



**Pursue High-Quality Development
with Value-Oriented Transformation**

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The image features a dark blue background with a grid pattern and several glowing blue lines. In the center, the text "Technology Presentation" is written in a bold, light blue font. To the left of the text is a large, stylized blue arrow pointing left, and to the right is a large, stylized blue arrow pointing right. There are also several smaller blue arrows pointing left and right, and some blue lines with arrowheads pointing in various directions.

Technology Presentation



Welcome Speech



The year 2020 is extraordinary and unprecedented.

Being Persistent

Persist in the fundamental goal of high-quality development
Persist in the core demand of customer-oriented operation
Persist in the basic philosophy of operational compliance
Persist in the key path of transformational innovation

“Being the Best & Leading the industry”

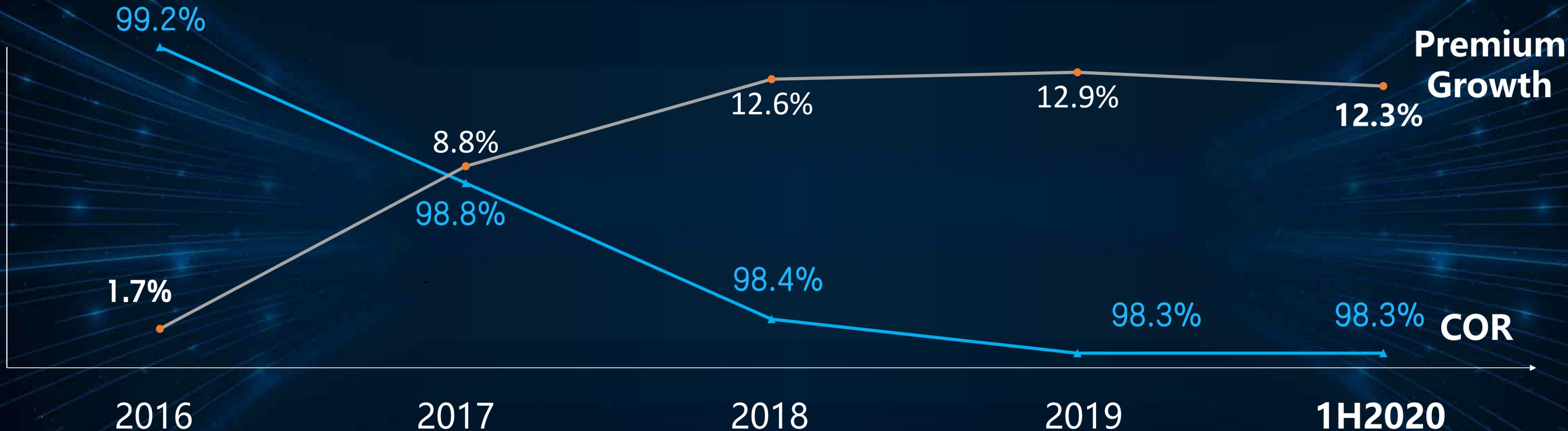
The Best in customer experience
The Best in business quality
The Best in risk management
Becoming the leader in promoting healthy and steady
development of China's insurance industry



Operating Results

(I) Gradually generate a high-quality development momentum

Fast growth of premium income, continuous improvement in combined ratio



Note: References to CPIC P/C do not include Anxin Agricultural.

(II) An industry leader in premium growth with a widening lead over the industry average

