation, corporate culture promotion, integrity concept transmission, compliance risk control practice and other contents, comprehensively improving employees' professional literacy and integrity level. The coverage rate of the Company's business ethics-related training in 2025 was 100%.

The coverage rate of the Company's business ethics-related training in 2025 was

100%

In strict accordance with the requirements of building a clean and honest financial culture and combined with learning and education on the spirit of the Central Eight-Point Regulations, Anhui Branch launched the Clean and Compliant Culture Promotion Month in April 2025, building a tripartite collaborative education system of "unit + family + society". The activity held over 160 branch Party classes, achieving full coverage of integrity talks for new employees in the municipal branch; the Company visited over 1,300 cooperative units, conducted home visits to over 900 cadres and employees, signed integrity support proposals, and proactively coordinated with regulatory authorities. Through the "online + offline" promotional matrix, more than 3,000 employees were organized to participate in disciplinary tests, with over 4,400 employees participating in the event, and over 2,700 integrity commitment letters were signed.

In April 2025, the Tongling Branch of Anhui Province produced and distributed 115 integrity supervision cards to cooperation units such as 4S stores and cooperative repair shops within its jurisdiction.

In 2025, the Beijing Branch continued to carry out in-depth warning education, solidly promoting the normalization and institutionalization of anti-corruption and Party conduct and integrity education. The Beijing Branch organized members of the branch company's Party committee and leaders at all levels to attend the trial of duty-related crime cases at the Beijing First Intermediate People's Court for warning education. It conducted warning education at the Beijing Second Prison to guide Party members and cadres to further strengthen their disciplinary awareness and self-restraint. It issued a compilation of warning cases for Beijing Branch offices, drawing profound lessons from violations of discipline and law by individuals around them. Three centralized warning education meetings were held throughout the year, and 33,000 integrity reminders were sent during important holidays.

Business Ethics Audit

PICC P&C strictly adheres to regulatory requirements and internal governance standards. With risk prevention and control as the core orientation, the Company continuously improves the audit supervision system, conducts regular audits, special audits and other types of review on a regular basis, continuously strengthens the behavior control and business ethics management of all employees. The audit scope covers the development and implementation of anti-corruption and anti-commercial bribery systems, the standardization of tax withholding processes, employee professional ethics control, anti-money laundering management and other risk areas. The Company's regular audit covers 100% of all branches and business lines every 3 years, fully ensuring the Company's compliant, stable and orderly operations.

Category	Audit Content
Routine Audit	• Focus on core dimensions such as financial revenue and expenditure compliance, operational activity standardization, and internal control effectiveness.
Special Audit	• Key supervision and verification of the implementation of laws, regulations, and regulatory requirements by institutions at all levels in key business areas. • Focusing on high-risk areas such as underwriting claims, fund control, and bidding procurement, we deeply dismantle business processes, sort out risk nodes, construct risk identification labels, conduct multi-level and multi-dimensional investigation and identification of employee abnormal risk behaviors, clarify rectification deadlines, compact rectification responsibilities, and promote closed-loop rectification of problems.

The Company deeply promotes the construction of an integrated clean governance system of "not daring to corrupt, not being able to corrupt, and not wanting to corrupt", builds a long-term management mechanism of "appraisal promotes self-discipline, and mechanisms strengthen constraints", and focused on enhancing employees' ideological and behavioral awareness of integrity in work. The Company has formulated the *"Implementation Rules for Punishment of Employee Violations"*, strictly manages the punishment of violations, and comprehensively integrates employee professional ethics performance and disciplinary violations into the performance evaluation system, clarifying it as the core basis for employee year-end performance evaluation, excellence evaluation, bonus calculation, job promotion, and job transfer.

In accordance with the "*Administrative Measures for the Audit of Directors and Senior Management Personnel of Insurance Companies*", the Company has established a periodic economic responsibility audit mechanism for its senior executives in strict compliance with regulatory requirements. The Company conducts a comprehensive audit at least once every three years, achieving 100% coverage of senior executives. The Company conducts economic responsibility audits on members of the provincial branch team and the main leaders of prefecture level institutions when they leave or have served for three years. The economic responsibility audit plan covers the situation of integrity and self-discipline in terms of performance benefits, business expenses, and benefit transmission. The Company promptly supervises the audited unit to make changes in the relevant issues discovered during the audit and continues to promote the establishment of a clean and upright business environment for branch offices. In 2025, PICC P&C carried out 270 economic responsibility audits, including economic responsibility audits of the main responsible persons of 17 provincial-level branches, accounting for 45.95% of provincial-level institutions; conducted economic responsibility audits on the main responsible persons of 144 prefecture level branches, covering 41.86% of the city's institutions; economic responsibility audits were conducted on the main responsible persons of 31 district and county institutions.

