

**Ping An Insurance (Group)  
Company of China, Ltd.**

**Summary of Solvency Report  
for First Half of 2025**

## Company Overview and Reporting Contact

Company name (Chinese): 中国平安保险（集团）股份有限公司

Company name (English): Ping An Insurance (Group) Company of China, Ltd.

Legal representative: Ma Mingzhe

Registered address: 47th, 48th, 109th, 110th, 111th and 112th Floors,  
Ping An Finance Center,  
No.5033 Yitian Road,  
Futian District,  
Shenzhen

Registered capital: RMB18,210,234,607

Corporate license number of insurance institution: 000016

Business commencement date: March 21, 1988

Business scope: Investing in insurance enterprises, supervising and managing the domestic and international businesses of subsidiaries, engaging in insurance fund utilization, conducting domestic and international insurance business as approved by regulators, and other businesses approved by the insurance regulator and relevant government agencies

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### Note:

The *Summary of Solvency Report for First Half of 2025* is prepared in accordance with applicable regulations including the *Regulatory Rules on Solvency of Insurance Companies (II)* (the “C-ROSS Phase II”) released by the former China Banking and Insurance Regulatory Commission (the “CBIRC”) and the *National Financial Regulatory Administration’s Circular on Improving Regulatory Standards for Solvency of Insurance Companies*.

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## **I. Statement by the Board of Directors and the Management**

This report has been approved by the Board of Directors of Ping An Insurance (Group) Company of China, Ltd. (hereinafter referred to as “Ping An,” the “Company” or the “Group”). The Board of Directors and the management of the Company warrant that the information contained in this report is true, accurate, complete and legally compliant and there are no false representations, misleading statements contained in or material omissions from this report, and severally and jointly accept legal responsibility for the above.

The statement is hereby given.

## II. Basic Information of the Group

### (I) Shareholding Structure, Shareholders and Their Changes

#### (1) Shareholding Structure and Its Changes

Unit: Shares	January 1, 2025		Changes during the Reporting Period					June 30, 2025	
	Number of shares	Percentage (%)	Issue of new shares	Bonus issue	Transfer from reserve	Others	Subtotal	Number of shares	Percentage (%)
I. Selling-restricted shares	–	–	–	–	–	–	–	–	–
II. Selling-unrestricted circulating shares									
1.RMB ordinary shares	10,762,657,695	59.10	–	–	–	–	–	10,762,657,695	59.10
2.Domestically listed foreign shares	–	–	–	–	–	–	–	–	–
3.Overseas listed foreign shares	7,447,576,912	40.90	–	–	–	–	–	7,447,576,912	40.90
4.Others	–	–	–	–	–	–	–	–	–
Subtotal	18,210,234,607	100.00	–	–	–	–	–	18,210,234,607	100.00
III. Total number of shares	18,210,234,607	100.00	–	–	–	–	–	18,210,234,607	100.00

#### (2) Shareholdings of Top 10 Shareholders as at the End of the Reporting Period

Name of shareholder	Nature of shareholder <sup>(1)</sup>	Shareholding percentage (%)	Total number of shares held (shares)	Changes during the Reporting Period (shares)	Type of shares	Number of selling-restricted shares held (shares)	Number of pledged, marked or frozen shares (shares)
Hong Kong Securities Clearing Company Nominees Limited <sup>(2)</sup>	Overseas legal person	36.56	6,657,563,517	-36,651,746	H Share	–	Unknown
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	5.29	962,719,102	–	A Share	–	–
Hong Kong Securities Clearing Company Limited <sup>(3)</sup>	Others	3.51	639,050,726	-59,932,793	A Share	–	–
Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd. <sup>(4)</sup>	Others	2.73	497,715,860	+6,377,111	A share + H share	–	–
Central Huijin Asset Management Ltd.	State-owned legal person	2.58	470,302,252	–	A Share	–	–
Business Fortune Holdings Limited <sup>(5)</sup>	Overseas legal person	2.52	459,466,189	–	H Share	–	385,136,584 pledged shares
ICBC Credit Suisse Asset Management – Agricultural Bank of China – ICBC Credit Suisse Asset Management Plan of China Securities Finance Corp	Others	2.23	406,116,884	+261,339,628	A Share	–	–
Harvest Fund – Agricultural Bank of China – Harvest Asset Management Plan of China Securities Finance Corp	Others	2.16	392,851,462	+261,339,628	A Share	–	–
Shum Yip Group Limited	State-owned legal person	1.42	257,728,008	–	A Share	–	–
Industrial and Commercial Bank of China – SSE 50 Exchange Traded Open-End Index Securities Investment Fund	Securities investment fund	1.16	210,970,236	+8,759,705	A Share	–	–

- Notes: (1) Nature of the holders of A shares represents the nature of accounts held by the holders of A shares registered on the Shanghai Branch of China Securities Depository and Clearing Corporation Limited.
- (2) Hong Kong Securities Clearing Company Nominees Limited (“HKSCC Nominees Limited”) is the nominee holder of the shares held by non-registered H shareholders of the Company.
- (3) The shares held by Hong Kong Securities Clearing Company Limited refer to the shares held by non-registered shareholders of the Northbound Trading of the Shanghai-Hong Kong Stock Connect Program.
- (4) Participants in the Long-term Service Plan of the Company are the employees of the Company and its member companies. Over 150,000 employees have participated in the Long-term Service Plan cumulatively throughout the years. The source of funding is the remunerations payable to employees. The Long-term Service Plan of the Company owned 189,814,360 A shares and 307,901,500 H shares of the Company, and such H shares have been registered under the name of HKSCC Nominees Limited. In order to avoid double counting, the H shares of the Company owned by the Long-term Service Plan of the Company have been deducted from the shares held by HKSCC Nominees Limited.
- (5) Business Fortune Holdings Limited is an indirect wholly-owned subsidiary of Charoen Pokphand Group Co., Ltd., and the shares of the Company owned by Business Fortune Holdings Limited have been registered under the name of HKSCC Nominees Limited. In order to avoid double counting, the shares owned by Business Fortune Holdings Limited have been deducted from the shares held by HKSCC Nominees Limited.
- (6) The above A shareholders did not participate in securities margin trading or securities lending as of the end of the Reporting Period.

Explanation of the connected relationship or acting-in-concert relationship regarding the top 10 shareholders:

The Company is not aware of any connected relationship or acting-in-concert relationship among the above-mentioned shareholders.

### **(3) Particulars of Controlling Shareholder and De Facto Controlling Party**

The shareholding structure of the Company is relatively scattered. There is neither controlling shareholder nor de facto controlling party.

## (II) Shareholding or Control Relations between the Group Parent Company and Member Companies

The Group's member companies under the C-ROSS Phase II, with clear shareholding structures, engage in businesses including insurance, banking, investment, and technology. Shareholding or control relations with and basic information of Ping An Group's major member companies as of June 30, 2025 are as follows:

### (1) Shareholding or Control Relations with and Basic Information of the Subsidiaries of the Group

The Group had the following main consolidated subsidiaries as of June 30, 2025:

Company name	Principal place of business	Place of registration	Nature of business	Shareholding proportion		Registered capital (in RMB unless otherwise specified)
				Direct	Indirect	
Ping An Life Insurance Company of China, Ltd.	Shenzhen	Shenzhen	Life insurance	99.51%		33,800,000,000
Ping An Property & Casualty Insurance Company of China, Ltd.	Shenzhen	Shenzhen	Property and casualty insurance	99.55%		21,000,000,000
Ping An Bank Co., Ltd.	Shenzhen	Shenzhen	Banking	49.56%	8.40%	19,405,918,198
Ping An Trust Co., Ltd.	Shenzhen	Shenzhen	Investment and trust	99.88%		13,000,000,000
Ping An Securities Co., Ltd.	Shenzhen	Shenzhen	Securities investment and brokerage	40.96%	55.59%	13,800,000,000
Ping An Annuity Insurance Company of China, Ltd.	Shanghai	Shanghai	Annuity insurance	94.20%	5.78%	11,603,419,173
Ping An Asset Management Co., Ltd.	Shanghai	Shanghai	Asset management	98.67%	1.33%	1,500,000,000
Ping An Health Insurance Company of China, Ltd.	Shanghai	Shanghai	Health insurance	74.38%	0.63%	4,616,577,790
China Ping An Insurance Overseas (Holdings) Limited	Hong Kong	Hong Kong	Investment holding	100.00%		HKD7,085,000,000
China Ping An Insurance (Hong Kong) Company Limited	Hong Kong	Hong Kong	Property and casualty insurance		100.00%	HKD490,000,000
Ping An International Financial Leasing Co., Ltd.	Shanghai	Shanghai	Financial leasing	69.44%	30.56%	14,500,000,000
Ping An of China Asset Management (Hong Kong) Company Limited	Hong Kong	Hong Kong	Asset management		100.00%	HKD395,000,000
Shenzhen Ping An Innovation Capital Investment Co., Ltd.	Shenzhen	Shenzhen	Investment holding		99.88%	4,000,000,000
Ping An Trendwin Capital Management Co., Ltd.	Shanghai	Shanghai	Investment consulting		99.76%	100,000,000
Ping An Real Estate Co., Ltd.	Shenzhen	Shenzhen	Property management and investment management		99.62%	21,160,523,628
Ping An Technology (Shenzhen) Co., Ltd.	Shenzhen	Shenzhen	IT services	37.66%	62.34%	5,310,315,757
Shenzhen Ping An Finservice Co., Ltd.	Shenzhen	Shenzhen	IT and business process outsourcing services		100.00%	598,583,070
Ping An E-wallet Electronic Commerce Company Limited	Shenzhen	Shenzhen	Internet service		77.14%	1,000,000,000
eLink Commerce Company Limited	Hong Kong	Hong Kong	Money service		99.89%	HKD25,124,600
Shenzhen Wanlitong Network Information Technology Co., Ltd.	Shenzhen	Shenzhen	Custom loyalty service		77.14%	200,000,000

