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

Summary of Solvency Report for 2024

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 2024* 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, 2024		Changes during the Reporting Period					December 31, 2024	
	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 Ten Shareholders as at the End of the Reporting Period

Name of shareholder	Nature of shareholder[1]	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[2]	Overseas legal person	36.76	6,694,215,263	-272,470,336	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[3]	Others	3.84	698,983,519	+213,194,379	A Share	–	–
China Securities Finance Corporation Limited	Others	3.01	547,459,258	–	A Share	–	–
Long-term Service Plan of Ping An Insurance (Group) Company of China, Ltd.[4]	Others	2.70	491,338,749	+140,431,986	A + H Shares	–	–
Central Huijin Asset Management Ltd.	State-owned legal person	2.58	470,302,252	–	A Share	–	–
Business Fortune Holdings Limited[5]	Overseas legal person	2.52	459,466,189	-369,891	H Share	–	385,136,584 pledged shares
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	1.11	202,210,531	+71,076,515	A Share	–	–
Dacheng Fund - Agricultural Bank of China - Dacheng Zhongzheng Financial Asset Management Plan	Others	1.11	201,948,582	–	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 subsidiaries. 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 219,920,749 A Shares and 271,418,000 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 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 among the above 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 December 31, 2024 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 December 31, 2024:

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	94.18%	5.79%	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	74.33%	0.68%	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		99.75%	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 Finserve 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
Shenzhen Ping An Commercial Property Investment Co., Ltd.	Shenzhen	Shenzhen	Property leasing and property management		99.50%	1,810,000,000

(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 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 of China Securities (Hong Kong) Company Limited	Hong Kong	Hong Kong	Investment holding		96.55%	HKD663,514,734
Ping An of China Futures (Hong Kong) 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
China PA 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
Fuer Insurance Broker Co., Ltd.	Shanghai	Shanghai	Insurance brokerage service		99.51%	50,000,000

(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 Direct	Shareholding proportion Indirect	Registered capital (in RMB unless otherwise specified)
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
Guangzhou Ping An Good Loan Microfinance Co., Ltd.	Guangzhou	Guangzhou	Micro loan		100.00%	600,000,000
An Ke Technology Company Limited	Hong Kong	Hong Kong	Investment management and investment 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 Direct	Shareholding proportion Indirect	Registered capital (in RMB unless otherwise specified)
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%	10,400,000,000
Shenzhen Anpu Development Co., Ltd.	Shenzhen	Shenzhen	Logistics and warehousing		79.61%	5,625,000,000
China PA Asset Management (Hong Kong) Company Limited	Hong Kong	Hong Kong	Asset management		96.55%	HKD10,000,000
Shanghai Tianhe Insurance Brokerage Co., Ltd.	Shanghai	Shanghai	Insurance brokerage		42.89%	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		42.89%	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		21.87%	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 Investment 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
China PA Wealth Management (Hong Kong) Company 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 Direct	Shareholding proportion Indirect	Registered capital (in RMB unless otherwise specified)
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

(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 Rongyi (Heilongjiang) Information Services Co., Ltd.	Harbin	Harbin	Information technology service		66.85%	1,000,000,000
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%	5,000,000,000

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 December 31, 2024:

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. Operation of Major Member Companies

(I) Ping An Life Insurance Company of China, Ltd. ("Ping An Life")

Ping An Life continued to enhance its channels and improve business quality under the "4 channels + 3 products" strategy in 2024. By upgrading "insurance + service" solutions, Ping An Life continuously strengthened its presence in health and senior care sectors and provided customers with professional, heartwarming services, enabling high-quality development of the Company. Ping An Life's premium income increased 7.8% year on year to RMB502,877 million in 2024. As of December 31, 2024, Ping An Life's core solvency margin ratio and comprehensive solvency margin ratio were 116.4% and 189.2% respectively, significantly above the regulatory requirements.

In respect of channel development, under the value orientation of high-quality development, Ping An Life continued to deepen the transformation and build multi-channel professional sales capabilities, significantly improving the development quality. Ping An Life had 363 thousand sales agents as of December 31, 2024, up 4.6% from the beginning of 2024.

In respect of the agent channel, Ping An Life continued to deepen transformation, focusing on the high-quality development of teams. Agent channel NBV grew 26.5% year on year in 2024. Ping An Life boosted agent productivity via core initiatives such as creating customer service scenarios, increasing "product + service" benefits, and providing hands-on training. NBV per agent increased by 43.3% year on year in 2024. Ping An Life improved the retention of high-quality new agents and the overall quality of teams by cultivating, promoting, recruiting and retaining high-quality agents.