The coverage rate of comprehensive audit of senior executives reached

100%

PICC P&C carried out economic responsibility audits

270 projects

ESG Performance

Economic Performance			
Name Of Indicator	**2025**	**2024**	**2023**
Total assets (100 million yuan)	8,604.98	7,782.44	7,036.23
Total insurance revenue (100 million yuan)	5,115.94	4,852.23	4,572.03
Net profit (100 million yuan)	403.77	321.61	245.66
Environmental Performance			
Name Of Indicator	**2025**	**2024**	**2023**
Total direct GHG emissions (Scope 1)			
Greenhouse gas emissions from natural gas combustion (tCO_2e)	11,831.14	11,833.06	11,896.67
Emissions from gasoline combustion (tCO_2e)	67,362.03	91,738.08	99,163.25
Emissions from diesel combustion (tCO_2e)	782.48	1,004.94	871.23
Emissions from coal gas combustion (tCO_2e)	491.06	1,051.09	1,792.91
Emissions from coal combustion (tCO_2e)	2,392.45	2,874.53	2,014.32
Total indirect GHG emissions (Scope 2)			
Greenhouse gas emissions from electricity (tCO_2e)	231,612.54	235,565.56	230,227.21
Greenhouse gas emissions from purchased heat (tCO_2e)	104,910.83	107,980.95	128,737.17
Total other indirect GHG emissions (Scope 3)			
Employee travel (air and train) emissions (tCO_2e)	5,813.97	5,260.51	5,065.87
Total GHG emissions			
Total GHG emissions (tCO_2e)	425,196.50	457,308.72	479,768.63
Per capita greenhouse gas emission intensity (tCO_2e/person)	2.79	3.06	3.19
Direct energy use			
Natural gas consumption (cubic meter)	5,471,982	5,472,872	5,502,291
Per capita natural gas usage (cubic meters/person)	35.91	36.68	36.59
Motor gasoline (liters)	30,329,253	41,304,390	44,647,518
Per capita motor gasoline usage (liters/person)	199.03	276.81	296.88
Diesel (liters)	289,496	371,803	322,331
Per capita diesel usage (liters/person)	1.90	2.49	2.14
Gas (ton)	168	360	613
Per capita gas usage (kg/person)	1.10	2.41	4.08
Coal (ton)	1,335	1,604	1,124
Per capita coal usage (kg/person)	8.76	10.75	7.47
Indirect energy use			
Electricity consumption (kWh)	447,929,547	454,879,327	445,259,042
Electricity consumption per capita (kWh/person)	2,939.52	3,048.42	2,960.68
Purchased heat (GJ)	953,735	981,645	1,170,338
Purchased heat per capita (GJ/person)	6.26	6.58	7.78
Use of water			
Total tap water consumption (tons)	6,280,258	6,639,737	6,847,192
Per capita tap water consumption (tons/person)	41.21	44.50	45.53
Non-hazardous wastes discharged			

Environmental Performance			
Name Of Indicator	**2025**	**2024**	**2023**
Total amount of domestic waste discharge (tons)	81.65	162.00	182.00
Per capita domestic wastes discharged (tons/person)	0.02	0.04	0.07
Kitchen waste (tons)	79.56	81.58	43.33
Hazardous waste discharged			
Lamps consumed (nos.)	1,876	831	4,951
Per capita lamps consumed (nos./person)	0.46	0.34	3.37
Consumption of batteries (pieces)	280	295	315
Per capita batteries consumed (pcs/person)	0.07	0.12	0.21
Social Performance			
Name Of Indicator	**2025**	**2024**	**2023**
Employee Employment			
Number of on-the-job employees (persons)	152,382	149,218	150,391
Number of employees dispatched (persons)	13,155	13,422	14,072
Number of male employees (person)	80,464	78,824	79,433
Number of female employees (persons)	71,918	70,394	70,958
Number of employees under the age of 31 (persons)	20,627	20,275	22,034
Number of employees aged 31-50 (persons)	112,096	109,724	109,070
Number of employees above the age of 50 (persons)	19,659	19,219	19,287
Total number of employees in North China (persons)	26,389	25,964	26,288
Total number of employees in Northeast China (persons)	10,872	10,820	11,026
Total number of employees in East China (persons)	37,813	36,530	36,540
Total number of employees in Central China (persons)	23,171	22,838	23,118
Total number of employees in South China (persons)	20,510	20,201	20,474
Total number of employees in Southwest China (persons)	19,104	18,656	18,621
Total number of employees in Northwest China (persons)	14,523	14,209	14,324
Number of employees with doctor's degree (persons)	119	113	109
Number of employees with master's degree (persons)	9,726	8,117	7,279
Number of employees with bachelor's degree (persons)	106,645	101,373	100,379
Number of employees with associate degree (persons)	31,457	33,397	36,822
Number of employees with other academic qualifications (persons)	4,435	6,218	5,802
Mobility of employees			
Number of new employees (persons)	8,923	5,558	5,680
Number of new male employees (persons)	4,809	3,013	2,660
Number of new female employees (persons)	4,114	2,545	3,020
Number of new employees under the age of 31 (persons)	5,936	4,903	3,690
Number of new employees aged 31-50 (persons)	2,976	615	1,985
Number of new employees above the age of 50 (persons)	11	40	5
Number of new employees in North China (persons)	1,193	775	754
Number of new employees in Northeast China (persons)	359	205	221
Number of new employees in East China (persons)	2,763	1,550	1,127
Number of new employees in Central China (persons)	1,331	687	1,138
Number of new employees in South China (persons)	1,238	925	1,045