## (II) Shareholding or Control Relations between the Group Parent Company and Member Companies (continued)

Company name	Principal place of business	Place of registration	Nature of business	Shareholding proportion		Registered capital (in RMB unless otherwise specified)
				Direct	Indirect	
Shenzhen Ping An Commercial Property Investment Co., Ltd.	Shenzhen	Shenzhen	Property leasing and property management		99.50%	1,810,000,000
Ping An Futures Co., Ltd.	Shenzhen	Shenzhen	Futures brokerage		96.64%	721,716,042
Shenzhen Ping An Real Estate Investment Co., Ltd.	Shenzhen	Shenzhen	Real estate investment and management		100.00%	1,310,000,000
Shanghai Pingpu Investment Co., Ltd.	Shanghai	Shanghai	Investment management		99.51%	9,130,500,000
Anseng Investment Company Limited	British Virgin Islands	British Virgin Islands	Project investment		99.51%	USD50,000
Shenzhen Ping An Financial Technology Consulting Co., Ltd.	Shenzhen	Shenzhen	Corporation management advisory services	100.00%		30,406,000,000
Ping An Tradition International Money Broking Company Ltd.	Shenzhen	Shenzhen	Currency brokerage		66.92%	50,000,000
Pingan Haofang (Shanghai) E-commerce Co., Ltd.	Shanghai	Shanghai	Property agency		100.00%	1,930,000,000
Ping An Wealthtone Investment Management Co., Ltd.	Shenzhen	Shenzhen	Asset management		68.11%	800,000,000
Ping An Fund Management Company Limited	Shenzhen	Shenzhen	Fund raising and distribution		68.11%	1,300,000,000
Shenzhen Ping An Financial Center Development Company Ltd.	Shenzhen	Shenzhen	Property leasing and property management		99.51%	6,688,870,000
Ping An Insurance Sales Services Co., Ltd.	Shenzhen	Shenzhen	Sales agency of insurance		66.85%	515,000,000
Ping An Chuang Zhan Insurance Sales & Service Co., Ltd.	Shenzhen	Guangzhou	Insurance agent		99.55%	50,000,000
Reach Success International Limited	British Virgin Islands	British Virgin Islands	Project investment		99.51%	USD50,000
Jade Reach Investments Limited	British Virgin Islands	British Virgin Islands	Project investment		99.51%	USD50,000
Shenyang Shengping Investment Management Co., Ltd.	Shenyang	Shenyang	Property management and investment management		99.51%	269,000,000
Tongxiang Ping An Investment Co., Ltd.	Jiaxing	Jiaxing	Investment management		99.62%	500,000,000
Ping An Commercial Factoring Co., Ltd.	Shanghai	Shanghai	Commercial factoring		100.00%	2,700,000,000
Shanxi Changjin Expressway Co., Ltd.	Jincheng	Taiyuan	Expressway operation		59.71%	750,000,000
Shanxi Jinjiao Expressway Co., Ltd.	Jincheng	Taiyuan	Expressway operation		59.71%	504,000,000
Ping An Caizhi Investment Management Company Limited	Shenzhen	Shenzhen	Equity investment		96.55%	300,000,000
Ping An Securities (Hong Kong) Holding Company Limited	Hong Kong	Hong Kong	Investment holding		96.55%	HKD663,514,734
Ping An Securities (Hong Kong) Futures Company Limited	Hong Kong	Hong Kong	Futures brokerage		96.55%	HKD20,000,000
Ping An of China Capital (Hong Kong) Company Limited	Hong Kong	Hong Kong	Investment management		96.55%	HKD20,000,000
Ping An Securities (Hong Kong) Company Limited	Hong Kong	Hong Kong	Securities investment and brokerage		96.55%	HKD440,000,000
Shanghai Lufax Fund Sales Co., Ltd.	Shanghai	Shanghai	Fund sales		95.43%	20,000,000

**(II) Shareholding or Control Relations between the Group Parent Company and Member Companies (continued)**

Company name	Principal place of business	Place of registration	Nature of business	Shareholding proportion		Registered capital (in RMB unless otherwise specified)
				Direct	Indirect	
Fuer Insurance Broker Co., Ltd.	Shanghai	Shanghai	Insurance brokerage service		99.51%	50,000,000
Beijing Shuangronghui Investment Co., Ltd.	Beijing	Beijing	Property leasing		99.51%	256,323,143
Chengdu Ping An Property Investment Co., Ltd.	Chengdu	Chengdu	Real estate investment and management		99.51%	540,000,000
Hangzhou Pingjiang Investment Co., Ltd.	Hangzhou	Hangzhou	Real estate development and management		99.51%	1,430,000,000
Beijing Jingxinlize Investment Co., Ltd.	Beijing	Beijing	Investment management		99.51%	1,160,000,000
Anbon Allied Investment Company Limited	United Kingdom	Hong Kong	Real estate investment and management		99.51%	GBP90,000,160
Talent Bronze Limited	United Kingdom	Hong Kong	Real estate investment and management		99.51%	GBP133,000,000
Ping An Pioneer Capital Co., Ltd.	Shenzhen	Shenzhen	Financial products and equity investment		96.55%	1,000,000,000
Shenzhen Pingke Information Consulting Co., Ltd.	Shenzhen	Shenzhen	Management consulting		100.00%	5,092,341,943
Beijing Jingping Shangdi Investment Co., Ltd.	Beijing	Beijing	Property leasing		99.51%	45,000,000
Guangzhou Xinping Property Investment Co., Ltd.	Guangzhou	Guangzhou	Property leasing		99.51%	50,000,000
Shanghai Jahwa (Group) Company Ltd.	Shanghai	Shanghai	Production and sale of consumer chemicals		99.51%	5,268,261,234
Shanghai Jahwa United Co., Ltd.	Shanghai	Shanghai	Industry		51.86%	676,223,860
Falcon Vision Global Limited	Shanghai	British Virgin Islands	Investment management		99.51%	USD50,000
Shanghai Zean Investment Management Company Limited	Shanghai	Shanghai	Property leasing		99.51%	3,660,000,000
PA Dragon LLC	USA	USA	Logistics and real estate		99.52%	USD143,954,940
Shanghai Pingan Automobile E-commerce Co., Ltd.	Shanghai	Shanghai	E-commerce		94.74%	63,330,000
Shanghai Gezhouba Yangming Property Co., Ltd.	Shanghai	Shanghai	Real estate development and management		99.51%	20,000,000
Shanghai Jinyao Investment Management Co., Ltd.	Shanghai	Shanghai	Investment management		99.05%	1,290,000,000
Shanghai Pingxin Asset Management Co., Ltd.	Shanghai	Shanghai	Asset management		100.00%	1,010,000,000
Shenzhen Qianhai Credit Service Centre Co., Ltd.	Shenzhen	Shenzhen	Credit information services		100.00%	345,075,000
Pingan Real Estate Capital Limited	Hong Kong	Hong Kong	Investment platform		99.62%	2,536,129,600
Shenzhen Pulian Consulting Co., Ltd.	Shenzhen	Shenzhen	Investment consulting		100.00%	100,000,000
An Ke Technology Company Limited	Hong Kong	Hong Kong	Investment management and consulting		100.00%	USD582,996,000
Ping An Pay Technology Service Co., Ltd.	Shenzhen	Shenzhen	Internet service		77.14%	680,000,000

## (II) Shareholding or Control Relations between the Group Parent Company and Member Companies (continued)

Company name	Principal place of business	Place of registration	Nature of business	Shareholding proportion		Registered capital (in RMB unless otherwise specified)
				Direct	Indirect	
Ping An Pay Electronic Payment Co., Ltd.	Shanghai	Shanghai	Fund settlement for using bank card		77.14%	489,580,000
Tongxiang Anhao Investment Management Co., Ltd.	Jiaxing	Jiaxing	Investment management		99.81%	300,000,000
Ping An Infrastructure Investment Fund Management Co., Ltd.	Shenzhen	Shenzhen	Investment management		98.02%	1,000,000,000
Ping An Fortune Management Co., Ltd.	Shanghai	Shanghai	Consulting services		100.00%	100,000,000
Shenzhen Ping An Evergreen Investment Development Holding Co., Ltd.	Shenzhen	Shenzhen	Investment consulting		100.00%	1,500,100,000
Ping An International Financial Leasing (Tianjin) Co., Ltd.	Tianjin	Tianjin	Financial leasing		100.00%	12,000,000,000
Shenzhen Anpu Development Co., Ltd.	Shenzhen	Shenzhen	Logistics and warehousing		79.61%	5,625,000,000
Ping An Securities (Hong Kong) Asset Management Company Limited	Hong Kong	Hong Kong	Asset management		96.55%	HKD10,000,000
Shanghai Tianhe Insurance Brokerage Co., Ltd.	Shanghai	Shanghai	Insurance brokerage		43.99%	50,000,000
Helios P.A. Company Limited	Hong Kong	Hong Kong	Project investment		99.51%	USD677,161,910
Ping An Urban-Tech (Shenzhen) Co., Ltd.	Shenzhen	Shenzhen	IT services		89.47%	258,234,363
Shenzhen Ping An Chuangke Investment Management Co., Ltd.	Shenzhen	Shenzhen	Investment management		99.81%	100,000,000
Shenzhen Anchuang Investment Management Co., Ltd.	Shenzhen	Shenzhen	Investment management		99.81%	100,000,000
Lianxin (Shenzhen) Investment Management Co., Ltd.	Shenzhen	Shenzhen	Investment management		99.72%	5,100,000,000
Autohome Inc.	Beijing	Cayman Islands	Automotive internet platform		43.99%	USD1,273,469
Mayborn Group Limited	United Kingdom	United Kingdom	Infant products		51.86%	GBP1,154,873
Jiaxing Ping An Cornerstone I Equity Investment Management Co., Ltd.	Shanghai	Jiaxing	Investment management		99.51%	1,000,000
Ping An Wealth Management Co., Ltd.	Shenzhen	Shenzhen	Asset management		57.96%	5,000,000,000
TTP Car Inc.	Shanghai	Cayman Islands	Second-hand car platform		22.43%	USD15,753
Shenzhen Shengjun Investment Management Co., Ltd.	Shenzhen	Shenzhen	Investment management		99.72%	5,000,000
Overseas W.H. Investment Company Limited	Cayman Islands	Cayman Islands	Investment holding		100.00%	USD4,459,442,233
Shenzhen Pingjia Investment Management Co., Ltd.	Shenzhen	Shenzhen	Investment platform		99.81%	5,000,000
Chongqing Youshengda Real Estate Consulting Co., Ltd.	Chongqing	Chongqing	Real estate consulting		99.51%	12,537,286,000
Hangzhou Xiaoshan Ping An Cornerstone II Equity Investment Co., Ltd.	Shanghai	Hangzhou	Investment management		99.51%	9,090,082
Shenzhen Hengchuang Enterprise Management Co., Ltd.	Shenzhen	Shenzhen	Investment platform		99.62%	5,000,000
Global Voyager Fund (HK) Company Limited	Hong Kong	Hong Kong	Asset management		100.00%	USD15,476,983
Ping An Securities (Hong Kong) Insurance Brokers Limited	Hong Kong	Hong Kong	Insurance brokerage		96.55%	HKD1,000,000
Ping An Commodities Trading Co., Ltd.	Shenzhen	Shenzhen	Commodity trade		96.64%	1,000,000,000