In respect of the bancassurance channel, Ping An Life achieved high-quality development, focusing on value-driven operations. Bancassurance channel NBV rose 62.7% year on year in 2024. Under the "5+5+N" strategy, Ping An Life consolidated partnerships with five major state-owned banks, expanded all-around cooperation with five national joint-stock commercial banks, and explored cooperation with multiple high-potential urban commercial banks. Moreover, Ping An Life boosted operational efficiency by increasing high-quality partner outlets and standardizing outlet operations. Ping An Life strengthened the high-quality development of teams via upskilling and productivity promotion.

Community finance and other channels: In respect of the community finance channel, Ping An Life made continuous breakthroughs in customer development by continuously developing the community finance channel and maintaining the high-quality development of outlets and teams. In respect of value, the 13-month persistency ratio of orphan policies within community finance networks improved by 5.7 pps year on year in 2024, with NBV up by nearly 300% year on year. In respect of outlets, Ping An Life had set up 131 community finance outlets in 93 cities as of December 31, 2024, up by 66 outlets and 42 cities respectively from the beginning of 2024. In respect of teams, Ping An Life had built elite teams of nearly 24,000 "high-competence, high-performing, and high-quality" agents as of December 31, 2024. In respect of the lower-tier channel, Ping An Life continuously promoted sales in seven provinces, innovated and upgraded business models, and gradually built stable sales channels in 2024.

In respect of life insurance products, Ping An Life continuously diversifies and upgrades its insurance product portfolio to provide more comprehensive products under a customer-centric philosophy. By leveraging the Group's health and senior care ecosystem, Ping An Life rolls out "insurance + service" products in an orderly manner, providing customers with heartwarming services. For insurance products, Ping An Life actively implemented China's new "Ten National Guidelines" for the insurance industry in 2024. Ping An Life continued to upgrade and optimize its product portfolio to meet customer demands for diverse insurance products in accordance with regulatory policies and guidelines. In addition, Ping An Life delved deeper into insurance protection, pension and wealth management markets, and actively built its business presence in inclusive insurance. Regarding the development of the insurance protection market, Ping An Life took multiple measures such as upgrading "Shou Hu Bai Fen Bai," a whole-life critical illness insurance product, to meet customers' multi-level needs for critical illness protection. Moreover, Ping An Life provided attractive protection products for taxpayers in response to government policies on tax-preferential health insurance products. Regarding the expansion of the pension market, Ping An Life proactively participated in the development of the third pillar of China's pension system by integrating senior care services with its products. Regarding the penetration of the wealth management market, Ping An Life strengthened the research and development of floating income products while upgrading conventional flagship ones to meet different customers' diverse demands for product types and preferences for premium payment terms. Regarding business presence in inclusive insurance, Ping An Life actively developed inclusive finance to provide insurance protection for specific groups including rural residents, the elderly, females, and low- and middle-income people. For insurance services, in respect of "insurance + health care," Ping An Zhen Xiang RUN has provided customers with full-lifecycle protection by delivering "worry-free, time-saving, and money-saving" one-stop health care experience since its launch. In respect of "insurance + home-based senior care," Ping An continuously explored heartwarming "insurance + home-based senior care" service models, focusing on scenarios of the elderly's core needs. Following the "Nursing Alliance," Ping An launched the "Housing Alliance" and the "Entertainment Alliance," joining hands with enterprises, universities and research institutes to develop industry standards and ecosystems for better senior care. Over 160,000 customers had qualified for Ping An's home-based senior care services, which covered 75 cities nationwide as of December 31, 2024. In respect of "insurance + high-end senior care," 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 had unveiled a total of six premium health and senior care communities in five cities as of December 31, 2024, which are currently under construction. The communities in Shanghai and Shenzhen are scheduled to open for business in the second half 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 2024, with insurance revenue up 4.7% year on year to RMB328,146 million. Ping An P&C's premium income rose 6.5% year on year to RMB321,821 million. Ping An P&C's overall combined ratio ("COR") improved by 2.3 pps year on year to 98.3% in 2024. Auto insurance COR rose by 0.3 pps year on year to 98.1%. Ping An P&C's core and comprehensive solvency margin ratios were 171.3% and 205.3% respectively as of December 31, 2024, both above the 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, i.e. technology finance, green finance, inclusive finance, pension finance and digital finance. Ping An P&C developed 6,500 products covering over 20 industries, and provided RMB220 trillion worth of insurance coverage for 2.40 million small and micro-enterprises in 2024. Ping An P&C issued 2.31 million science and technology insurance policies, and provided RMB9 trillion worth of insurance coverage for 69 thousand technology companies in 2024. Ping An P&C helped launch 124 city-customized medical insurance programs, which covered over 30 million citizens and provided over RMB60 trillion worth of insurance coverage. Ping An P&C undertook long-term care insurance programs which covered over 10 million insureds, and cumulatively paid nearly RMB180 million of long-term care benefits in 2024.