Social Performance			
Name Of Indicator	**2025**	**2024**	**2023**
Number of new employees in Southwest China (persons)	1,205	849	727
Number of New Employees in Northwest China (persons)	834	567	668
Hiring of employees (%)	5.86	3.72	3.78
Hiring of male employees (%)	5.98	3.82	3.35
Hiring of female employees (%)	5.72	3.62	4.26
Hiring of employees under the age of 31 (%)	28.78	24.18	16.75
Hiring of employees aged 31-50 (%)	2.65	0.56	1.82
Hiring of employees above the age of 50 (%)	0.06	0.21	0.03
Hiring of employees in North China (%)	4.52	2.98	2.87
Hiring of employees in Northeast China (%)	3.30	1.89	2.00
Hiring of employees in East China (%)	7.31	4.24	3.08
Hiring of employees in Central China (%)	5.74	3.01	4.92
Hiring of employees in South China (%)	6.04	4.58	5.10
Hiring of employees in Southwest China (%)	6.31	4.55	3.90
Hiring of employees in Northwest China (%)	5.74	3.99	4.66
Number of employees departing (persons)	5,759	6,690	7,839
Number of male employees departing (persons)	3,168	3,741	4,419
Number of female employees departing (persons)	2,591	2,949	3,420
Number of departing employees under the age of 31 (persons)	1,350	1,231	870
Number of departing employees aged 31-50 (persons)	2,074	2,555	3,470
Number of departing employees above the age of 50 (persons)	2,335	2,904	3,499
Number of departing employees in North China (persons)	729	939	1,586
Number of departing employees in Northeast Chinas (persons)	313	398	543
Number of departing employees in East China (persons)	1,486	1,588	1,778
Number of departing employees in Central China (persons)	914	973	1,184
Number of departing employees in South China (persons)	939	1,232	1,206
Number of departing employees in Southwest China (persons)	818	867	880
Number of departing employees in Northwest China (persons)	560	693	761
Turnover of employees (%)	3.78	4.48	5.21
Turnover of male employees (%)	3.94	4.75	5.56
Turnover of female employees (%)	3.60	4.19	4.82
Turnover of employees under the age of 31 (%)	6.54	6.07	3.95
Turnover of employees aged 31-50 (%)	1.85	2.33	3.18
Turnover of employees above the age of 50 (%)	11.88	15.11	18.14
Turnover of employees in North China (%)	2.76	3.62	6.03
Turnover of employees in Northeast China (%)	2.88	3.68	4.92
Turnover of employees in East China (%)	3.93	4.35	4.87
Turnover of employees in Central China (%)	3.94	4.26	5.12
Turnover of employees in South China (%)	4.58	6.10	5.89
Turnover of employees in Southwest China (%)	4.28	4.65	4.73
Turnover of employees in Northwest China (%)	3.86	4.88	5.31
Health and Safety			
Number of work-related deaths (persons)	3	3	7

Social Performance			
Name Of Indicator	**2025**	**2024**	**2023**
Rate of deaths due to work-related injuries (%)	0.00	0.00	0.00
Number of work-related injuries (excluding deaths) (persons)	334	278	242
Number of working days lost due to work-related injuries (days)	13,327	9,723	8,393
Employee development and training			
Proportion of female employees participating in training (%)	97.01	96.30	87.30
Proportion of male employees participating in training (%)	96.14	96.50	85.58
Proportion of the Company's leaders participating in training (%)	100.00	100.00	92.31
Proportion of department-level managers (including professional level) participating in training (%)	98.55	98.11	77.57
Proportion of division-level managers (including professional level) (%)	97.84	97.07	89.19
Proportion of basic job level personnel participating in training (%)	96.50	96.34	86.32
Average training time for female employees (hours)	221.43	212.34	156.49
Average training time for male employees (hours)	219.16	218.12	151.03
Average training time for the Company's leaders (hours)	288.45	182.28	180.77
Average training time for department-level managers (including professional level) (hours)	178.32	134.07	110.98
Average training time for division-level managers (including professional level) (hours)	212.78	187.07	160.03
Average training time for basic job level personnel (hours)	220.59	216.66	153.48
Diversity of employees			
Number of Han employees (person)	139,533	136,753	138,041
Number of minority employees (person)	12,849	12,465	12,350
Anti-corruption			
Number of directors receiving anti-corruption training (person)	10	10	4
Proportion of director receiving anti-corruption training (%)	100.00	100.00	100.00
Proportion of employees receiving anti-corruption training (%)	100.00	100.00	100.00
Number of suppliers by Region (nos)			
Anhui	302	346	279
Beijing	2,532	2,982	2,514
Fujian	1,186	604	387
Gansu	223	212	203
Guangdong	3,339	1,448	757
Guangxi	477	190	152
Guizhou	809	142	119
Hainan	111	80	58
Hebei	1,221	608	314
Henan	867	280	212
Heilongjiang	363	63	51
Hubei	2,132	466	327
Hunan	1,063	453	365
Jilin	394	149	122
Jiangsu	2,286	428	269
Jiangxi	933	231	211
Liaoning	804	360	235