## (II) Shareholding or Control Relations between the Group Parent Company and Member Companies (continued)

Company name	Principal place of business	Place of registration	Nature of business	Shareholding proportion		Registered capital (in RMB unless otherwise specified)
				Direct	Indirect	
Shanghai Raffles Kaixuan Commercial Management Service Co., Ltd.	Shanghai	Shanghai	Property leasing and property management		69.66%	2,208,601,418
Shanghai Huaqing Real Estate Management Co., Ltd.	Shanghai	Shanghai	Property leasing and property management		59.71%	USD30,000,000
Beijing Xinjie Real Estate Development Co., Ltd.	Beijing	Beijing	Property leasing and property management		69.66%	USD24,500,000
Chengdu Raffles City Industry Co., Ltd.	Chengdu	Chengdu	Property leasing and property management		69.66%	USD217,700,000
Raffles City (Hangzhou) Real Estate Development Co., Ltd.	Hangzhou	Hangzhou	Property leasing and property management		69.66%	USD299,740,000
Ningbo Xinyin Business Management Service Co., Ltd.	Ningbo	Ningbo	Property leasing and property management		69.66%	800,000,000
Beijing Jinkunlize Property Co., Ltd.	Beijing	Beijing	Property leasing and property management		99.51%	3,380,000,000
New Founder (Beijing) Enterprise Management Development Co., Ltd.	Beijing	Beijing	Corporation management		99.51%	50,000,000
New Founder Holding Development Company Limited	Beijing	Zhuhai	Investment and technical services		66.18%	7,250,000,000
Founder Securities Co., Ltd.	Changsha	Changsha	Securities brokerage		19.00%	8,232,101,395
PKU Healthcare Management Co., Ltd.	Beijing	Zhuhai	Hospital management		66.18%	3,000,000,000
Founder CIFCO Futures Co., Ltd.	Beijing	Beijing	Futures brokerage		17.56%	1,005,000,000
Founder Financing Securities Co., Ltd.	Beijing	Beijing	Securities underwriting and sponsorship		19.00%	1,400,000,000
Shanghai Jifeng Investment Management Co., Ltd.	Shanghai	Shanghai	Investment management		17.56%	500,000,000
Beijing Founder Fubon Crown Asset Management Co., Ltd.	Beijing	Beijing	Customer-specific asset management		12.67%	130,000,000
Founder Securities (Hong Kong) Limited	Hong Kong	Hong Kong	Securities trading and consulting		19.00%	HKD410,000,000
Founder Asset Management (Hong Kong) Limited	Hong Kong	Hong Kong	Asset management		19.00%	HKD22,000,000
Founder Fubon Fund Management Co., Ltd.	Beijing	Beijing	Fund raising and distribution		12.67%	660,000,000
Lufax Holding Ltd	Shanghai	Cayman Islands	Investment holding		66.85%	USD100,000
Ping An Consumer Finance Co., Ltd.	Shanghai	Shanghai	Consumer finance business	30.00%	46.79%	5,000,000,000
Ping An Rongyi (Jiangsu) Financing Guarantee Co., Ltd.	Nanjing	Nanjing	Financing guarantee		66.85%	USD3,109,801,102
Gem Alliance Limited	Cayman Islands	Cayman Islands	Intermediate holding		66.85%	USD1,828,535,620
Harmonious Splendor Limited	Hong Kong	Hong Kong	Intermediate holding		66.85%	USD2,165,088,878
Ping An Puhui Enterprise Management Co., Ltd.	Shenzhen	Shenzhen	Enterprise management service		66.85%	9,435,425,000
Shenzhen Ping An Rongyi Investment Consulting Co., Ltd.	Shenzhen	Shenzhen	Investment consulting service		66.85%	1,251,363,637
Ping An Rongyi (Heilongjiang) Information Service Co., Ltd.	Harbin	Harbin	Information technology service		66.85%	1,000,000,000

## (II) Shareholding or Control Relations between the Group Parent Company and Member Companies (continued)

Company name	Principal place of business	Place of registration	Nature of business	Shareholding proportion		Registered capital (in RMB unless otherwise specified)
				Direct	Indirect	
PAO Bank Limited	Hong Kong	Hong Kong	Digital banking		66.85%	HKD2,000,000,000
Heilongjiang Jinlianyuntong Small Loan Co., Ltd.	Harbin	Harbin	Lending service		66.85%	10,000,000,000

Note: The shareholding proportion, as shown in the above table, is the sum of direct holding by the Company and indirect holding calculated via the multiplication of shareholding proportions at various holding layers.

## (2) Shareholding Structures and Basic Information of Joint Ventures

The Group had the following main joint ventures as of June 30, 2025:

Company name	Principal place of business	Place of registration	Nature of business	Shareholding proportion	Registered capital (in RMB unless otherwise specified)
Beijing Zhaotai Property Development Co., Ltd.	Beijing	Beijing	Property development	25.00%	5,000,000,000
Wuhan DAJT Property Development Co., Ltd.	Wuhan	Wuhan	Property development	50.00%	500,000,000
Founder Meiji Yasuda Life Insurance Co., Ltd.	Shanghai	Shanghai	Life insurance	51.00%	4,580,000,000

## (III) Major Punishment Received by the Group Company during the Reporting Period from Financial Regulators including the National Financial Regulatory Administration (“NFRA”)

(Yes  No )

### III. Operation of Major Member Companies

#### (I) Ping An Life Insurance Company of China, Ltd. (“Ping An Life”)

Ping An Life maintained steady business growth with high-quality development in multiple channels in the first half of 2025. “Insurance + service” offerings are gaining traction, and business quality improved steadily. Ping An Life’s premium income increased 5.7% year on year to RMB317,953 million in the first half of 2025. As of June 30, 2025, Ping An Life’s core solvency margin ratio and comprehensive solvency margin ratio were 167.0% and 229.4% respectively, both well above the regulatory requirements.

In respect of channel development, under the value orientation of high-quality development, Ping An Life continued to deepen transformation and build multi-channel professional sales capabilities, significantly improving development quality.

In respect of the agent channel, Ping An Life continuously advanced high-quality development, building a “4-in-1” team development framework of “basic management rules, training, customer development, and products + services.” Focusing on both the quality and size of the agent team, Ping An Life improved the team structure by strengthening supervisors, optimizing existing agents and recruiting high-quality new agents. Agent channel new business value (“NBV”) grew 17.0% year on year in the first half of 2025 driven by a 21.6% year-on-year increase in NBV per agent. The percentage of sales agents with a junior college or higher degree increased by 1.5 pps from a year ago as of June 30, 2025.

In respect of the bancassurance channel, Ping An Life adheres to the high-quality development strategy, focusing on value growth. Bancassurance channel NBV rose 168.6% year on year to RMB5,972 million in the first half of 2025. In respect of bank cooperation, Ping An Life diversified bank cooperation by consolidating partnerships with major state-owned banks and exploring cooperation with leading joint-stock banks, urban commercial banks and other high-potential channels, to expand and upgrade channels. In respect of outlet management, Ping An Life standardized outlet operations by optimizing outlet staffing in all aspects. In respect of team development, Ping An Life kept recruiting high-quality talent and strengthened professional development to build elite teams of “high-quality, high-performing, and high-income” agents. In respect of business management, Ping An Life continuously boosted operational efficiency by unleashing organizational vitality and optimizing internal management.

In respect of community finance and other channels, Ping An Life adopted a farmer-like approach of focusing on retained customers and maintained high-quality outlet establishment and steady team development by continuously promoting the community finance business model. In respect of customers, the overall persistency ratio of retained customers improved by 0.4 pps year on year in the first half of 2025. In respect of outlets, Ping An Life had established 301 community finance outlets in 198 cities as of June 30, 2025, up by 170 outlets and 105 cities respectively year to date. In respect of teams, Ping An Life had built elite teams of nearly 30,000 “high-competence, high-performing, and high-quality” agents as of June 30, 2025.

In respect of products, Ping An Life continued to provide high-quality insurance products and develop a multi-layered product portfolio under a people-centered approach, focusing on customers’ diverse insurance needs in three key areas, namely pension reserves, wealth management and insurance protection.

In active response to China’s pension policy, Ping An Life launched “Sheng Shi You Xiang” (a personal tax-credit

pension) and “Zhi Ying Jin Sheng” (an exclusive commercial pension) to bolster pension finance business. In addition, Ping An Life launched the “Yu Xiang Tian Nian” immediate annuity for soon-to-retire customers to meet their demand for safe allocation of pension funds.

Ping An Life enhanced research and development of participating insurance products with floating income under China’s new “Ten National Guidelines” for the insurance industry. Ping An Life launched “Jin Yue Anniversary Edition” (a participating insurance product), and continued to promote the flagship “Jin Yue” participating insurance products to meet customers’ preference for wealth management products combining fixed and floating incomes.

Ping An Life continued to build its presence in the critical illness insurance market. For customer groups of different ages and with different needs, Ping An Life launched “Ai Man Fen 25” (a critical illness insurance product for kids), “Sheng Shi Fu” (a critical illness insurance product allowing multiple claims) and the “Quan Jia Bao” comprehensive protection plan centered on cost-effective critical illness insurance. In addition, Ping An Life launched “An Bai Hui Xiang” and upgraded “Accidental Injury 25,” two accident insurance products, to provide customers with comprehensive insurance protection. Moreover, Ping An Life actively fulfilled its inclusive finance responsibilities by launching 11 complimentary insurance products, which covered cutting-edge medical care, specific illnesses, sports accidents, and outpatient and emergency care for kids. By doing so, Ping An Life helped enhance people’s insurance awareness.

For insurance services, over 13 million of Ping An Life’s customers used health management services in the first half of 2025. Ping An Life launched the “Ping An Tian Rui - An You Hu” health service plan, a package of “critical illness insurance + critical illness management services,” in April 2025. The plan gives customers access to precise diagnoses, surgeries performed by renowned doctors, and rehabilitative treatment throughout the medical journey, making critical illness treatment more convenient and worry-free. Ping An continuously explored heartwarming “insurance + home-based senior care” service models, focusing on scenarios of the elderly’s core needs. Nearly 210,000 customers were entitled to home-based senior care services, which covered 85 cities nationwide as of June 30, 2025. Ping An is committed to developing the premium senior care market and delivering innovative “one-stop” full-lifecycle senior care solutions. Under the core philosophy of “seven-dimensional health care” and the value proposition of “prime life, exclusive services, and respectful care,” Ping An provides customized, exclusive health and senior care services and high-quality, heartwarming, brand-new health and senior care experience to meet the growing demand for premium senior care in China. Ping An unveiled a total of six premium health and senior care communities, which are currently in trial operation or under construction, in five cities as of June 30, 2025. The community in Shanghai started a soft opening in July, and the one in Shenzhen will open for business by the end of 2025.