Ping An P&C promoted sci-tech self-reliance and self-strengthening. The "Ping An Auto Owner" app is committed to providing one-stop services covering "auto insurance, auto services and auto life," offering 82 service items that cover all auto use scenarios. Precise insights into customer needs allow Ping An P&C to precisely recommend services to customers, with a service satisfaction degree of over 97%. The "Ping An Auto Owner" app had nearly 236 million registered users as of December 31, 2024. Monthly active users of the app peaked at over 41 million in 2024.

Moreover, Ping An P&C improved service quality and efficiency via risk reduction. Ping An and the China Association for Disaster Prevention ("CADP") jointly hosted a public welfare event themed on fire prevention, and published a series of books including the *Guidelines for Urban Fire Safety, Prevention and Control.* Moreover, Ping An published the *White Paper on Enabling Risk Reduction Services with Technologies* in conjunction with institutions including Central University of Finance and Economics and Beijing Normal University to enhance people's disaster risk awareness and prevention capabilities. Ping An P&C has independently developed Digital Risk System 3.0 ("DRS 3.0") which comprises four major modules, namely natural disasters, accidents, safety responsibility services, and the Internet of Everything. DRS 3.0 gave a total of 10.55 billion alerts on typhoons, rainstorms, floods and other disasters to 67.34 million retail and corporate customers in 2024, helping them improve their disaster prevention and mitigation capabilities.

(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 (i.e. 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. Net profit amounted to RMB44,508 million in 2024. Ping An Bank continuously serves the real economy, with the corporate loan balance growing 12.4% from the beginning of 2024 as of December 31, 2024. Ping An Bank continuously strengthens risk management and maintains adequate risk provisions. Non-performing loan ratio and provision coverage ratio were 1.06% and 250.71% respectively as of December 31, 2024. Ping An Bank promotes the high-quality sustainable development of its retail business. Retail assets under management ("AUM") rose 4.0% from the beginning of 2024 to RMB4,194,074 million, and the retail deposit balance grew 6.6% from the beginning of 2024 to RMB1,287,180 million as of December 31, 2024. In respect of capital adequacy, Ping An Bank continuously enhanced its capacity for 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 was 9.12% as of December 31, 2024.

Ping An Bank adheres to its retail business strategy and adapts to changes in the market environment. Being customer-centric, Ping An Bank focuses on team development, product upgrading, and customer development to advance the strategic transformation of retail business. In addition, 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 proactively 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 assets, striking a balance between "volumes, prices and risks." Retail loan balance decreased 10.6% from the beginning of 2024 to RMB1,767,168 million as of December 31, 2024, in which the proportion of secured loans rose to 62.8%. Newly-granted retail new energy vehicle loans grew 73.3% year on year in 2024. In deposit and wealth management business, Ping An Bank continuously developed core business activities including investment & wealth management, payroll, and payment settlement. Moreover, Ping An Bank unlocked the momentum of integrated operations by strengthening the integration of retail banking and corporate banking. In this way, Ping An Bank expanded the scale and optimized the mix of retail deposits. Retail deposit balance grew 6.6% from the beginning of 2024 to RMB1,287,180 million as of December 31, 2024. Deposits from payroll and batch payment customers increased 18.8% from the beginning of 2024 to RMB355,509 million. Moreover, Ping An Bank improved the quality and efficiency of services and optimized customer experience by upgrading its professional asset allocation capability and unique benefit & service system for private banking and wealth management business and developing multi-strategy 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 development. In respect of selected sectors, Ping An Bank builds sector-specific differential advantages. Ping An Bank granted new loans of RMB442,456 million to four basic industries, namely infrastructure, the auto ecosystem, public utilities and real estate in 2024, up 35.4% year on year. Moreover, Ping An Bank granted new loans of RMB215,988 million to three emerging industries, namely new manufacturing, new energy and new lifestyle in 2024, up 41.9% year on year. In respect of selected customers, Ping An Bank builds a tiered development framework for customers from strategic ones to small and micro-enterprises. Ping An Bank had 853.3 thousand corporate customers as of December 31, 2024, up 13.2% from the beginning of 2024. 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 RMB1,598,312 million in 2024, up 19.9% year on year.