A widening lead in premium growth

● CPIC ▲ The industry

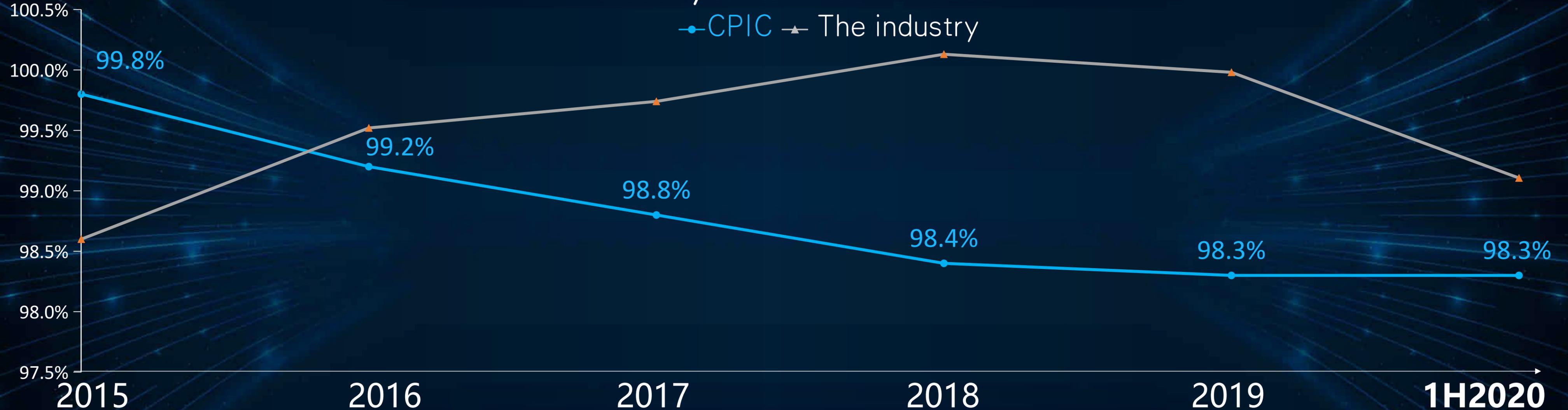


Note: The industry data above is for reference only.