## **(II) Ping An Property & Casualty Insurance Company of China, Ltd. (“Ping An P&C”)**

Ping An P&C maintained steady business growth in the first half of 2025, with premium income up 7.1% year on year to RMB171,857 million and insurance revenue up 2.3% year on year to RMB165,661 million. Ping An P&C’s overall COR improved by 2.6 pps year on year to 95.2% in the first half of 2025. Ping An P&C’s core solvency margin ratio and comprehensive solvency margin ratio were 179.6% and 215.9% respectively as of June 30, 2025, both above regulatory requirements.

To serve the real economy, Ping An P&C continuously explores the new model of “insurance + technology + service” for improving the quality and efficiency of the real economy and bolstering five key financial sectors, namely technology finance, green finance, inclusive finance, pension finance and digital finance. Ping An P&C developed 1,741 products, and provided RMB189 trillion worth of insurance coverage for 1.61 million small and micro-enterprises in the first half

of 2025. Green insurance premium income increased 51.8% year on year to RMB35,836 million. Ping An P&C helped launch 70 city-customized medical insurance programs, which covered over 22 million citizens and provided over RMB45 trillion worth of insurance coverage. Ping An P&C undertook long-term care insurance programs which covered over 62.86 million insureds, and cumulatively paid nearly RMB150 million of long-term care benefits in the first half of 2025.

Ping An P&C promoted sci-tech self-reliance and self-strengthening. Under the value proposition of “Science and technology constitute a primary productive force,” Ping An P&C always focuses on ensuring safety, encouraging competition, and optimizing input-output to promote sci-tech self-reliance and self-strengthening. Ping An P&C scored 83.42 in the NFRA’s information technology risk rating for 2024, ranking first in the insurance industry for the third consecutive time. By leveraging AI, Ping An P&C continuously makes the Ping An Auto Owner app smarter to provide users with high-quality services more precisely, with a customer satisfaction degree of over 97.5%. The Ping An Auto Owner app had nearly 251 million registered users as of June 30, 2025. Monthly active users of the app peaked at nearly 38.50 million in the first half of 2025.

Moreover, Ping An P&C improved service quality and efficiency via risk reduction. Ping An P&C, in collaboration with Ping An Group, the China Association for Disaster Prevention, the Gansu Earthquake Agency and other organizations, held an event themed on improving grassroots emergency response capabilities for 2025. They jointly published a series of popular science books titled *Popular Science Guide on Earthquake Knowledge, Earthquake Prevention and Risk Avoidance*. Ping An P&C released Ping An’s earthquake catastrophe model. By doing so, Ping An P&C enhanced people’s awareness of earthquake prevention and disaster reduction as well as emergency response, self-rescue and mutual rescue skills. Ping An P&C continuously upgraded its “EagleX Risk Mitigation Service Platform,” which gave a total of 4.26 billion alerts on 259 thousand disasters to 64.02 million retail and corporate customers in the first half of 2025. Moreover, Ping An P&C launched EagleX (Global Version) to provide full-lifecycle risk management services for overseas customers. EagleX (Global Version) is China’s first risk mitigation service platform independently developed by an insurance company and offered globally.

### **(III) Ping An Bank Co., Ltd. (“Ping An Bank”)**

Ping An Bank adheres to its strategic objective of being “China’s most outstanding, world-leading smart retail bank” under the strategic policy of “strong retail banking, selective corporate banking, and specialized interbank business.” Ping An Bank continuously upgrades its retail, corporate and interbank business strategies. While doing its best to bolster five key financial sectors (namely technology finance, green finance, inclusive finance, pension finance, and digital finance), Ping An Bank continuously strengthens risk management and advances digital transformation for high-quality development.

Ping An Bank maintains steady overall business performance. Net profit amounted to RMB24,870 million in the first half of 2025. As Ping An Bank continuously supported the real economy, the corporate loan balance grew 4.7% year to date as of June 30, 2025. Ping An Bank kept overall asset quality stable by continuously strengthening risk management. Non-performing loan ratio dropped by 0.01 pps year to date to 1.05%, and provision coverage ratio was 238.48% as of June 30, 2025, indicating adequate risk provisions. Ping An Bank promotes the high-quality, sustainable development of retail business. Retail assets under management (“AUM”) rose 0.4% year to date to RMB4,212,839 million, and the retail deposit balance grew 3.1% year to date to RMB1,327,338 million as of June 30, 2025. In respect of capital adequacy, Ping An Bank continuously enhanced internal capital accumulation and refined capital management, with capital

adequacy ratios all meeting regulatory requirements. Ping An Bank's core tier 1 capital adequacy ratio rose by 0.19 pps year to date to 9.31% as of June 30, 2025.

In retail business, Ping An Bank adheres to its retail business strategy and adapts to changes in the market environment. While advancing the strategic transformation of retail business, Ping An Bank promotes the high-quality, sustainable development of retail business by continuously upgrading two main business sectors.

In lending business, Ping An Bank continuously optimized its loan portfolio by increasing home mortgage loans, collateral mortgage loans and new energy vehicle loans. Moreover, Ping An Bank upgraded risk management strategies and optimized risk models to improve the quality of new loans, striking a balance between "volumes, prices and risks." Retail loan balance decreased 2.3% year to date to RMB1,725,978 million as of June 30, 2025, of which secured loans accounted for 64.3%. Newly-granted retail new energy vehicle loans grew 38.4% year on year in the first half of 2025.

In deposit and wealth management business, Ping An Bank optimized its retail deposit portfolio by retaining more low-cost deposits via scenario-based operations. Moreover, Ping An Bank unlocked the momentum of integrated operations by strengthening the integration of retail banking and corporate banking, driving steady growth of deposit business. Retail deposit balance grew 3.1% year to date to RMB1,327,338 million as of June 30, 2025. Average interest rate of retail deposits decreased by 37 bps year on year to 1.92% for the first half of 2025. Deposit balance from payroll and batch payment customers increased 9.2% year to date to RMB388,203 million as of June 30, 2025. Moreover, Ping An Bank improved the quality and efficiency of services and optimized customer experience by improving its wealth management teams' comprehensive asset allocation capability, developing the bancassurance business into a key growth driver of the pan wealth management business, and offering selective cross-border products to meet customers' overseas asset allocation needs.

In corporate business, Ping An Bank continued to serve the real economy, focusing on industrial finance, technology finance, supply chain finance, cross-border finance and inclusive finance. Moreover, Ping An Bank upgraded the mechanism for integrating retail banking and corporate banking to promote balanced business development. In respect of selected sectors, building sector-specific differentiation advantages, Ping An Bank granted new loans of RMB239,777 million to four basic industries, namely infrastructure, the auto ecosystem, public utilities and real estate in the first half of 2025, up 19.6% year on year. Moreover, Ping An Bank granted new loans of RMB123,817 million to three emerging industries, namely new manufacturing, new energy and new lifestyle in the first half of 2025, up 16.7% year on year. In respect of selected customers, Ping An Bank builds a tiered development framework for strategic customers, regional key customers, and small and micro-enterprise customers. Ping An Bank had 909.1 thousand corporate customers as of June 30, 2025, up 6.5% year to date. In respect of selected products, focusing on core customer groups, Ping An Bank enhances its sector-specific, differentiated and comprehensive product portfolio, and improves comprehensive customer service capabilities. Ping An Bank's supply chain financing amounted to RMB911,280 million in the first half of 2025, up 25.6% year on year.

In interbank business, Ping An Bank improves its investment, trading and sales capabilities to boost the high-quality development of financial markets through an "investment trading + customer business" dual-pronged strategy. In respect of investment trading, Ping An Bank pays close attention to global market dynamics. While ensuring asset liquidity and security, Ping An Bank formulates sensible asset allocation plans, seizes trading opportunities agilely, and tackles market changes flexibly with various hedging tools. In respect of customer business, Ping An Bank proactively engages in trading services, corporate hedging, institutional sales, and asset custody by leveraging its strengths in comprehensive customer services. RMB2.61 trillion worth of cash bonds were sold by domestic and foreign institutions of Ping An Bank in the

first half of 2025, up 56.3% year on year. The number of customers that conducted spot and derivative foreign exchange hedging at Ping An Bank increased 14.5% year on year to 12,659 in the first half of 2025. The AUM balance of asset management products distributed under the “ET-Bank” rose 0.8% year to date to RMB268,879 million as of June 30, 2025. Assets under custody of asset management products amounted to RMB4.88 trillion as of June 30, 2025.

In respect of asset quality, China’s macroeconomy was generally stable with steady progress in the first half of 2025, but there were still uncertainties in the external environment. In line with national strategies, Ping An Bank actively served the real economy, enhanced non-performing asset disposal, and kept overall asset quality stable. In respect of retail asset quality, Ping An Bank’s retail non-performing loan ratio improved by 0.12 pps year to date and 0.05 pps from March 31, 2025 as retail customers’ debt repayment capacity recovered to some extent. Ping An Bank continuously upgraded risk models to improve its customer identification capability, thereby enabling more precise customer segmentation. Moreover, Ping An Bank continuously optimized its customer mix and asset portfolio, implemented segmentation and tiered development of customers, increased high-quality assets, and enhanced non-performing loan disposal. As a result, retail loan quality improved gradually. In respect of corporate asset quality, Ping An Bank continuously upgraded its risk policies, continuously optimized its risk monitoring system, focused on strengthening risk management in the real estate sector, and enhanced non-performing asset recovery and disposal. As a result, corporate credit risk metrics remained good.

#### **(IV) Ping An Trust Co., Ltd. (“Ping An Trust”)**

Positioned as a capital-light service provider, Ping An Trust focuses on its core, capital-light businesses including financial service trusts. Ping An Trust helps create economies of scale in family trusts and insurance trusts, further securing its dominant market presence. Moreover, Ping An Trust continuously explores new business models and service scenarios within a framework in line with the regulation that specifies three trust business categories. Total assets held in trust amounted to RMB1,052,416 million as of June 30, 2025.