Social Performance			
Name Of Indicator	**2025**	**2024**	**2023**
Inner Mongolia	424	222	177
Ningxia	33	243	217
Qinghai	188	53	52
Shandong	1,626	942	633
Shanxi	1,242	240	105
Shaanxi	533	491	335
Shanghai	1,130	846	578
Sichuan	2,100	543	420
Tianjin	249	234	198
Tibet	5	49	16
Xinjiang	397	192	151
Yunnan	213	141	128
Zhejiang	1,800	557	321
Chongqing	814	304	285
Hong Kong	1	-	1
Macao	-	-	-
Taiwan	-	-	-
overseas	9	13	3

Note:

Explanation of Environmental Performance Indicators：

1. Greenhouse Gas Emissions, Energy Use, and Water Resource Use

(1) The statistical scope for greenhouse gas emissions, energy consumption, and water consumption covers the Company and all its branches.
(2) The Company's greenhouse gas emissions boundary covers direct emissions (Scope 1), indirect emissions (Scope 2 and employee travel emissions under Scope 3). The Company accounts for greenhouse gas emissions only in terms of carbon dioxide. Other indirect emissions are not included in the greenhouse gas disclosure scope of this report.
(3) GHG emissions from natural gas, gasoline, diesel, town gas, coal, and purchased heat are calculated with reference to the emission factors specified in the *Guidelines for Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial).* The electricity emission factor is based on the latest provincial average carbon dioxide emission factor for electricity.
(4) Employee business travel covers domestic rail and air travel. The GHG emission factors are sourced from the *China's Product Life Cycle Greenhouse Gas Emission Factor Database.*
(5) Per capita greenhouse gas emission intensity (tCO_2e/person), per capita energy use, and per capita tap water consumption are calculated based on the total number of active employees of the Company.
(6) Due to adjustments to the statistical scope and calculation methodology described above, the data for 2023 and 2024 have been restated and reflected in the table.

2. Harmless Waste Emission, Hazardous Waste Emission

(1) Waste emission data covers the Company's headquarters building only.
(2) Per capita domestic waste generation = total domestic waste generated / (number of the Company's headquarters employees + number of property management staff + number of employees in leased areas).
(3) Per capita lamp consumption = lamp consumption / (number of the Company's headquarters employees + number of property management employees).
(4) Per capita battery consumption = battery consumption / (number of the Company's headquarters employees + number of property management employees).

Explanation of Social Performance Indicators:

1. The number of employees for the entire reporting period is based on the data as of December 31st of that year.
2. Company level leader = Company leader + Company level senior executive.
3. Floating personnel = voluntarily resigned personnel + dismissed personnel + retired personnel + other personnel who have terminated their labor contracts due to reasons.
4. employee turnover = number of floating personnel/on duty employees.
5. Employment rate = number of new employees/number of on duty employees.
6. Among the number of directors who have received anti-corruption training, the statistical caliber of director includes all directors.

Third-party Verification

商道融绿 SynTao Green Finance

Assurance Statement: 2025 Sustainability Report of PICC P&C

Independent Assurance Statement for the *2025 Sustainability Report of PICC Property and Casualty Company Limited*

To the management team and stakeholders of PICC P&C,

SynTao Green Finance Co., Ltd. (hereinafter referred to as "SynTao GF") was commissioned by PICC Property and Casualty Company Limited (hereinafter referred to as "PICC P&C") to conduct an independent third-party assurance of the relevant information disclosed in its *2025 Sustainability Report of PICC Property and Casualty Company Limited* (hereinafter referred to as "*Sustainability Report*"). The assurance conducted by SynTao GF is outlined as follows:

Scope of Assurance

1. Timeframe

The assurance was limited to the information disclosed in the *Sustainability Report* for the period from January 1, 2025, to December 31, 2025. Any relevant information outside this reporting period were not within the scope of this assurance.

2. Information and Data Scope

The scope of this assurance was limited to the information concerning PICC P&C covered in the *Sustainability Report* and did not include information from third parties such as PICC P&C's suppliers. Information disclosed in the *Sustainability Report* that had already been audited or verified by independent third-party organisations were not re-verified in this process.

3. Assurance Scope

The assurance scope aimed to assess: 1) whether the *Sustainability Report* complied with the Inclusivity, Materiality, Responsiveness, and Impact principles outlined in AA1000AP (2018), and 2) the reliability and quality of certain sustainability indicators, including:

- Risk protection scale and client number of agricultural insurance
- Risk protection scale and client number of intellectual property insurance
- Insurance coverage number of underwriting new energy vehicles
- Risk protection scale of carbon sink insurance
- Risk protection scale of forest insurance
- Risk protection scale and client number of catastrophe insurance
- Turnover of employees
- Number of female employees
- Proportion of female employees participating in training
- Proportion of male employees participating in training

Responsibilities

The responsibility of PICC P&C was to ensure the integrity and accuracy of the content of the *Sustainability Report* and the information provided to SynTao GF, with no significant misrepresentations.
The responsibility of SynTao GF was to issue an independent assurance statement based on the information provided by PICC P&C under *AA1000 Assurance Standard v3 (AA1000AS v3).*

Standards

SynTao GF utilized *AA1000AS v3* as the reference standard for assurance services. *AA1000AS v3* refers to the assurance standard created by AccountAbility. The type and depth of assurance conducted in this instance were categorized as "Type 2, Moderate Assurance".
The assurance statement was prepared by SynTao GF following the *SynTao GF Non-Financial Report Assurance Method.*

In addition to *AA1000AS v3*, the standards, principles, and initiatives referenced by SynTao GF included: Global Reporting Initiative *GRI Standards* / Hong Kong Exchanges and Clearing Limited *ESG Reporting Code* / Sustainability Reporting Guidance from Shanghai, Shenzhen and Beijing Stock Exchanges / Task Force on Climate-related Financial Disclosures *TCFD Framework* / International Sustainability Standards Board (ISSB) *IFRS S1 - General Requirements for Disclosures of Sustainability-related Financial Information* and *IFRS S2 Climate-related Disclosures* / *European Union Corporate Sustainability Reporting Directive (CSRD)* / *Greenhouse Gas Protocol (GHG Protocol)*, among others.