In interbank business, Ping An Bank continuously improves its investment, trading and sales capabilities to boost the high-quality development of the financial market through an "investment trading + customer business" dual-driver strategy. In respect of investment trading, Ping An Bank strengthens macroeconomic analysis, optimizes trading strategies, and achieves optimal asset allocation to obtain sustainable, steady investment income while ensuring the liquidity and security of assets. Ping An Bank's market share measured by bond trading volume increased 1.2 pps year on year to 4.4% in 2024. In respect of customer business, Ping An Bank proactively engages in market-making, hedging, institutional sales, custody and so on by leveraging its strengths in comprehensive customer services. RMB4.54 trillion worth of cash bonds were sold by domestic and foreign institutions in 2024, up 46.0% year on year. The number of customers that conducted spot and derivative foreign exchange hedging at Ping An Bank increased 16.5% year on year to 14,987 in 2024. The AUM balance of asset management products distributed under the "ET-Bank" climbed 33.2% from the beginning of 2024 to RMB266,705 million as of December 31, 2024. Net assets under custody grew 4.6% from the beginning of 2024 to RMB9.10 trillion as of December 31, 2024.

In respect of asset quality, China's macroeconomy was generally stable and kept an upward trend in 2024.

However, the foundations of continuous recovery still needed to be consolidated, and the repayment capacity of retail customers and small and medium-sized enterprises remained under pressure. 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 rose by 0.02 pps from the beginning of 2024 as some retail customers' debt repayment capacity remained under pressure. Ping An Bank continuously upgraded risk models to improve its customer identification capability, thereby achieving more precise customer segmentation. Moreover, Ping An Bank proactively adjusted its customer mix and asset portfolio, differentiated risk management policies, increased high-quality assets, and enhanced non-performing loan disposal. As a result, retail non-performing loan ratio declined by 0.04 pps compared with September 30, 2024. In respect of corporate asset quality, Ping An Bank continuously upgraded its risk policies and improved its asset quality management mechanisms. 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 prudentially controlled risks and optimized mechanisms in 2024. In controlling risks, Ping An Trust enhanced the efficiency of risk management by improving the operational mechanisms of risk maps. In optimizing mechanisms, Ping An Trust effectively fulfilled fiduciary duties throughout the business cycle by using management tools such as compilations of rules and strengthening risk accountability.

Ping An Trust had RMB19,209 million in net capital as of December 31, 2024. The ratio of net capital to total risk capital was 264.3% and the ratio of net capital to net assets was 77.2% as of December 31, 2024, both meeting regulatory requirements (i.e. not less than 100% and 40% respectively).

Ping An Trust remains committed to financial service trusts, seeking economies of scale in family trusts and insurance trusts and further securing its dominant market presence. Moreover, Ping An Trust proactively expands into other financial service trust businesses in line with a new regulation that specifies three trust business categories, continuously exploring new business models and service scenarios. Total assets held in trust amounted to RMB992,958 million as of December 31, 2024.

(V) Ping An Securities Co., Ltd. ("Ping An Securities")

Ping An Securities closely followed the strategic deployment of the Company to fulfill its mission of "creating value for society with 'worry-free, time-saving, and money-saving' services" in 2024. Under the vision of becoming a "heartwarming securities platform service provider," Ping An Securities took integrated finance, professional quality, and technology enablement as strategic priorities. Focusing on quality, differentiation and efficiency, Ping An Securities comprehensively upgraded its service system and accelerated the development of closed-loop services. Centering around strategic goals and focusing on customer services, Ping An Securities advanced five strategic initiatives, namely customer insight and resource integration, process reengineering, data support, internal control enhancement, and organizational guarantee. In this way, Ping An Securities demonstrated strong business resilience and achieved robust profit growth in a complex market environment.