Ping An Trust comprehensively enhanced the effectiveness of its compliance management to make solid strides in high-quality business development in the first half of 2025. Ping An Trust built a strong foundation for compliance through four major initiatives, namely improving the management framework, optimizing the system of rules and procedures, optimizing management mechanisms, and strengthening compliance training. Additionally, Ping An Trust fully enabled business development, built a new trend of intelligent development, and improved management efficiency and competitiveness through three major measures, namely carrying out ex post operational risk reviews, upgrading information disclosure management, and deeply embracing AI.

Ping An Trust had RMB18,591 million in net capital as of June 30, 2025. The ratio of net capital to total risk capital was 240.2% and the ratio of net capital to net assets was 75.5% as of June 30, 2025, both meeting regulatory requirements (i.e. not less than 100% and 40% respectively).

#### **(V) Ping An Securities Co., Ltd. (“Ping An Securities”)**

Ping An Securities closely followed national development strategies and fully bolstered five key financial sectors (namely technology finance, green finance, inclusive finance, pension finance, and digital finance), contributing to the high-quality development of the real economy in the first half of 2025. Ping An Securities further strengthened the implementation of the Group’s strategies to fulfill its mission of “creating value for society via ‘worry-free, time-saving, and money-saving’ services.” Under the vision of becoming a “heartwarming securities platform service provider,” Ping

An Securities focused on comprehensive service quality, upgraded the service system, and provided customers with efficient, heartwarming, valuable, and consistent services. Ping An Securities established a management system that truly incorporates “customer centrality” into organizational behaviors by continuously advancing five strategic initiatives, namely customer insight, resource integration, process reengineering, organizational guarantee, and data-driven operations. In this way, Ping An Securities made its progress describable and measurable, and laid a foundation for building its service brand via continuous self-motivation and self-evolution. In a complex, fast-changing market environment, Ping An Securities demonstrated strategic resilience and achieved high-quality profit growth.

Ping An Securities furthers wealth management transformation in brokerage business. Centering around the entire customer journey, Ping An Securities advanced the “online + offline” integration strategy, implemented all-around, closed-loop and systematic strategies in all aspects more rapidly, and promoted the intergenerational upgrading of service capabilities. Ping An Securities established a unified customer strategy system to identify and explore customer needs, and continuously explored new channels and new models. Ping An Securities offered “Ping An 30” wealth management service solutions to build brand advantages in niche markets, focusing on three major customer segments, namely trading accounts, asset allocation accounts, and ultra-high net worth customers and entrepreneurs. Ping An Securities had over 25.18 million retail customers as of June 30, 2025, ranking No.1 in the industry firmly. Ping An Securities maintained industry-leading app user engagement, ranking among top three brokers firmly by number of monthly active users. Moreover, the market share of Ping An Securities in terms of equity and fund trading volume (excluding seat leasing) reached 3.81% in the first half of 2025, up 5 bps year on year.

Ping An Securities adheres to the business strategy of selective investment banking. In investment banking business, Ping An Securities continuously advanced systematic strategies, focusing on breakthroughs in key industries, key regions and key products. To develop selective investment banking business, Ping An Securities strengthened management and execution, and promoted the strategic upgrading and achievement conversion of investment banking with a pragmatic attitude. In equity business, Ping An Securities accelerated conversion by growing private equity business and pursuing breakthroughs in key sectors and regions, and refined customer insights and resource adaptability, striving to improve pipelines, raise conversion efficiency and boost returns. In debt business, Ping An Securities focused on key regions and products, and strengthened synergies and mutual enablement among sourcing, underwriting and sales, to build an overall service closed loop. Ping An Securities remained among top players in the industry by issuance volume, ranking No.2 in asset-backed securities underwriting and No.6 in bond underwriting respectively in the first half of 2025.

Ping An Securities enhances professional capabilities in trading and asset management. In trading business, Ping An Securities advanced its “trading + services” strategy, further strengthening trading capabilities through a multi-instrument, multi-strategy trading system and its overseas business presence. Moreover, Ping An Securities expanded the value of proprietary trading through services by leveraging its advantages in trading business, with trading returns exceeding market benchmarks in the first half of 2025. In asset management business, Ping An Securities upgraded its core capabilities in “fixed income +” to build core differentiation advantages, focusing on customized asset allocation tools and absolute return strategies. As a result, Ping An Securities delivered greater value to customers and achieved faster-than-industry growth in actively managed AUM.

## **(VI) Ping An International Financial Leasing Co., Ltd. (“Ping An Financial Leasing”)**

Ping An Financial Leasing engages in financial leasing via a nationwide business network as an industry leader by comprehensive strength. Ping An Financial Leasing remains true to the original aspiration of serving the real economy,

promoting industry development, and supporting industrial upgrading. Ping An Financial Leasing has built its presence in various areas including engineering and construction, manufacturing and processing, next-generation infrastructure, urban development, city operations, auto financial leasing, auto operating leasing, commercial vehicles, financial leasing for small and micro-enterprises, structured financing, and Ping An factoring. As an industry-leading innovator, Ping An Financial Leasing provides customers with diverse financial leasing products, giving full play to the industry's characteristics of "financing and leasing." By developing distinctive "industrial leasing, digital leasing, platform-based leasing, and ecosystem-based leasing," Ping An Financial Leasing strives to become a world-leading innovative financial leasing expert focusing on industries, serving the real economy, and adopting unique models.

Ping An Financial Leasing maintains robust operations by continuously strengthening risk management and refining end-to-end business process management. Non-performing asset ratio dropped slightly year to date to 1.01% as of June 30, 2025, indicating further improved asset quality. Sufficient provisions have been set aside, indicating an ample risk buffer. Moreover, Ping An Financial Leasing keeps overall risks under control by continuously strengthening forward-looking risk management, precisely implementing risk management strategies, enhancing risk assessment and business operations, improving post-leasing risk warning mechanisms, and upgrading end-to-end integrated monitoring and disposal capabilities.

#### **(VII) Ping An Asset Management Co., Ltd. ("Ping An Asset Management")**

Ping An Asset Management, entrusted with the Company's insurance funds, is responsible for the domestic investment management business of the Company. Moreover, Ping An Asset Management also provides comprehensive third-party asset management services and diverse, one-stop investment management solutions to domestic and overseas customers.

Adhering to the philosophies of value investing and long-term investing, Ping An Asset Management is widely recognized in the market for its customer-centric approach and commitment to doing the right things in the long term. As one of the largest and most influential institutional investors in China, Ping An Asset Management has profound experience in asset management. Ping An Asset Management's AUM amounted to RMB5.91 trillion as of June 30, 2025.

## **IV. Opinions from External Institutions**

### **(I) Audit Opinions on the Group’s Solvency Statements**

Ernst & Young Hua Ming LLP, an auditor engaged by the Company, issued the Solvency Audit Report on Ping An for 2024, and was of the view that the Company’s insurance group solvency statements as of December 31, 2024 were prepared, in all material respects, in accordance with the basis of preparation set forth in the *Regulatory Rules on Solvency of Insurance Companies (II)*, the *Circular of the CBIRC on Implementation of Regulatory Rules on Solvency of Insurance Companies (II)*, and the *National Financial Regulatory Administration’s Circular on Improving Regulatory Standards for Solvency of Insurance Companies*.

### **(II) Audit Opinions on the Group’s Financial Statements and Internal Controls**

Ernst & Young Hua Ming LLP, an auditor engaged by the Company, issued the Independent Auditor’s Report on Ping An for 2024, and was of the view that the consolidated and company’s balance sheets as at December 31, 2024, as well as the consolidated and company’s income statements, statements of changes in shareholders’ equity, and cash flow statements for the year 2024 and the notes to the financial statements were prepared, in all material respects, in accordance with the *Accounting Standards for Business Enterprises*, which gave a fair view of the consolidated and company’s financial position as at December 31, 2024 and the consolidated and company’s business results and cash flows for the year 2024.

Ernst & Young Hua Ming LLP, an auditor engaged by the Company, issued the Internal Control Audit Report on Ping An for 2024, and was of the view that the Company maintained effective internal controls over financial reporting in all material respects as of December 31, 2024 in accordance with the *Basic Norms for Internal Controls of Enterprises* and applicable requirements.

### **(III) Capital Verification Report on the Group Company’s Reduction of the Registered Capital**

Ernst & Young Hua Ming LLP, an auditor engaged by the Company, issued a capital verification report on the Company’s reduction of the registered capital. Based on review and verification, the Company had paid a total of RMB5,000,001,422.40 (excluding transaction fees) and transaction fees of RMB839,001.82 in cash and cash equivalents for share repurchase as of May 13, 2025. The Company planned to reduce its registered capital and paid-in capital (share capital) by RMB102,592,612.00. Upon completion of the capital reduction, the registered capital and paid-in capital (share capital) would be changed to RMB18,107,641,995.00.

### **(IV) Opinions of Asset Valuation Agency**

Engaged by the Company, Shenzhen Cushman & Wakefield Land Property Valuation Co., Ltd. issued a valuation report on real estate assets held by the Company, taking January 23, 2024 as the valuation date. The valuation result is valid from May 31, 2024 to May 30, 2025.

### **(V) Change of External Institutions during the Reporting Period**

1. During the Reporting Period, did the Company replace an accounting firm that provided auditing services

for the Company? (Yes  No )

2. During the Reporting Period, did the Company replace an external institution that issued other independent opinions? (Yes  No )

# V. Solvency Statements

## (I) Solvency Statement of Insurance Holding Group

Insurance group name: Ping An Insurance (Group) Company of China, Ltd. June 30, 2025 (in RMB million)

Item	Line	June 30, 2025	December 31, 2024
<b>Actual capital</b>	(1) = (2) + (3) + (4) + (5)	2,104,126.05	1,799,586.37
Core tier 1 capital	(2)	1,540,939.59	1,237,669.61
Core tier 2 capital	(3)	232,876.44	219,404.82
Supplementary tier 1 capital	(4)	317,454.18	330,468.61
Supplementary tier 2 capital	(5)	12,855.84	12,043.33
<b>Minimum Capital</b>	(6) = (7) + (21) + (22)	934,383.72	881,890.24
Minimum capital for quantifiable risks	(7) = (8) + (9) + (10) + (11) + (12) + (13) - (20)	949,094.69	895,365.49
Minimum capital of the parent company	(8)	-	-
Minimum capital of insurance member companies	(9)	549,714.33	499,210.72
Minimum capital of banking member companies	(10)	367,858.59	359,460.38
Minimum capital of securities member companies	(11)	23,780.70	29,427.64
Minimum capital of trust member companies	(12)	7,741.07	7,266.75
Minimum capital for group-level quantifiable specific risks	(13) = (14) + (15)	-	-
Minimum capital for risk contagion	(14)	-	-
Minimum capital for concentration risk	(15) = (16) + (17) + (18) - (19)	-	-
Minimum capital for counterparty concentration risk	(16)	-	-
Minimum capital for industry concentration risk	(17)	-	-
Minimum capital for customer concentration risk	(18)	-	-
Risk diversification effect	(19)	-	-
Capital requirement decrease due to risk diversification	(20)	-	-
Minimum capital for control risks	(21)	(14,710.97)	(13,475.25)
Additional capital buffer	(22)	-	-
<b>Core solvency margin surplus</b>	(23) = (2) + (3) - (6) × 50%	1,306,624.17	1,016,129.31
<b>Core solvency margin ratio</b>	(24) = [(2) + (3)] / (6) × 100%	189.84%	165.22%
<b>Comprehensive solvency margin surplus</b>	(25) = (1) - (6)	1,169,742.33	917,696.13
<b>Comprehensive solvency margin ratio</b>	(26) = (1) / (6) × 100%	225.19%	204.06%

Note: The group-level capital requirement decrease due to risk diversification and additional capital buffer will be separately stipulated by the regulator.