Assurance Methodology

1. Assurance Plan

SynTao GF recorded key resource requirements, evidence to be collected, tasks, activities, deliverables, and timelines in the schedule, forming a plan.

2. Information Collection

Following principles of clarity, balance, completeness, and timeliness, SynTao GF assessed the quality of the collected information.

3. Conducting Assurance

- Conducting interviews with sustainability management, including responsible employee of Comprehensive Department, Strategy Department, Human Resources Department, Vehicle Insurance Department, Group Service Department, Agricultural Insurance Department, Customer Protection Department and Risk Analysis Centre, etc.
- Verifying relevant documents, data, and other materials provided by PICC P&C.
- Assessing whether the information and data in the *Sustainability Report* comply with the inclusivity, materiality, responsiveness, and impact principles outlined in AA1000AP (2018).
- Assessing the reliability and quality of selected sustainability indicators in the *Sustainability Report*.
- Assessing if the report follows Global Reporting Initiative *GRI Standards* and Hong Kong Exchanges and Clearing Limited *ESG Reporting Code*.

4. Any other necessary work deemed by SynTao GF

Independence and Capability

1. Independence

SynTao GF declares that, SynTao GF and PICC P&C are entirely independent entities. SynTao GF is free from bias or conflict of interest with PICC P&C.

2. Capability

SynTao GF specializes in providing professional consulting, research, and training services in sustainable finance, including environmental, social, and corporate governance (ESG) ratings, green finance strategy, Environmental and Social Risk Management (ESRM), green finance product innovation, research on green finance and responsible investment, green bond assurance, as well as green credit and responsible investment capacity building.

SynTao GF is a licensed assurance provider of *AA1000AS v3*. This license authorizes SynTao GF to use and comply with AccountAbility's *AA1000AS v3*, as well as the use of the *AA1000AS v3* markings related to sustainability assurance services.

Members of SynTao GF's assurance team hold qualifications in AA 1000 Certified Sustainability Assurance Practitioner (CSAP), ISO14001 internal auditing, CFA ESG, EFFAS Certified ESG Analyst, GRI training certification, carbon asset management, and other qualifications in the field of sustainable development. The team consists of professionals with extensive experience in the field of sustainable development and a comprehensive understanding of the *AA1000AS v3* standard.

Limitations

SynTao GF relied entirely on the information provided by PICC P&C required in the assurance of this *Sustainability Report* and did not collect information from other external sources. Interviews also did not involve external stakeholders.

Content for Assurance

1. AA1000 Accountability Principles (2018)

Inclusivity: PICC P&C identified the group's key stakeholders, it communicated with them continuously through various ways, and publicly disclosed the communication outcomes. PICC P&C provides necessary capacity building for stakeholder engagement.

Materiality: PICC P&C collected opinions from key stakeholders, established an analysis process for material issues, identified the ESG issues that are highly relevant to the company, and disclosed the evaluation results of material issues in its *Sustainability Report*.

Responsiveness: PICC P&C has responded to the material issues of concern to its key stakeholders and reviewed its performance of relevant targets, and has invested in relevant capacity building.

Impact: PICC P&C has established a process for measuring, evaluating, and managing the company's impacts, and has integrated some of these impacts into the company's material issues and strategic objectives.

2. Assessment of Selected Sustainability Indicators

SynTao GF has verified the selected sustainability indicators in the *Sustainability Report*.

Conclusion

- SynTao GF did not identify any non-compliance with the Inclusivity, Materiality, Responsiveness, and Impact principles outlined in AA1000AP (2018) in the *2025 Sustainability Report of PICC Property and Casualty Company Limited*.
- SynTao GF did not identify any situation that undermines the reliability and quality of the sustainability indicators in the *2025 Sustainability Report of PICC Property and Casualty Company Limited*. Stakeholders can take the sustainability indicators as reference.
- The *2025 Sustainability Report of PICC Property and Casualty Company Limited* was not found to have been prepared without reference to the Global Reporting Initiative *GRI Standards* or Hong Kong Exchanges and Clearing Limited *ESG Reporting Code*.

AA1000
Licensed Report
000-543/V3-H6XDK

Assurance Provider: SynTao Green Finance Co., Ltd.
Assurance Team Lead: WU, Yanjing

March 30, 2026

Statement of Greenhouse Gas and Environmental Data

This statement focuses on
PICC Property and Casualty Company Limited
Building 2, Courtyard 2, Jianguomenwai Avenue, Chaoyang District, Beijing, the PRC, 100022,
and covers the greenhouse gas emissions and key environmental data of PICC Property and Casualty Company Limited in Chinese mainland for the period January 1, 2023 – December 31, 2025.