Ping An Securities furthers the transformation of wealth management in brokerage business. Leveraging on an integrated service system centered around the entire customer journey, Ping An Securities reduces leakage, promotes conversion, and retains customers through services. Under the service-oriented philosophy, Ping An Securities improves its service quality by enriching product contents, conducting service-oriented content management, and building service brands. In this way, Ping An Securities aims to become a unique platform provider of wealth management concierge services throughout customer journeys. Ping An Securities had over 24.73 million retail customers as of December 31, 2024, ranking first in the industry. Moreover, Ping An Securities maintained a leading edge in app user engagement within the industry, ranking among top three brokers firmly by number of monthly active users as of December 31, 2024. The market share of Ping An Securities in terms of equity and fund trading volume (excluding seat leasing) reached 3.95% in 2024, up 33 bps year on year.

Ping An Securities adheres to its business strategy of selective investment banking. In investment banking business, Ping An Securities effectively serves the real economy by promoting the modernization, transformation and upgrading of industries. Ping An Securities thoroughly implements the philosophies of customer-centricity, full product coverage and one-stop services, and continuously advances systematic strategies. In equity business, Ping An Securities actively enhances three lines of defense by following the regulatory requirement of “improving the quality of listed companies via stricter control over initial public offerings.” Ping An Securities continuously develops private equity business by pursuing breakthroughs in key sectors and regions, striving to improve pipelines and conversion efficiency. In debt business, Ping An Securities focuses on key regions and products, promotes the integration of sourcing forces, and exploits regional synergies among sourcing, underwriting and sales. Ping An Securities remained among top players in the industry by issuance volume, ranking second in asset-backed securities underwriting and sixth in bond underwriting respectively in 2024.

Ping An Securities enhances professional capabilities in trading and asset management businesses. In trading business, Ping An Securities furthers its “trading + services” strategy and advances digital transformation. By extending its advantages in trading, Ping An Securities expanded its customer business presence and built closed loops of services, with the returns in trading exceeding market benchmarks in 2024. In asset management business, Ping An Securities promoted transformation toward active management and enhanced its “fixed income +” capability, focusing on institutional clients’ investment needs. Ping An Securities created the MOM (manager of managers) service model for insurance funds in a forward-looking manner, ranking among the industry's top 10 by average monthly 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 has built its presence in various areas including engineering and construction, manufacturing and processing, next-generation infrastructure, urban development, city operations, auto financial leasing, commercial vehicles, financial leasing for small and micro-enterprises, strategic channels, structured financing, and Ping An factoring. In the future, Ping An Financial Leasing will remain true to the original aspiration of serving the real economy, promoting industry development, and supporting industrial upgrading. By doing so, Ping An Financial Leasing will strive to become a world-leading innovative leasing expert focusing on industries, serving the real economy, and adopting unique models.

Ping An Financial Leasing maintains steady overall operations by continuously strengthening risk management and refining management before, during and after leasing deals. Non-performing asset ratio dropped significantly from the beginning of 2024 to 1.04% as of December 31, 2024. Sufficient provisions have been set aside, indicating an ample risk buffer. Moreover, Ping An Financial Leasing keeps overall risks under control by continuously optimizing its asset portfolio, improving leased asset management, enhancing risk assessment and business operations, 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 RMB5.80 trillion as of December 31, 2024.

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) 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.

(IV) 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.   December 31, 2024   (in RMB million)

Item	Line	December 31, 2024	December 31, 2023
Actual capital	(1) = (2) + (3) + (4) + (5)	1,799,586.37	1,714,109.86
Core tier 1 capital	(2)	1,237,669.61	1,104,613.82
Core tier 2 capital	(3)	219,404.82	216,040.62
Supplementary tier 1 capital	(4)	330,468.61	381,991.21
Supplementary tier 2 capital	(5)	12,043.33	11,464.21
Minimum Capital	(6) = (7) + (21) + (22)	881,890.24	823,985.20
Minimum capital for quantifiable risks	(7) = (8) + (9) + (10) + (11) + (12) + (13) - (20)	895,365.49	836,575.67
Minimum capital of the parent company	(8)	-	-
Minimum capital of insurance member companies	(9)	499,210.72	466,342.19
Minimum capital of banking member companies	(10)	359,460.38	333,923.50
Minimum capital of securities member companies	(11)	29,427.64	30,232.67
Minimum capital of trust member companies	(12)	7,266.75	6,077.31
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)	(13,475.25)	(12,590.47)
Additional capital buffer	(22)	-	-
Core solvency margin surplus	(23) = (2) + (3) - (6) × 50%	1,016,129.31	908,661.84
Core solvency margin ratio	(24) = [(2) + (3)] / (6) × 100%	165.22%	160.28%
Comprehensive solvency margin surplus	(25) = (1) - (6)	917,696.13	890,124.66
Comprehensive solvency margin ratio	(26) = (1) / (6) × 100%	204.06%	208.03%