(III) Lead the industry with sustained improvement of combined ratio

Industry leader in combined ratio

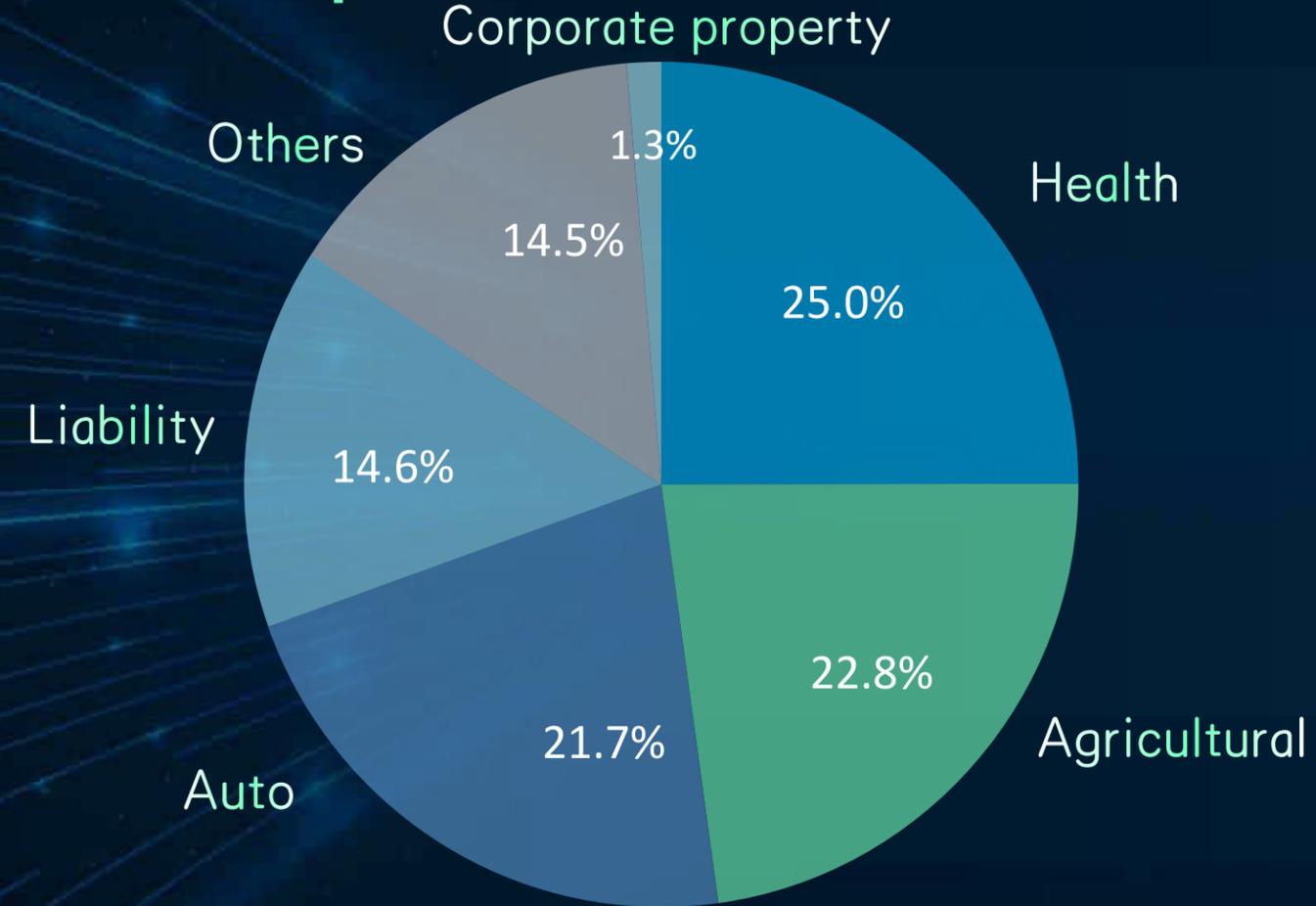
● CPIC ▲ The industry



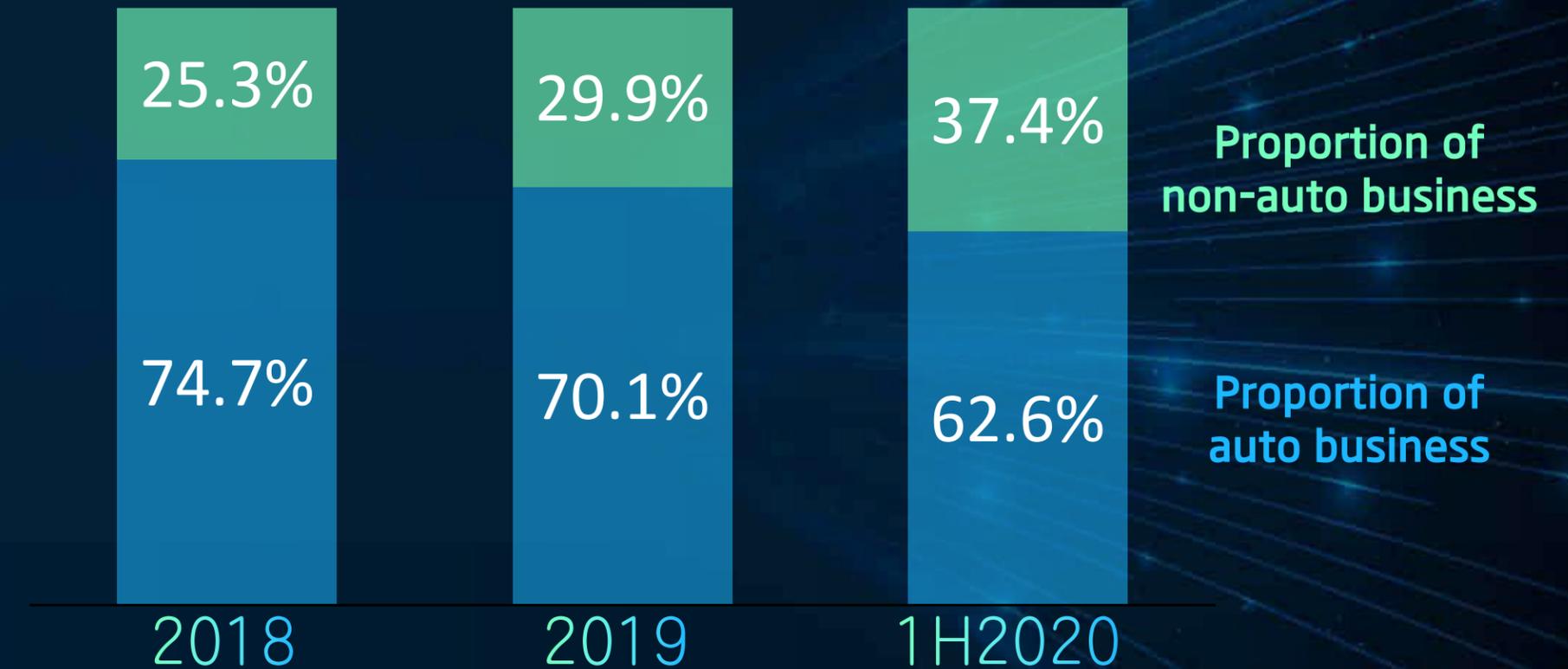
Note: The industry data above is for reference only.

