

# Policy Statement on Agent Welfare and Management of Ping An Group

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## Definition

An "agent" stated in this policy refers to an individual entrusted and authorized by a member company of Ping An Group engaged in personal insurance business to handle the insurance business of the company.

## Anti-Discrimination, Equality and Diversity

- Ping An ensures fairness and impartiality in the recruitment of agents.
- Ping An prohibits any discrimination against agents on the basis of gender, appearance, marital or maternity status, ethnicity, race, religion, sexual orientation, native place, domicile, nationality, party affiliation, accent and other non-professional competence factors.
- Ping An provides communication channels for agents to express their opinions and concerns.

## Agents' rights and benefits<sup>1</sup>

- Ping An continuously arranges education and training programs for its agents to meet their development needs and improve their service skills and professionalism.
- Ping An provides agents with comprehensive welfare benefits and protections such as health, accident, death and pension insurance. In detail, the benefits and protections include provident funds, long-term service scheme, four types of basic insurance (1; personal accident insurance for groups; 2. accidental injury medical insurance for groups; 3. Ping An one-year term life insurance for groups; 4. inpatient insurance for groups) and others.
- Ping An pays the premium of the above mentioned four types of basic insurance for the agents. If an agent unfortunately suffers accidental injury, hospitalization, or death, the appointed beneficiary is entitled to a certain amount of compensation. The insured amount varies according to agent rankings.

<sup>1</sup>The agents' rights and benefits stated in this policy only apply to the agents of Ping An Life's individual insurance departments; the rights and benefits for the agents of Ping An Life's bancassurance department and other departments will be provided in accordance with specific departmental policies.

- Ping An provides provident funds, long-term service scheme, and group pension insurance for agents based on their ranking, length of employment and performance. Agents can draw their pension when they reach the legal retirement age or leave the company.
- Ping An provides exclusive benefits for supervisors and outperforming agents, including online consultation with specialists, VIP appointment and registration with hospitals, second diagnosis and treatment for critical illnesses, and hospitalization arrangements.
- The company provides a free health checkup service once a year for department managers and high-performing agents ranked at platinum, diamond and higher level. Based on market changes and its own development needs, Ping An continues to optimize and upgrade the “Basic Management Measures for Life Insurance Business Personnel” (also known as Basic Law), including but not limited to optimizing the commissions calculation method based on sales performance.

## Scale and quality of the agent team

- Through the comprehensive promotion of newcomer management projects, Ping An attracts and selects high-quality talent, improves the quality of recruits through selecting at the recruitment phase and further promotes the retention and steady development of the team through structural optimization.
- Ping An has created a “high-competency, high-performance and high-quality” agent team through strict recruitment and management.
- Ping An has upgraded the smart morning briefing management system to better manage the agents’ training attendance and ensure that they gained the necessary training regards professional ethics and sales skills.
- The company strengthens the compliance culture among agents through education and continuously urging departments to carry out regular training and regular morning meetings on compliance.
- Meanwhile, Ping An requires newcomers and under-performing agents to attend special training until they reach the required standards through passing exams to test competency and ensure that they have the necessary sales skills.
- The company continuously strengthens the sales skill training for agents on a day-to-day basis to help improve the agents’ capability of customer demand analysis and product sales, and thus increase their sales performance and income.

## Agent management and supervision mechanism

- Ping An sets the evaluation criteria for promotion based on agent rankings.
- Ping An would not force agents to purchase insurance policies for themselves to artificially enhance (dress up) their business performance. The company has also formulated a series of management measures to manage and control this issue, including restricting under-performing agents from buying insurance for themselves, audio/video recording the sales process of self-purchased policies, and limiting the weighting of self-purchased policies in agents' performance appraisal. Such measures are adopted to ensure that agents purchase policies for themselves based on their real need and demand.
- Ping An enhances the traceability management of sales behaviors by audio/video recording the whole sales process of new insurance policies, including but not limited to the policies handled by agents who have joined the company less than 2 years or agents with high complaint risks, all self-purchased policies, new policies issued by certain branches, and other policies required by regulatory authorities.
- Ping An carries out in-depth investigations and regular business risk self-examinations on agents. Ping An strengthens management and supervision of high-risk areas, takes disciplinary action regards agents who violate the requirements of the company Basic Law, and holds their supervisors accountable, so as to reduce the occurrence of the mis-selling.