## (II) Actual Capital Statement of Insurance Holding Group

Insurance group name: Ping An Insurance (Group) Company of China, Ltd.

June 30, 2025

(in RMB million)

Item	Line	June 30, 2025	December 31, 2024
Core tier 1 capital	(1) = (2) + (3) + (12) + (13) + (14) + (15) + (16)	1,540,939.59	1,237,669.61
Net assets in group consolidated financial statements	(2)	1,343,100.00	1,304,712.00
Adjustment for insurance member companies	(3) = (4) + (5) + (6) + (7) + (8) + (9) + (10) + (11)	108,800.75	70,260.04
Book value of unadmitted assets	(4)	(61,934.79)	(52,419.80)
Difference between admitted value and book value of long-term equity investments	(5)	(2,642.00)	(3,119.48)
Difference between admitted value and book value (exclusive of the effect of income tax) of investment property (including investment property held by insurance companies through property rights or subsidiaries, etc.)	(6)	-	-
Deferred income tax assets (excluding deferred income tax assets caused by operating losses)	(7)	(22,505.85)	(20,041.44)
Catastrophe risk reserves for agricultural insurance	(8)	936.79	635.06
Policy future surplus included in core tier 1 capital	(9)	223,269.17	224,129.10
Amount of capital instruments attributable to liabilities that meet the core tier 1 capital standards and may be included in core tier 1 capital	(10)	-	-
Other adjustments stipulated by the CBIRC	(11)	(28,322.57)	(78,923.40)
Adjustment for banking member companies	(12)	(74,267.48)	(77,369.87)
Adjustment for trust member companies	(13)	(6,037.85)	(5,686.08)
Adjustment for securities and futures member companies	(14)	(30,891.75)	(30,445.36)
Goodwill	(15)	(38,317.70)	(35,970.70)
Other adjustments stipulated by the CBIRC	(16)	238,553.62	12,169.58
Core tier 2 capital	(17) = (18) + (23) + (24)	232,876.44	219,404.82
Core tier 2 capital of insurance member companies	(18) = (19) + (20) + (21) - (22)	64,489.51	53,089.63
Preferred stock	(19)	-	-
Policy future surplus included in core tier 2 capital	(20)	36,198.97	38,066.15
Other core tier 2 capital	(21)	28,290.54	15,023.48
Less: the amount that should be deducted for exceeding the limit	(22)	-	-
Other tier 1 capital of banking member companies	(23)	58,380.05	58,331.08
Tier 2 capital instruments of banking member companies	(24)	110,006.88	107,984.11
Supplementary tier 1 capital	(25) = (26) + (27) + (28) + (29) + (30) + (31) - (32)	317,454.18	330,468.61
Subordinated term debt	(26)	-	-
Capital supplementary bonds	(27)	10,000.00	30,000.00
Convertible subordinated debt	(28)	-	-
Deferred income tax assets (excluding deferred income tax assets caused by operating losses)	(29)	22,505.85	20,041.44
Policy future surplus included in supplementary tier 1 capital	(30)	281,846.57	276,288.59
Other supplementary tier 1 capital	(31)	3,101.76	4,138.58
Less: the amount that should be deducted for exceeding the limit	(32)	-	-
Supplementary tier 2 capital	(33) = (34) + (35) - (36)	12,855.84	12,043.33
Contingent capital and other supplementary tier 2 capital	(34)	-	-
Policy future surplus included in supplementary tier 2 capital	(35)	12,855.84	12,043.33
Less: the amount that should be deducted for exceeding the limit	(36)	-	-
Total actual capital	(37) = (1) + (17) + (25) + (33)	2,104,126.05	1,799,586.37

## VI. Management Discussion and Analysis

### (I) Changes in Solvency Margins

Ping An's core solvency margin ratio and comprehensive solvency margin ratio were 189.84% and 225.19% respectively as of June 30, 2025, up by 24.62 pps and 21.13 pps year to date respectively, both well above the regulatory requirements.

### (II) Changes in Integrated Risk Ratings

Not applicable. The NFRA has not yet conducted the integrated risk rating of insurance groups.

### (III) Risk Analysis of the Group

The Group's overall risk profile was stable in the first half of 2025, with all types of risks meeting the risk appetite. However, in view of a complex external environment, the Group still needs to focus on the management and control of relevant risk areas. In respect of credit risk, new non-performing assets decreased. However, the default risk of some industries and customer segments involving investment and financing remained high. In respect of market risk, main stock indexes in China's equity markets were generally stable, with interest rates in fixed income markets fluctuating sideways. The Group's overall risk profile was stable, with risk limits still within the normal control range. In respect of insurance risk, the overall risk profile was stable, and all the insurance member companies kept their risk limit indicators within the normal range. There was no major solvency risk event in respect of strategic risk, brand reputation risk, operational compliance risk, or liquidity risk. In respect of group-level risk management, the Group proactively implemented applicable regulatory requirements, and enhanced the management of group-level risks including risk contagion, organizational structure non-transparency risk, concentration risk, and risks in non-insurance areas. The Group focused on strengthening the concentration management of counterparties and industries, and continued to enhance position monitoring and risk management for key industries and large-value transaction counterparties. Moreover, the Group continued to improve related party transaction management, and enhanced the management of the shareholding structure as well as equity investments in non-financial companies.

The Group will continuously optimize its comprehensive risk management system, enhance the management of various risks, and further improve its solvency risk management system in accordance with C-ROSS Phase II regulatory requirements and in line with internal management needs in the second half of 2025.

## VII. Significant Events

### (I) Major Investments

During the Reporting Period, the Group made one investment in subsidiaries which shall be reported as a major investment in accordance with the *Regulatory Rules on Solvency of Insurance Companies (II)*. Details are as follows:

The parent company signed the *Capital Increase Agreement* with Ping An Life on April 18, 2025. According to the agreement, Ping An Life shall issue 2,202,643,171 shares at a price of RMB9.08 per share (the same currency hereinafter), with all shareholders having the right to subscribe according to their shareholding proportions. The parent company shall subscribe in cash for shares abandoned by other shareholders. The total subscription amount of the parent company shall not exceed RMB20 billion, and the total number of shares subscribed for by the parent company shall not exceed 2,202,643,171. Given the shareholding proportion of the parent company and the fact that other shareholders of Ping An Life waived their subscription rights, the parent company subscribed for a total of 2,200,808,370 shares for this capital increase, with a total investment amount of RMB19,983,339,999.60, and made full payment for the capital increase on April 18, 2025 (subject to regulatory approval for the change in registered capital of Ping An Life as of the end of the Reporting Period).

The parent company made no new investment in its associates or joint ventures during the Reporting Period.

### (II) Material Guarantees

During the Reporting Period, there was no material guarantee by the parent company as stipulated under the regulatory rules on solvency.

### (III) Major Financing Activities

During the Reporting Period, there was no major financing activity by the parent company as stipulated under the regulatory rules on solvency.

### (IV) Material Related Party Transactions

The Group had two material related party transactions during the Reporting Period. The related party transactions were deliberated and approved by the Company's Related Party Transaction Control and Consumer Rights Protection Committee and Board of Directors, and announced at the Shanghai Stock Exchange (announcement number: Lin 2025-005).

### (V) Significant Lawsuits

The parent company had no significant lawsuit as stipulated under the regulatory rules on solvency during the Reporting Period. For insurance subsidiaries' significant lawsuits in the Reporting Period, refer to their respective solvency reports.

## **(VI) Material Reinsurance Contracts**

Not applicable to the parent company. For insurance subsidiaries' material reinsurance contracts in the Reporting Period, refer to their respective solvency reports.

## **(VII) Material Investment Losses**

During the Reporting Period, there was no material investment loss as stipulated under the regulatory rules on solvency.

## **(VIII) The Group's Member Companies Facing Financial Crises or Being Taken Over by Other Regulators**

During the Reporting Period, no member company of the Group faced financial crises or was taken over by other regulators.

## **(IX) Other Significant Events**

The 2024 profit distribution plan of the Company was deliberated and approved at the 2024 Annual General Meeting, pursuant to which the Company paid in cash the 2024 final dividend of RMB1.62 (tax inclusive) per share, totaling RMB29,334,380,031.90 (tax inclusive) based on 18,107,641,995 shares, the actual number of shares entitled to the dividend distribution (exclusive of A shares of the Company in the repurchased securities account). As of the date of this Report, the implementation of the distribution plan had been completed.

The Board of Directors has declared that the 2025 interim dividend of RMB0.95 (tax inclusive) per share in cash will be distributed to the shareholders of the Company. The actual total amount of the interim dividend distribution is subject to the total number of shares entitled to the dividend distribution on the record date. The total amount of the interim dividend distribution in 2025 is estimated at RMB17,202,259,895.25 (tax inclusive) based on a total of 18,107,641,995 shares entitled to the dividend distribution as of June 30, 2025. The interim dividend distribution will have no material impact on the Group's solvency margin ratios. After the interim dividend distribution, the Group's solvency margin ratios will meet applicable regulatory requirements.

On June 11, 2025, the Company issued an aggregate principal amount of HKD11,765 million zero coupon bonds convertible into the Company's H shares due 2030, with an initial conversion price of HKD55.02 per H share. The Group's solvency margin ratios will not be affected before the conversion.