(IV) Diversified product mix with increasing contribution from non-auto business

Growth Attribution by products in 1H 2020



Increasing premium contribution from non-auto sector



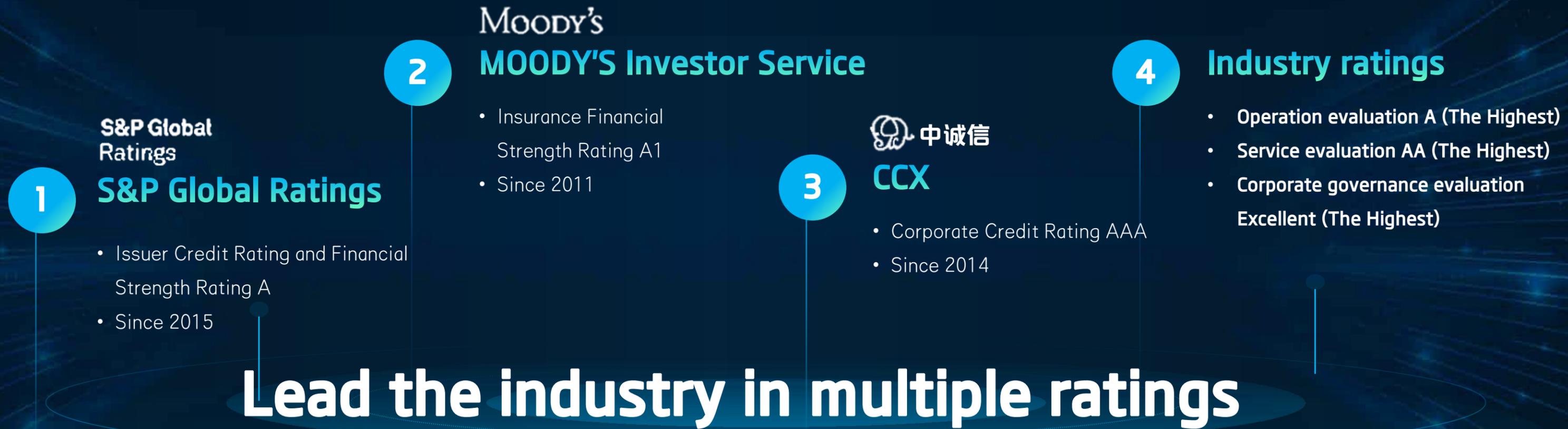
Note: Agricultural insurance is included in non-auto insurance.