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. December 31, 2024 (in RMB million)

Item	Line	December 31, 2024	December 31, 2023
Core tier 1 capital	(1) = (2) + (3) + (12) + (13) + (14) + (15) + (16)	1,237,669.61	1,104,613.82
Net assets in group consolidated financial statements	(2)	1,304,712.00	1,228,964.00
Adjustment for insurance member companies	(3) = (4) + (5) + (6) + (7) + (8) + (9) + (10) + (11)	70,260.04	59,760.21
Book value of unadmitted assets	(4)	(52,419.80)	(42,466.06)
Difference between admitted value and book value of long-term equity investments	(5)	(3,119.48)	(5,143.93)
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)	(20,041.44)	(29,877.14)
Catastrophe risk reserves for agricultural insurance	(8)	635.06	294.75
Policy future surplus included in core tier 1 capital	(9)	224,129.10	263,403.88
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)	(78,923.40)	(126,451.29)
Adjustment for banking member companies	(12)	(77,369.87)	(73,177.37)
Adjustment for trust member companies	(13)	(5,686.08)	(6,448.02)
Adjustment for securities and futures member companies	(14)	(30,445.36)	(31,968.71)
Goodwill	(15)	(35,970.70)	(36,547.70)
Other adjustments stipulated by the CBIRC	(16)	12,169.58	(35,968.59)
Core tier 2 capital	(17) = (18) + (23) + (24)	219,404.82	216,040.62
Core tier 2 capital of insurance member companies	(18) = (19) + (20) + (21) - (22)	53,089.63	51,725.77
Preferred stock	(19)	-	-
Policy future surplus included in core tier 2 capital	(20)	38,066.15	51,725.77
Other core tier 2 capital	(21)	15,023.48	-
Less: the amount that should be deducted for exceeding the limit	(22)	-	-
Other tier 1 capital of banking member companies	(23)	58,331.08	58,371.20
Tier 2 capital instruments of banking member companies	(24)	107,984.11	105,943.65
Supplementary tier 1 capital	(25) = (26) + (27) + (28) + (29) + (30) + (31) - (32)	330,468.61	381,991.21
Subordinated term debt	(26)	-	-
Capital supplementary bonds	(27)	30,000.00	30,000.00
Convertible subordinated debt	(28)	-	-
Deferred income tax assets (excluding deferred income tax assets caused by operating losses)	(29)	20,041.44	29,877.14
Policy future surplus included in supplementary tier 1 capital	(30)	276,288.59	314,579.58
Other supplementary tier 1 capital	(31)	4,138.58	7,534.49
Less: the amount that should be deducted for exceeding the limit	(32)	-	-
Supplementary tier 2 capital	(33) = (34) + (35) - (36)	12,043.33	11,464.21
Contingent capital and other supplementary tier 2 capital	(34)	-	-
Policy future surplus included in supplementary tier 2 capital	(35)	12,043.33	11,464.21
Less: the amount that should be deducted for exceeding the limit	(36)	-	-
Total actual capital	(37) = (1) + (17) + (25) + (33)	1,799,586.37	1,714,109.86

VI. Management Discussion and Analysis

(I) Changes in Solvency Margins

Ping An's core solvency margin ratio and comprehensive solvency margin ratio were 165.22% and 204.06% respectively as of December 31, 2024, up by 4.94 pps and down by 3.97 pps from the beginning of the year 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 2024, 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, the default risk of some industries and customer segments involving investment and financing remained high. In respect of market risk, our holdings remained stable and risk limit indicators were generally under control despite significant fluctuations in onshore equity markets and larger declines in interest rates in the fix-income market. In respect of liquidity risk, the Group paid attention to and managed the impact of changes in the external environment on the business and financing of some member companies. 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, or operational compliance risk. In respect of group-level specific risk management, the Group proactively implemented applicable regulatory requirements, and enhanced the management of group-level specific 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 equity structure as well as equity investments in non-financial subsidiaries.