# **VIII. Risk Management Capability**

## **(I) Solvency Risk Governance**

The Group proactively complies with risk governance requirements under the *Company Law of the People's Republic of China* and other applicable laws and regulations as well as the *Articles of Association* and other applicable

company policies and procedures. The Group has put in place a risk management organizational system which holds the Board of Directors ultimately accountable and is directly led by the management. Supported closely by relevant committees and various functions, the system covers risk management across all of the Group's member companies and business lines.

The Board of Directors is the highest decision-making authority for the Company's risk management and takes responsibility for the effectiveness of comprehensive risk management. Its functions include:

- (1) To review and approve the overall objectives, risk appetites and tolerance, and risk management policies of the Group's comprehensive risk management;
- (2) To review and approve the organizational structure and responsibilities of the Group's comprehensive risk management;
- (3) To supervise the management's effective management and control of the Group's comprehensive risks;
- (4) To review and approve the Group's comprehensive risk management-related reports, including the Group's solvency reports, risk assessment reports, and other risk-related reports; and
- (5) To review and approve other significant events related to comprehensive risk management.

The Audit and Risk Management Committee under the Board of Directors conducts relevant tasks authorized by the Board of Directors, deliberates matters related to comprehensive risk management, and gives opinions and suggestions to the Board of Directors. Its functions include:

- (1) To deliberate the overall objectives, risk appetites and tolerance, and risk management policies of the Group's comprehensive risk management;
- (2) To deliberate the organizational structure and responsibilities of the Group's comprehensive risk management;
- (3) To deliberate the Group's solvency reports and submit them to the Board of Directors for review and approval;
- (4) To deliberate comprehensive risk management-related reports, including the Group's risk assessment reports and other special risk reports, and thoroughly understand the Group's and its major member companies' risk exposures and relevant management situations;
- (5) To assess the operational effectiveness of the Group's comprehensive risk management system;
- (6) To assess risks in the Group's significant business management events, and deliberate solutions to significant events related to comprehensive risk management; and
- (7) Other tasks assigned by the Board of Directors.

The Group Executive Committee leads all the aspects of the Group's risk management. The Risk Management Executive Committee (the "RMEC"), as a specialized committee under the Group Executive Committee, directly reports and is responsible to the Group Executive Committee as the supreme risk management organ under the Group Executive Committee. The RMEC is responsible for strategic planning, rule-making and policy formulation for comprehensive risk management, overall management of various risks, research and determination of directions, supervision of implementation, and effect evaluation. The RMEC is also responsible for dealing with major risks, adhering to the bottom line of "no systemic risk." In addition, the RMEC promotes an integrated risk prevention and management framework among the Group and its member companies to ensure full coverage of risk management. A Senior Vice President at the

Group level in charge of risk management acts as the RMEC's chairman. Members of the RMEC are the relevant executives at the Group level in charge of different risk categories, who have clearly-defined responsibilities for risk management and comprehensively cover the Group's various risks.

## **(II) Introduction to and Implementation of Risk Management Strategies**

### **(1) Risk Management Strategies**

Ping An Group has developed science-based effective solvency risk management strategies by continuously strengthening its comprehensive risk management system and improving its organizational structure. Moreover, the Group encourages its member companies to formulate risk management strategies according to their own management realities and features and align them with the Group's.

In respect of risk appetites, tolerance, and limits, Ping An Group set a risk appetite framework covering all kinds of general risks and insurance group-specific risks in line with the regulatory policies, strategic business plans, overall capital position, market environment, and business features of member companies. This framework constitutes a core part of the Group's solvency risk management strategies.

In respect of risk identification, evaluation, and monitoring, Ping An Group established a solvency risk warning mechanism with corresponding comprehensive risk monitoring indicators to identify, evaluate and monitor risks in a timely manner.

In respect of risk responses and crisis management, Ping An Group continued to improve its risk warning mechanism, providing effective alerts on industry developments, regulatory information and risk events. The Group also enhanced its risk emergency management mechanism, effectively guarding against potential risks.

In respect of assessment of the effectiveness of risk management, Ping An Group conducted holistic management of member companies' risks, reviewing and assessing the overall risk management to improve the risk management system.

In respect of mechanisms for preventing risk contagion and transmission, Ping An Group strengthened the rules and management mechanisms against risk contagion, conducted relevant education and training, set appetite limits for risk contagion, and monitored and reported risks on a regular basis.

In respect of allocation of risk management resources including manpower, finance and organizations, Ping An put in place a Chief Risk Officer responsible for solvency risk management. As an independent risk management department, the Group's Risk Management Department leads and oversees the Group's solvency risk management, being well-staffed and well-qualified.

### **(2) Risk Appetite Rules and Objective**

A risk appetite system is central to Ping An's overall strategy and comprehensive risk management. Considering the Group's overall strategy and its member companies' development needs, the Group continued to improve the risk appetite system that matches its business strategies, and combined risk appetites with management decisions and business development to promote healthy growth of the Group and its member companies.

The Group's risk appetite system consists of three parts, namely the risk appetite statement, risk tolerance, and risk limits. The risk appetite statement describes the general amount of risk that the Group is willing to take to achieve its business objectives. The risk tolerance reflects the risk appetite statement in each risk category in detail, covering all the major risk categories under the Group's comprehensive risk management. Risk limits further quantify the risk tolerance. On the basis of the risk tolerance, the Group sets corresponding risk limits for risk categories that can be monitored with quantitative indicators, and applies the risk limits to routine risk monitoring and early warning, so as to support business decision-making and strike a balance between risk management and business development.

The Company's business development and risk management came under pressure due to internal and external environments in the first half of 2025. The Group implemented a prudent risk appetite, operated in strict compliance with laws and regulations, took reasonable and appropriate risks, effectively controlled credit, market and other risks, prevented operational, compliance, information technology and brand reputation risk events, strengthened strategic risk management, and appropriately managed ESG-related risks. Moreover, the Group ensured that its solvency position was always in line with regulatory requirements, and kept overall risk under control.

### **(3) Risk Management Tools**

Ping An Group stepped up the use of risk management tools, including comprehensive budgeting, asset and liability management, capital planning and allocation, and stress testing, to manage inherent risks of the Group and its major member companies within the scope of business. Ping An Group specified the management plans and main processes of the Group and member companies, and provided regular monitoring and supervision to ensure the effective implementation and application of risk management tools.

In respect of comprehensive budgeting, Ping An Group guided its major business management through comprehensive budgeting by taking full account of risk appetites and risk limits. Member companies promoted the implementation of comprehensive budgeting in combination with risk appetites under the guidance of the Group.

In respect of asset and liability management, Ping An Group adopted a prudent asset and liability risk management policy, focusing on improving asset quality and operating performance. Member companies are responsible for making independent decisions on asset and liability risk management within their own jurisdictions, and establishing and improving robust asset and liability risk management systems.

In respect of capital planning and allocation, Ping An Group developed a forward-looking capital planning and allocation management program aimed at supporting business development and ensuring a reasonable and adequate capital base, with compliance with regulatory requirements as the baseline. By doing so, the Group continuously enhanced its risk prevention and mitigation capabilities. With capital operation as a driver, the Group achieved sustained profit growth and more efficient capital utilization, aiming to maximize returns on capital. The Group and its financial member companies maintained appropriate capital buffers while meeting minimum regulatory requirements. Non-financial member companies maintained reasonable and healthy assets and liabilities.

In respect of stress testing, Ping An Group conducted sensitivity and scenario stress tests to closely monitor changes in solvency. Member companies carried out stress tests as required by the Group.

### **(III) Identification and Evaluation of Group-level Risks**

The Group proactively strengthens risk management of its member companies, implements applicable regulatory requirements, and constantly enhances management of group-level risks including risk contagion, organizational structure non-transparency risk, concentration risk, and non-insurance risk.

#### **(1) Risk Contagion**

Risk contagion refers to a situation where the risk created by a member company of the Group spreads to another member company of the Group by means of related party transactions or other activities, causing unexpected losses to such other member company or the Group. While unlocking synergies in integrated finance, the Group has comprehensively strengthened the management of risk contagion within the Group by building firewalls, managing related party transactions, outsourcing and integrated finance, and centralizing branding, communication and information disclosure to prevent risk contagion among member companies.

The Group has built strict firewalls, including legal-entity firewalls, finance firewalls, treasury firewalls, information firewalls, and personnel management firewalls, between the Group and its member companies and among its member companies to prevent material risk contagion and transmission.

Firstly, legal-entity firewalls. The Group and its member companies have robust governance structures. The Group itself engages in no specific business activity. The Group manages its member companies through shareholding, but neither participates nor intervenes in the member companies' routine business. The member companies carry out business activities independently, and are supervised by their corresponding regulators.

Secondly, finance firewalls. The Company has built robust finance firewalls and incorporated the requirements of finance firewalls, including personnel independence, policy independence, account set independence, accounting independence, and system authority independence, in financial frameworks and management policies. The Group and its member companies have respective independent finance functions, financial management rules and processes, have separate account sets, perform independent financial accounting, and implement strict management segregation of data in financial systems. Moreover, the Group and its member companies are separately audited by external auditors who issue independent auditors' reports to ensure the authenticity of financial data.

Thirdly, treasury firewalls. The Company has built robust treasury firewalls, implementing relevant requirements for treasury frameworks and management policies. The Group and its member companies have respectively established independent departments, rules and processes for treasury management. The Group and its member companies have strictly followed the requirements of creating accounts based on legal entities, and built hierarchical authorization and approval processes for transactions. Ping An exercises strict control over arbitrary capital movements and fund transfers devoid of business backgrounds to ensure the security of funds and prohibit unauthorized fund borrowings and transfers.

Fourthly, information firewalls. The Group and its member companies continuously improve the network and data security governance structure, and have established an accountability system for cybersecurity, data security, and personal information protection. The Group and its member companies have specified responsible departments and personnel, formulated management rules and supporting documents for network and data security, and developed a multi-layered,

in-depth defense framework to ensure network access control and information/data segregation. Attaching great importance to customer information security, the security of their products, and the cybersecurity of their businesses, the Group and its member companies strictly comply with laws, regulations and regulatory requirements including 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 Group and its member companies have set up an all-around mechanism for ex ante control, in-the-process monitoring and ex post auditing, and put in place security controls over all the stages of the data lifecycle, including data collection, transmission, storage, use, exchange and destruction, to protect the security, integrity and usability of customer information and data.