(V) Empower risk management with technology, achieve continuous improvement in overall business quality

Drops in loss ratio with continuous improvement in business quality



(VI) Leader in industry ratings and external evaluations



(VI) Leader in industry ratings and external evaluations



Transformation innovation

Comprehensive strength

- 2020 China's Top 10 P&C Insurance Companies
- 2018 China's Insurance Company with Outstanding Contribution in Service Quality Improvement

- China Insurance Ark Award 2020

Technological empowerment

- E-Agricultural Insurance won the 2020 China Insurance Ark Award for Technology Progress
- E-Agricultural Insurance won the Potential Project Award of the 2019 World Artificial Intelligence Innovation Competition
- The Company entered the 2019 China Insurance Industry Technology Innovation List

Products and services

- Entitled as Quality Service Organisation by China Insurance Service Innovation Summit 2020
- 2019 China Inclusive Finance Product Innovation Typical Case Award
- 2019 China Insurance Industry Technology Innovation List, Outstanding Customer Service Insurance Company
- 2017 Innovative Insurance Product Excellence Award

Social responsibility

- National Poverty Alleviation Award, Organisational Innovation Award
- Annual Award for Excellent Social Responsibility Case

**Honors and awards
in 5 areas**

Transformation Results



Constructing systematic transformation to ensure value-oriented development



Promoting transformation to foster new growth engines



Deepening integrated transformation to accelerate development capacity building

1. Transformation design: objective-driving, system designing, content focusing



2. Transformation construction: carry out systematic transformation to generate more value



Systematic transformation

Covers 10 key sectors in the operation of CPIC P/C



Innovation-oriented transformation

Rebuilds the business model of CPIC P/C



Technology-based transformation

Multiple technological achievement portfolios



Customer-oriented transformation achievements

Showcases the transformation achievements from user's perspective

Transformation Results



Constructing systematic transformation to ensure value-oriented development



Promoting transformation to foster new growth engines



Deepening integrated transformation to accelerate development capacity building

1. Improve operation of high-quality customers and refine resource allocation to reinforce auto insurance as the foundation of the overall business operation in the process of marketization

Model transition

Operational model transition

- Management: Establish renewal business management mechanism
- Channels: Set up digital direct sales channel
- Products: Set up “Auto+Non-auto” customer-segmented sales mode

Capacity building

Pricing capability

- Differentiated pricing in regions
- Enriched pricing parameters and data

Risk management capability

- Develop and apply CPIC Credit
- Establish the proactive risk management system- CPIC DriverCare

Customer service capability

- Offer policy-life cycle customer care
- Differentiated value-added services
- Explore the combination of “Products + Services”

Cost control capability

- Establish the resource allocation mechanism based on the correlation of sales expenses and claim costs
- Technological empowerment in sales, claims settlement and operation to reduce cost and improve efficiency

Retain high-quality customers
Refine resource allocation

1. Improve operation of high-quality customers and refine resource allocation to reinforce auto insurance as the foundation of the overall business operation in the process of marketization

Lowering
Price

Operational model transition

- Management: Refine the renewal business management mechanism
- Channels: Build up channel integration mechanism
- Products: Improve the integration of “Auto+Non-auto” business model

Increasing
protection

Pricing capability

- Customer-oriented pricing
- Actuarial and marketized pricing mechanism

Risk management capability

- Enhance the application of big data in pricing
- Promote the proactive risk management system- CPIC DriverCare

Improving
quality

Customer service capability

- Establish “4+N” value-added service system, broaden car owner value chain

Cost control capability

- Upgrade the resource allocation mechanism based on the correlation of sales expenses and claim costs
- Improve centralized operation with technological empowerment

Convert
challenges
into
opportunities

Reform in both compulsory and commercial sectors

Simultaneously launched nationwide

2. Follow the economic trend, enhance risk management capability to give full play to the non-auto business as the "pillar" of transformation

Domestic circulation--Upgrade of individual consumption

- Travel, health care, consumption, education and other key sectors

Domestic circulation--Transformation of social governance

- Government-sponsored health insurance
- Government-sponsored liability insurance

International circulation--Overseas business opportunities

- Partners of "Belt and Road Initiative" business
- China International Import Expo, China International Fair for Trade in Services