The Group continuously optimized its comprehensive risk management system by conducting rectification as required by regulators after the Solvency Aligned Risk Management Requirements and Assessment ("SARMRA") and enhancing management of various risks in accordance with C-ROSS Phase II regulatory requirements and in line with internal management needs in 2024. The Group's solvency risk management system was further improved.

VII. Significant Events

(I) Major Investments

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

The parent company signed the *Share Transfer Agreement* with Shenzhen Ping An Innovation Capital Investment Co., Ltd. ("Ping An Innovation Capital") on February 4, 2024 to purchase 1,500,000 shares in Ping An Annuity Insurance Company of China, Ltd. from Ping An Innovation Capital for RMB2,846 thousand, and completed the payment of the full transaction price on March 11, 2024 (pending regulatory approval as of the end of the Reporting Period).

The parent company signed the *Share Transfer Agreement* with Ping An Innovation Capital on February 4, 2024 to purchase 2,500,000 shares in Ping An Health Insurance Company of China, Ltd. from Ping An Innovation Capital for RMB3,686.8 thousand, and completed the payment of the full transaction price on February 29, 2024 (pending regulatory approval as of the end of the Reporting Period).

The parent company made no new investment in its associates and 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 numbers: Lin 2024-002 and Lin 2024-008 respectively).

(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 2023 profit distribution plan of the Company was deliberated and approved at the 2023 Annual General Meeting, pursuant to which the Company paid in cash the 2023 final dividend of RMB1.50 (tax inclusive) per share, totaling RMB27,161,462,992.50 (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).

The Company's 2024 interim profit distribution plan was deliberated and approved at the 4th meeting of the 13th session of the Board of Directors held on August 22, 2024, pursuant to which the Company paid in cash the 2024 interim dividend of RMB0.93 per share (tax inclusive), totaling RMB16,840,107,055.35 (tax inclusive) based on 18,107,641,995 shares, the actual number of shares entitled to the dividend distribution (exclusive of the Company's A shares in the repurchased securities account).

The above profit distribution plans have been implemented.

The Board of Directors proposed to distribute the 2024 final dividend of RMB1.62 per share (tax inclusive) in cash to the shareholders of the Company. Pursuant to the *Shanghai Stock Exchange's Guidelines for Self-regulation of Listed Companies No.7—Repurchase of Shares* and other applicable regulations, the Company's A shares in the Company's repurchased securities account (if any) after trading hours on the record date of A shareholders for the final dividend will not be entitled to the final dividend distribution. The actual total amount of final dividend payment is subject to the total number of shares that will be entitled to the dividend distribution on the record date. The total amount of the final dividend payment for 2024 is RMB29,334,380,031.90 (tax inclusive) based on the total share capital of 18,210,234,607 shares less the 102,592,612 A shares of the Company in the repurchased securities account as of December 31, 2024. The final dividend payment will have no material impact on the Group's solvency margin ratios. After the final dividend payment, the Group's solvency margin ratios will still meet the relevant regulatory requirements.

On July 22, 2024, the Company issued an aggregate principal amount of USD3.5 billion 0.875% convertible bonds (the "Convertible Bonds" convertible into the Company's H shares) due 2029, with an initial conversion price of HKD43.71 per H share. The Convertible Bonds have been listed and traded on the SEHK since July 23, 2024. During the Reporting Period, no conversion right of the Convertible Bonds was exercised, and neither any holder of the Convertible Bonds nor the Company exercised any redemption right, with no impact on the Group's solvency margin ratios.

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 overall objectives of the Group's comprehensive risk management, risk appetites and tolerance, and risk management policies;

(2) To review and approve the organizational structure and responsibilities of the Group's comprehensive risk management;

(3) To supervise whether the management effectively manages and controls the Group's overall risk;

(4) To review and approve the Group's comprehensive risk management 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 overall objectives of the Group's comprehensive risk management, risk appetites and tolerance, and risk management policies;

(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 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 activities, and deliberate solutions to significant events related to comprehensive risk management;

(7) Other tasks arranged 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 result evaluation. The REMC 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 effective solvency risk management strategies by continuing to strengthen its comprehensive risk management system and improve its organizational structure. Moreover, the Group helps its member companies formulate risk management strategies according to their actual conditions 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 regulatory policies, strategic business plans, overall capital position, market landscapes, 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 introduced a solvency risk warning mechanism with matched 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 headed up the Group's solvency risk management, being well-staffed and with necessary qualifications.