Energy consumption		**2023**	**2024**	**2025**
Gasoline consumption (L)		44,647,518	41,304,390	30,329,253
Diesel oil consumption (L)		322,331	371,803	289,496
Liquefied petroleum gas consumption(t)		613	360	168
Coal consumption (t)		1,124	1,604	1,335
Natural gas consumption(Nm^3)		5,502,291	5,472,872	5,471,982
Electric power consumption (kWh)		445,259,042	454,879,327	447,929,547
Heat consumption(GJ)		1,170,338	981,645	953,735
Greenhouse gas emissions		**2023**	**2024**	**2025**
Total greenhouse gas emissions for Scope 1 and Scope 2 (tCO_2e)		474,702.75	452,048.21	419,382.52
Among which	Greenhouse gas emissions for Scope 1 (tCO_2e)	115,738.38	108,501.70	82,859.16
	Greenhouse gas emissions for Scope 2 (tCO_2e)	358,964.38	343,546.51	336,523.36
Greenhouse gas emissions for Scope 3-Business trips(tCO_2e)		5,065.87	5,260.51	5,813.97
Other environmental footprint		**2023**	**2024**	**2025**
Water consumption (t)		6,847,192	6,639,737	6,280,258

Greenhouse Gas and energy consumption is conducted in accordance with the scopes defined in the The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, GHGP (2004)， The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). The calculation utilizes emission and conversion factors provided in the Guidelines for Accounting and Reporting Greenhouse Gas Emissions of Public Building Operation Enterprises(Trial),Chinese Product Life Cycle Greenhouse Gas Emission Coefficient Database, the latest average carbon dioxide emission factors of China's provincial power grid.

CECEP Hundred Technical Service(Beijing) Co.,Ltd.
NO.42 Xizhimen North Street, Haidian District, Beijing
Signature or seal

Date of declaration: March 18, 2026

Index

Hong Kong Stock Exchange *the "Environmental, Social and Governance Reporting Code"* Index

Category	Level	General Disclosure and Key Performance Indicators	Disclosure Location
Environmental	A1 Emissions	General Disclosure: Relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: the policies; and compliance with relevant laws and regulation that have a significant impact on the issuer.	Energy Conservation and Emissions Reduction
		A1.1 The types of emissions and related emission data.	Energy Conservation and Emissions Reduction
		A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Performance
		A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Energy Conservation and Emissions Reduction, ESG Performance
		A1.5 Description of emissions target(s) set and steps taken to achieve them.	Energy Conservation and Emissions Reduction
		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
	A2 Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Energy Conservation and Emissions Reduction
		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).	Energy Conservation and Emissions Reduction, ESG Performance
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Energy Conservation and Emissions Reduction
		A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Conservation and Emissions Reduction
		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
		A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The main products of the Company are motor vehicle insurance, enterprise property insurance and other types of insurance. There is no recovery problem due to product quality reasons, so this indicator is not applicable.
	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
		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

Category	Level	General Disclosure and Key Performance Indicators	Disclosure Location
Social	B1: Employment	General Disclosure: Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Talent Pipeline Development Strategy, Employee Training and Growth, Employee Rights, Interests and Protection
		B1.1 Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	ESG Performance
		B1.2 Employee turnover rate by gender, age group and geographical region.	ESG Performance
	B2: Health and Safety	General Disclosure: Relating to providing a safe working environment and protecting employees from occupational hazards: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer.	Employee Rights, Interests and Protection
		B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	ESG Performance
		B2.2 Lost days due to work injury.	ESG Performance
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employee Rights, Interests and Protection
	B3: Development and Training	General Disclosure: Policies on improving employees› knowledge and skills for discharging duties at work. Description of training activities.	Talent Pipeline Development Strategy, Employee Training and Growth
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Talent Pipeline Development Strategy, Employee Training and Growth, ESG Performance
		B3.2 The average training hours completed per employee by gender and employee category.	Talent Pipeline Development Strategy, Employee Training and Growth, ESG Performance
	B4: Labour Standards	General Disclosure: Relating to preventing child and forced labour: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer.	Talent Pipeline Development Strategy
		B4.1 Description of measures to review employment practices to avoid child and forced labour.	Talent Pipeline Development Strategy
		B4.2 Description of steps taken to eliminate such practices when discovered.	Talent Pipeline Development Strategy
	B5: Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
		B5.1 Number of suppliers by geographical region.	ESG Performance
		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.	Supply Chain Management
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management