Fifthly, personnel management firewalls. The Company has established appropriate, effective personnel management firewalls. The Group and its member companies have established mutually independent organizational structures, personnel management rules and processes. Moreover, the Company ensures effective personnel segregation through an employee conflict of interest management framework by taking measures including: strictly restricting the double-jobbing of senior management among the Group and its member companies in accordance with applicable laws and regulations; ensuring that no employee performs incompatible roles with a potential conflict of interest at the same post and time through appropriate duty segregation; and establishing anti-nepotism policies and strengthening relevant day-to-day management.

The Group has constantly improved the management of related party transactions. The Group and its member companies constantly enhance the management of related party transactions in strict accordance with applicable laws, regulations and regulatory requirements and the management principles of good faith, fairness and equity, penetration verification and clear structures. Adhering to risk prevention and control, the Group and its member companies constantly consolidate related party transaction management systems, optimize management structures and mechanisms, improve management procedures, and enhance related party transaction identification, review and fair value-based pricing to ensure the compliance and fairness of related party transactions. The Group and its member companies continuously increase transparency by disclosing and reporting related party transactions in strict accordance with industries' regulatory rules. Furthermore, the Group and its member companies continuously strengthen all employees' compliance awareness about related party transactions by developing a culture of related party transaction management compliance through constant training and education. The Group enhances system-based management and related party transaction governance by continuously promoting the informatization and intelligentization of related party management and related party transaction management.

The Group has improved its approach to outsourcing management. The Group complies with applicable laws, regulations and regulatory documents to carry out outsourcing management, and outsources its business in accordance with its own operation and management requirements. It is not allowed to outsource the core business. Furthermore, it is not allowed to outsource IT management responsibilities, network security responsibilities or functions related to IT core competitiveness including IT strategy management, IT risk management, and IT internal auditing. Member companies follow the principles of independent transactions and fair pricing for

outsourcing, and perform corresponding approval procedures and sign agreements in accordance with applicable regulations and management rules for related party transactions. The transactions are reported and disclosed in accordance with applicable regulatory requirements. Moreover, the Group continuously enhances IT outsourcing risk management, improves IT outsourcing risk management rules, strengthens monitoring and inspection of IT outsourcing risks in all aspects, and prudently conducts IT outsourcing activities. In addition, the Group optimizes monitoring indicators to continuously strengthen process control of outsourcing, and improves service evaluation and appraisal mechanisms. Service providers solicit feedback on satisfaction from beneficiaries on a regular basis, and conduct internal appraisals on the basis of such feedback to ensure constant service improvement.

The Group has enhanced the management of integrated finance. Under a customer needs-oriented philosophy, the Group is committed to building a heartwarming financial services brand based on a business model of “one customer, multiple accounts, multiple products, and one-stop services” to meet customers’ diverse integrated financial needs. The Group leverages concurrent insurance agency mechanisms and banking distribution licenses to distribute products in strict compliance with laws and regulations. The Group continuously manages the qualifications of relevant sales personnel and develops a risk management system to ensure compliant and orderly distribution. Moreover, business cooperation among member companies is conducted in strict accordance with market practices. All businesses are reviewed independently by each member company’s risk management function in line with the firewall policies.

The Group continuously strengthens the centralized management or coordination of branding, communication, and information disclosure of its member companies to effectively prevent the spread and amplification of relevant risks within the Group. The Group has developed science-based, robust policies, rules and procedures for brand asset management and information disclosure, and strictly implements them to ensure centralized and consistent brand management. In terms of brand asset management, the Group constantly improves its reputation risk management system and carries out whole-process management in accordance with applicable laws, regulations and regulatory requirements. The Group adheres to a prevention-oriented reputation risk management philosophy, and conducts multi-level differential reputation risk management. The Group takes risk prevention and control, effective disposal, and image restoration as the ultimate standards for reputation risk management. In this way, the Group ensures rapid, coordinated responses to and efficient handling of reputation risk events, and promptly repairs its reputation and image. In terms of information disclosure, the Group subjects itself to public oversight, and has established centrally managed interview and information release mechanisms to ensure timely and accurate information disclosure and prevent reputation risk arising from misreading or misunderstanding.

## **(2) Organizational Structure Non-transparency Risk**

Organizational structure non-transparency risk refers to the risk of losses caused to the Group by the overcomplexity or opaqueness of the Group’s shareholding structure, management structure, operational processes, and business types. The Group has established a robust corporate governance structure in accordance with

applicable laws, regulations and regulatory documents including the *Company Law of the People's Republic of China* and the *Securities Law of the People's Republic of China*, taking account of international corporate governance norms and the Group's realities. The General Meetings of Shareholders, the Board of Directors, the Supervisory Committee, and the senior management exercise their respective rights and perform their respective obligations in accordance with the *Articles of Association*.

The Group itself engages in no specific business activity, while its member companies engage in various businesses including insurance, banking, asset management and technology. The Group supervises and manages its member companies through shareholding and appointed directors. Each member company, as an independent legal entity, is independently responsible for its day-to-day operations and management, and practices independent accounting. The Group and its member companies have clearly defined the roles and responsibilities of their respective functions; each function performs its own duties and responsibilities, without any overlap, lack, or overconcentration of powers and responsibilities. The Group has a robust governance structure and a transparent management structure. The Group bans cross-shareholding and illegal subscription for capital instruments.

### **(3) Concentration Risk**

The Group's concentration risk refers to the risk that member companies' single or combined risks, when aggregated at the Group level, may have a material direct or indirect impact on the Group's normal operations. The Group manages concentration risks from the perspectives of counterparties, investment assets, industries, regions, customers, and businesses.

To manage the concentration risk in counterparties, the Group follows the principle of reasonably controlling the concentration risk of counterparties. The Group has specified a set of risk limits for counterparties after considering the risk profiles of counterparties and the appetite and tolerance of the Group. The Group's set of risk limits cover counterparties in its investment and financing businesses. For a group of corporations and public institutions or interbank customers with control relationships among them, the Group includes them in the same group, and implements unified and combined concentration limit management. Moreover, by adopting advanced technology, the Group constantly broadens and deepens concentration risk management, effectively increases monitoring frequencies, and gives timely warnings against counterparties with higher concentration risks.

To manage the concentration risk in investment assets, the Group follows the principle of reasonably controlling the concentration risk in investment assets. The Group has set concentration risk limits for different asset classes and formed a concentration risk limit system for investment assets based on reasonable classification of investment assets. Moreover, the Group regularly reviews the concentration risk posed by investment assets at the member company level to prevent any solvency risk and liquidity risk arising from overconcentration of investments in certain asset classes after financial consolidation.

To manage the concentration risk in industries, the Group has established industry-specific concentration risk limits under the principle of reasonably controlling the concentration risk in industries. Moreover, the Group develops high-

risk industry management plans based on macroeconomic and industry analysis on a yearly basis to exercise total amount controls over high-risk industries and optimize the portfolio.

To manage the concentration risk in regions, the Group has set upper limits for the insurance member companies' overseas investment proportions and emerging market investments with insurance funds under the principle of reasonably controlling the concentration risk in regions in accordance with applicable regulatory requirements for the management of regional concentration risk.

To manage the concentration risk in customers, the Group has established customer concentration risk limits under the principle of reasonably controlling the concentration risk in customers, and evaluates, analyzes, monitors and reports the Group's overall customer concentration. In this way, the Group prevents risks caused by the overconcentration of the Group's revenue in a single customer or the same group of customers, to avoid impact on the stability and quality of the Group's business.

To manage the concentration risk in businesses, the Group evaluates, analyzes, monitors and reports the overall concentration of its businesses under the principle of reasonably controlling the concentration risk in businesses. Regarding the concentration of insurance business, the Group has enhanced the concentration management of the insurance business, the framework of concentration risk limits for reinsurance counterparties, and the framework for risk monitoring, analysis, reporting and warning. Regarding the concentration of non-insurance businesses, the Group has analyzed the structures and risk profiles of non-insurance businesses, specified the concentration risk monitoring indicators, and incorporated such indicators in routine risk management systems. The Group effectively prevents the concentration risk through regular evaluation, monitoring, and warning of the concentration risk in insurance and non-insurance businesses.

#### **(4) Non-insurance Risk**

Non-insurance risk refers to the impact of the business activities of non-insurance member companies on the solvency of the Company and its insurance member companies. The Group is an integrated financial group authorized by the State Council to engage in separate operations under a listed holding group subject to separate regulation. While focusing on core insurance businesses, the Group is committed to satisfying customers' diverse financial service needs and realizing the objective of "one customer, multiple accounts, multiple products, and one-stop services." Moreover, the Group improves its overall specialized capabilities and market competitiveness, and strengthens risk management in non-insurance sectors through risk assessment and monitoring, equity investment management, and risk segregation mechanisms to effectively promote its core insurance businesses.

**Risk assessment and monitoring:** The Group strictly manages its non-insurance member companies' strategic planning processes, and regularly evaluates and adjusts its diversification strategy. Moreover, the Group monitors risk profiles of non-insurance member companies, and conducts regular assessment of non-insurance businesses' potential impact on the Group's solvency.

**Equity investment management:** For equity investments in non-insurance sectors, the Group conducts overall management and has developed uniform investment rules, criteria and limits, established investment decision-making

and risk management processes as well as investment review, evaluation and reporting processes, and set up mechanisms for management before, during and after investment deals. Moreover, the Group tracks and analyzes its investments to evaluate investment targets and the risk-return profiles of various businesses on a regular basis.

Risk segregation mechanisms: All the non-insurance member companies of the Group engage in specialized operations independently, and are supervised by their corresponding regulators. Through corporate governance and internal mechanisms, the Group ensures that all the non-insurance member companies are effectively segregated from the insurance member companies in terms of assets and liquidity.

#### **(IV) Results of Regulatory Assessment**

The regulator conducted the Solvency Aligned Risk Management Requirements and Assessment of the Group in the third quarter of 2022. The regulator released the assessment results in April 2023, and the Group's assessment score was 81.53, including 13.28 for solvency risk governance, 11.01 for risk management strategy and implementation management, 9.65 for risk contagion management, 8.97 for organizational structure non-transparency management, 9.48 for concentration risk management, 8.85 for non-insurance risk management, 8.83 for other risk management, and 11.46 for capital management.

## **IX. Integrated Risk Rating**

### **(I) Two Recent Integrated Risk Ratings**

Not applicable. The NFRA has not yet conducted the Integrated Risk Rating of insurance groups.

### **(II) Improvement Measures Adopted or to Be Adopted by the Group**

Not applicable. The NFRA has not yet conducted the Integrated Risk Rating of insurance groups.