(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 defines each risk category in the risk appetite statement in detail, covering all the major risk categories in 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 2024. 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 budget, asset-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 clarified 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 budget, Ping An Group assisted in the Group's major business management through comprehensive budget by taking into account risk appetites and risk limits. Member companies promoted the implementation of comprehensive budget in combination with risk appetites under the guidance of the Group.

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

In respect of capital planning and allocation, Ping An Group developed a forward-looking program for capital planning and allocation management in line with factors including strategic goals, business development and industry landscapes, to keep improving the Company's capability for risk prevention. Member companies organized and implemented related capital management work in accordance with the Group's management requirements, their own development strategies and business plans, and other requirements.

In respect of stress testing, Ping An Group conducted sensitivity and scenario stress testing to keep a close eye on the changes in solvency. Member companies carried out stress testing 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, communications 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.

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 in 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 in financial frameworks and management policies, including personnel independence, policy independence, account independence, accounting independence, and system authority independence. The Group and its member companies have respective independent finance functions, financial management rules and processes, have separate accounts, 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, and formulated management rules and supporting documents for network and data security 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 audits, 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 rational, 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 potential conflict of interests at the same post and time through appropriate duty segregation; and establishing rules for the avoidance of relatives 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 constantly consolidates the management systems, optimizes structures and mechanisms, improves the management procedures, and enhances related party transaction identification, review and fair value-based pricing to ensure the compliance and fairness of related party transactions. The Group continuously increases transparency by disclosing and reporting related party transactions in strict accordance with industries' regulatory rules. Furthermore, the Group continuously strengthens all its 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. The core business of insurance companies may not be outsourced. 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 audit. 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 strengthens outsourcing risk management, improves IT outsourcing risk management rules, and monitors and inspects IT outsourcing risks in all aspects. In addition, the Group strengthens process control and risk monitoring of outsourced activities, 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. The Group's retail integrated finance business mainly involves distribution of insurance products by concurrent agents. Such agents distribute products in an orderly manner under concurrent agency agreements in accordance with laws and regulations. If customers have demands for products beyond agents' offerings, customers may visit platforms of other member companies for information and purchase the products through online apps. The Group's corporate integrated finance business consists of the insurance business agency mechanism and the other business referral mechanism. The insurance business agency mechanism is managed in strict compliance with the agency rules and regulations. The business referral mechanism only involves facilitation of both parties' intentions to cooperate. Cooperation 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 robust policies, rules and procedures for brand asset management and information disclosure, and strictly implemented 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 differentiated 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 developed centralized 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 in the Group caused by the complexity or opaqueness of the Group's shareholding structure, management structure, operational processes, and business types.

The Group has established a complete 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*, with international corporate governance norms and the Group's situations taken into account. The General Meetings of Shareholders, the Board of Directors, the Supervisory Committee, and the senior management exercise their rights and perform their obligations in accordance with the *Articles of Association*. The Group engages in no specific business activity, while its member companies engage in various businesses including insurance, banking, asset management and technology. The Group manages its member companies through shareholding, but neither participates in nor intervenes in the member companies' routine business. The Group and its member companies have clearly defined roles and responsibilities of their respective functions, and each performs its own duties and responsibilities. There is no 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 from the perspectives of counterparties, the Group has followed 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 has been improving the breadth and depth of the concentration risk management, increasing its monitoring frequency effectively, and warning against counterparties with higher concentration risks promptly.

To manage the concentration risk in investment assets, the Group has followed 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 has regularly reviewed 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 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 the high-risk industry management plans based on its macroeconomic and industry analysis every year to exercise total 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 overall customer concentration. In this way, the Group prevents risks caused by the overconcentration of the Group's revenue from 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 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 indicators to be monitored, and included such indicators in the routine risk management system. The Group has effectively prevented 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 finance group authorized by the State Council to engage in separate operations under a listed holding group subject to separate regulation. While focusing on core financial 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 to effectively promote its core financial businesses. The Group strictly manages its non-insurance member companies' strategic planning processes, and regularly evaluates and adjusts its diversification strategy.

For equity investments in non-insurance sectors, the Group conducts overall management and has developed uniform investment rules, standards 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.

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 segregated from the insurance member companies in terms of assets and liquidity.

(IV) Results of Regulatory Assessment

The CBIRC issued the *Circular on Carrying out the Assessment of the Solvency Risk Management of Insurance Companies for 2022* (Yin Bao Jian Fa [2022] No.17) in 2022. The former CBIRC Guangdong Office conducted the SARMRA 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.