Category	Level	General Disclosure and Key Performance Indicators	Disclosure Location
Social	B6:Product Responsibility	General Disclosure: Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress; the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer.	Protection of Consumer Rights and Interests, Data Security
		B6.1Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The products provided by the Company will not cause personal injury or damage to consumers, so this indicator is not applicable
		B6.2 Number of products and service related complaints received and how they are dealt with.	Protection of Consumer Rights and Interests - Customer Complaint Handling
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	Service Intellectual Property Risk Protection
		B6.4 Description of quality assurance process and recall procedures.	The main products of the Company are motor insurance, property insurance and other types of insurance. There is no recovery problem due to product quality reasons, so this indicator is not applicable.
		B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Protection of Consumer Rights and Interests, Customer Personal Information Protection
	B7: Anti-corruption	General Disclosure: Relating to bribery, extortion, fraud and money laundering: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer.	Compliance Internal Control, Compliance Behavior Management
		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.	Anti-Corruption
		B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption
		B7.3 Description of anti-corruption training provided to directors and staff.	Anti-Corruption
	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.	Public Welfare and Charity
		B8.1 Focus areas of contribution(e.g. education, environmental concerns, labour needs, health, culture, sport).	Serving Rural Revitalization, Public Welfare and Charity
		B8.2 Resources contributed(e.g. money or time) to the focus area.	Serving Rural Revitalization, Public Welfare and Charity
Part D: Climate-related Disclosures	Governance	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate related risks and opportunities.	Addressing Climate Change - Governance
		Management›s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Addressing Climate Change - Governance
	Strategy	Climate-related risks and opportunities.	Addressing Climate Change - Strategies
		Business model and value chain.	Addressing Climate Change - Strategies
		Strategy and decision-making.	Addressing Climate Change - Strategies

Category	Level	General Disclosure and Key Performance Indicators	Disclosure Location
Part D: Climate-related Disclosures	Strategy	Financial position, financial performance and cash flows (including Current financial effect and Anticipated financial effect).	Addressing Climate Change - Strategies
		Climate resilience.	Addressing Climate Change - Strategies
	Risk Management	The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks.	Addressing Climate Change - Strategies
		The processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities.	Addressing Climate Change - Strategies
		The approaches, methodologies, and extent to integrate the processes of identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities into the Company›s overall risk management framework.	Addressing Climate Change - Climate Risk Management
	Metrics and Targets	**Greenhouse gas emissions:**absolute gross greenhouse gas emissions generated, expressed as metric tons of CO^2 equivalent, and the approach it uses to measure its greenhouse gas emissions.	Addressing Climate Change - Indicators and Objectives
		Climate-related transition risks:the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	The Company plans to carry out asset and business based activities in the future transition risk impact analysis.
		Climate-related physical risks:the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Addressing Climate Change - Strategies
		Climate-related opportunities:the amount and percentage of assets or business activities aligned with climate-related opportunities.	The Company plans to carry out asset and business based activities in the future transition risk impact analysis.
		Capital deployment: the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	The Company has not yet disclosed.
		Internal carbon prices: approaches to applying carbon pricing in decision-making and the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions.	The Company has not yet applied carbon pricing.
		Remuneration: climate-related considerations and the approaches for integrating them into remuneration policies.	Green Finance and Sustainability Management System
		Industry-based metrics: industry-based metrics that are associated with business models, and activities.	Addressing Climate Change - Indicators and Objectives
		Climate-related targets: the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals: any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	Addressing Climate Change - Indicators and Objectives

GRI Index

GRI Standard	Disclosure Items	Disclosure Location
GRI 2: General Disclosures 2021	2-1 Organizational details	About Us
	2-2 Entities included in the organization's sustainability reporting	Report Preparation Notes
	2-3 Reporting period, frequency and contact point	Report Preparation Notes
	2-4 Restatements of information	Not Applicable
	2-5 External assurance	Third-party Verification
	2-6 Activities, value chain, and other business relationships	About Us, Cooperation and Exchange
	2-7 Employees	Employee Growth
	2-8 Workers who are not employees	Employee Growth
	2-9 Governance Structure and Composition	Governance Structure, Board Independence and Diversity
	2-10 Nomination and selection of the highest governance body	Governance Structure, Board Independence and Diversity
	2-12 Role of the highest governance body in overseeing the management of impacts	Statement from the Board of Directors, Governance Structure, Board Independence and Diversity
	2-13 Delegation of responsibility for managing impacts	Green Finance and Sustainability Organizational Structure, Governance Structure, Board Independence and Diversity
	2-14 Role of the highest governance body in sustainability reporting	Statement from the Board of Directors, Green Finance and Sustainability Organizational Structure, Green Investment Governance Structure, Governance Structure, Board Independence and Diversity
	2-16 Communication of critical concerns	Green Finance and Sustainability Organizational Structure, Governance Structure, Board Independence and Diversity
	2-19 Remuneration Policy	Salary Management
	2-20 Process to determine remuneration	Salary Management
	2-22 Statement on sustainable development strategy	Message from the Company Leadership
	2-23 Policy commitments	Compliance Internal Control, Talent Pipeline Development Strategy, Employee Rights, Interests and Protection
	2-24 Embedding policy commitments	Green Finance and Sustainability Organizational Structure, Green Investment Organizational Structure, Governance Structure, Compliance and Business Ethics, Employee Growth
	2-27 Compliance with laws and regulations	Compliance Behavior Management
	2-28 Membership associations	Cooperation and Exchange
	2-29 Approach to stakeholder engagement	Stakeholder Communication
	2-30 Collective bargaining agreements	Building Harmonious Labor Relations
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Promote Sustainable Development Management - Identification of Material Topics
	3-2 List of material topics	Promote Sustainable Development Management - Identification of Material Topics
	3-3 Material topics management	Promote Sustainable Development Management - Identification of Material Topics
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Key Figures in 2025, ESG Performance
	201-2 Financial implications and other risks and opportunities due to climate change	Addressing Climate Change - Strategies
	201-3 Benefit Plan Obligations and Other Retirement Plans	Employee Rights, Interests and Protection