Closely follow the economic trend

Emerging business areas
Domestic circulation
+
International circulation

Optimize the structure of incremental business

2. Follow the trend of economic factors, enhance risk management capability to give full play to the non-auto business as the "pillar" of transformation

Business expense-claim costs matching

Promote two linkages and two mechanisms

- two linkages
- two mechanisms

Business quality monitoring

Establish a regular business quality monitoring mechanism

- Business quality review mechanism
- Classified development strategy

Comprehensive Risk Management System

Risk management and control

Establish risk management system

- Whole-process risk investigation
- Rules + tools
- Data + System

Enhance risk management capability

Improve market competitiveness

3. Seize policy opportunities for agricultural insurance, continuously enhance innovation, and position agricultural insurance as the main growth engine in the new cycle

Policy opportunities

- "Guiding Opinions on Accelerating High-quality Development of Agricultural Insurance" by Ministry of Finance, Ministry of Agriculture and Rural Affairs, CBIRC, National Forestry and Grassland Administration

New strategic platforms

Government platform

- The state level
- The provincial level

Major Accounts platform

- Strategic customer system
- Breakthrough in acquiring major accounts

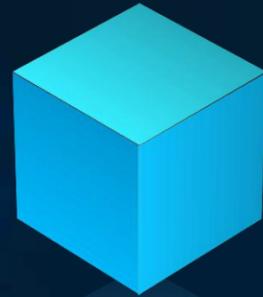
New model of Think tank

- Establishment of Tai An Institute of Agricultural Insurance
- Agriculture industry innovation projects research
- Specialized program research

Seize external policy opportunities

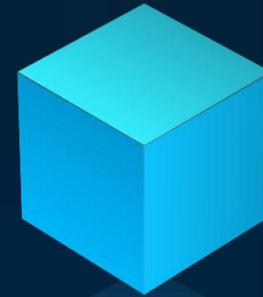
3. Seize policy opportunities for agricultural insurance, continuously enhance innovation, and position agricultural insurance as the main growth engine in the new cycle

Product Provision Innovation



- Develop a complete suite of products
- Innovate "Insurance + Futures" and other "Agricultural insurance+" products

Technological Innovation



- Sales, development and research of products at the same time
- Upgraded E-agricultural insurance from Version 1.0 to 5.0, and released "CPIC E-Agricultural Insurance FAST"
- Full application of 5G, Internet of things, AI, blockchain and other technology

Risk Management Upgrade



- Livestock insurance cost control
 - New technology application
 - Accurate underwriting
 - Self-assistant claim settlement
- Policy cost model application of agricultural insurance

Continuously enhance internal innovation capability

Transformation Results



Constructing systematic transformation to ensure value-oriented development



Promoting transformation to foster new growth engines



Deepening integrated transformation to accelerate development capacity building

1. Improve customer-oriented operation to stabilize business operation



Individual customer



Auto insurance customers



Online + offline integration



Digitalisation of customer information



One customer - one account system



Standardization of customer information



Information analysis



Customer insight



*Accurate renewal plans
Integration of Auto and Non-auto business
Scene expansion*



Number of customers+
Customer retention+
Customer value+

1. Improve customer-oriented operation to stabilize business operation

Corporate customer

Customer-segmented business model

Adjust organisational structure to build a customer-segmented business model

Region-based business model

Regional breakthrough projects

Corporate customer platform

- Collection of corporate customer data
- Insights of corporate customer

2. Create new growth drivers with regional breakthroughs

Build up momentum



Nation-wide

Create the "1+3+N" pattern with three major regions as the centre

Development Centre

- Operating income
 - Operating profit
- Highest of the Company

Competence Centre

- Beijing-Tianjin-Hebei: ability to allocate the capital's resources
- The Yangtze River Delta: technology-led professional capability to integrate regional resources
- Guangdong, Hong Kong and Macau: customer-oriented cross-regional collaboration capabilities