GRI Standard	Disclosure Items	Disclosure Location
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	Green Investment, Social Contribution
	203-2 Significant indirect economic impacts	Green Investment, Social Contribution, Public Welfare and Charity
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Supply Chain Management, Anti-Corruption
	205-3 Confirmed incidents of corruption and actions taken	Supply Chain Management, Anti-Corruption
GRI 207: Tax 2019	207-1 Tax Management Method	Tax Policy
	207-2 Tax governance, Control and Risk Management	Tax Policy
	207-3 Stakeholder involvement and management related to tax concerns	Stakeholder Communication
	207-4 Country-by-country reporting	Not Applicable
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not Applicable
	301-2 Recycled materials used	Not Applicable
	301-3 Recycled Products and Their Packaging Materials	Not Applicable
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Green Operations, ESG Performance
	302-3 Energy intensity	Green Operations, ESG Performance
	302-4 Reduction of Energy consumption	Green Operations, ESG Performance
	302-5 Decrease Energy Needs of Products and Services	Green Operations
GRI 303: Water and effluents 2018	303-2 Management of water discharge-related impacts	Energy Conservation and Emissions Reduction
	303-3 Water withdrawal	Energy Conservation and Emission Reduction, ESG Performance
	303-4 Water discharge	Energy Conservation and Emission Reduction, ESG Performance
	303-5 Water consumption	Energy Conservation and Emission Reduction, ESG Performance
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products, and services on biodiversity	Green Insurance - Biodiversity Conservation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	ESG Performance
	305-2 Energy indirect (Scope 2) GHG emissions	ESG Performance
	305-3 Other indirect GHG emissions (Scope 3)	ESG Performance
	305-4 GHG emissions intensity	ESG Performance
	305-5 Reduction of GHG emissions	ESG Performance
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Energy Conservation and Emissions Reduction
	306-2 Management of significant waste-related impacts	Energy Conservation and Emissions Reduction
	306-3 Waste generated	Energy Conservation and Emissions Reduction
GRI 401: Employment 2016	401-1 New employee and employee turnover	ESG Performance
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Non-remuneration Rights and Protection
	401-3 Parental leave	Non-remuneration Rights and Protection

GRI Standard	Disclosure Items	Disclosure Location
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	Non-remuneration Rights and Protection
	403-5 Worker training on occupational health and safety	Non-remuneration Rights and Protection
	403-6 Promotion of worker health	Non-remuneration Rights and Protection
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by commercial relationships	Non-remuneration Rights and Protection
	403-9 Work-related injuries	Non-remuneration Rights and Protection
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	Employee Training and Growth, ESG Performance
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Training and Growth
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	Board Independence and Diversity, ESG Performance
GRI 406: Non-discrimination 2016	406-1 Discrimination incidents and corrective actions taken	Fair Recruitment
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Building Harmonious Labor Relations
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Fair Recruitment, Supply Chain Management
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Fair Recruitment, Supply Chain Management
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Serving Rural Revitalization, Serving Enhancement of People›s Livelihood and Well-being, Public Welfare and Charity
GRI 416: Customer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Protection of Consumer Rights and Interests
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protection of Consumer Rights and Interests, Customer Complaint Handling, Customer Personal Information Protection

Reader Feedback

Hello Dear Reader!

Thank you for reading the 2025 Sustainability Report of PICC P&C. We take your opinions very seriously and look forward to hearing your feedback on our environmental, social, and governance (ESG) initiatives, as well as this Report. Your comments and suggestions are essential to our continuous improvement in sustainability disclosure and advancing ESG management and practices. You can fill in the form below and send it back to us by post, email or fax. We express our sincere gratitude and thanks for your valuable comments!

Name: _____ Enterprise: _____ Mobile: _____ E-mail: _____

1. What is your overall evaluation of how PICC P&C has performed its sustainabilty performance?

   Very good ☐ Good ☐ OK ☐ Poor ☐

2. What is your overall evaluation of this Report?

   Very good ☐ Good ☐ OK ☐ Poor ☐

3. How do you feel PICC P&C has performed in terms of communications with stakeholders?

   Very good ☐ Good ☐ OK ☐ Poor ☐

4. How do you feel PICC P&C has performed in fulfilling its economic responsibilities?

   Very good ☐ Good ☐ OK ☐ Poor ☐

5. How do you feel PICC P&C has performed in fulfilling its environmental responsibilities?

   Very good ☐ Good ☐ OK ☐ Poor ☐

6. How do you feel PICC P&C has performed in fulfilling its social responsibilities?

   Very good ☐ Good ☐ OK ☐ Poor ☐

7. Do you think the content contained in this Report and its layout are designed in a way that is easy to read?

   Yes ☐ No ☐

8. Please tell us your suggestions for the 2025 Sustainability Report of PICC P&C:

_____

9 Please tell us your suggestions for PICC P&C to enhance its sustainability practices:

_____

After filling out this form, you can mail it to: Floor 27, Building 2, Courtyard 2, Jianguomenwai Avenue, Chaoyang District, Beijing, China

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