Provincial-level

Create the "1+1+N" pattern with provincial capitals as the centre

Development Centre

- Operating income
 - Operating profit
- Highest in the provinces

Competence Centre

- Institutions in provincial capitals: professional capabilities adapted to the development of the province

Expanding influence



Headquarters

Establish an information and resource sharing platform

01

Headquarters

Establish a data and technical standard system



02

Organisational Support



3. Improve operational efficiency with technological empowerment



Customer



Partner



Enterprise

4. Create new momentum with innovative mechanism

Ideas

Mode and system innovation

Scene and method innovation

Tools and application innovation

Carrier

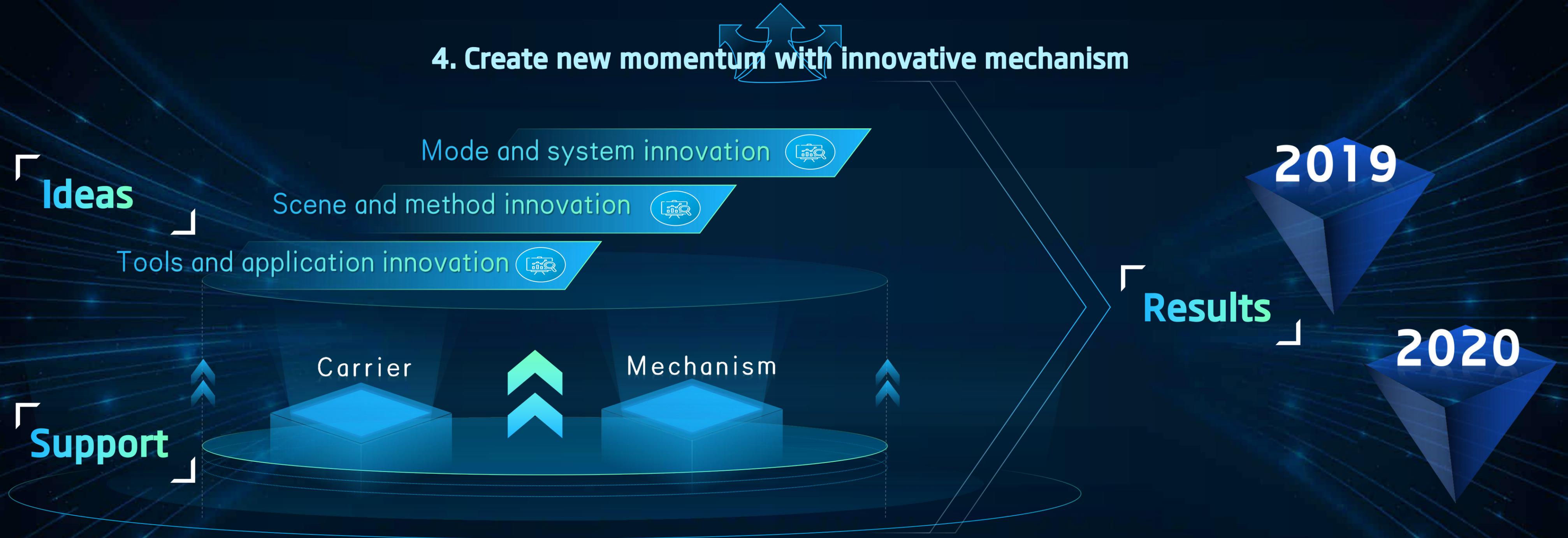
Mechanism

Support

Results

2019

2020





Closing Speech



Persist in promoting transformation

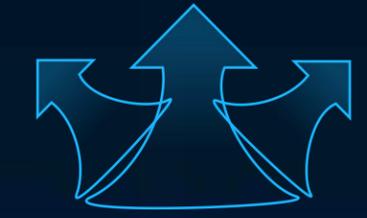
Persist in benchmarking against top-notch insurers

Persist in risk management

Persist in technological empowerment

Internet of things

Big data



AI

Decision-making

Blockchain



Q & A

平时注入一滴水，难时拥有太平洋