

Ping An Podcast Series: Technology-Empowered Growth

Episode 5: Beyond the Payout: How AI is Rewriting the Rules of P&C Risks

[Treena]

Welcome back to Technology-Empowered Growth, a Ping An podcast. As always, I'm your host, Treena Nairne.

Back in 1988, Ping An was founded in Shenzhen, China, with a very clear mission, to protect the workers building a rapidly reforming China. And at the time, risk management was done with clipboards and hard hats. Fast forward to today. The construction sites we protect now look very different. A huge network across automotive, commercial, agricultural, and natural disaster risks. The clipboard has been traded for artificial intelligence, but the mission hasn't changed. We still protect people and property. And we're also protecting the technologies of tomorrow. Autonomous vehicles, drones, even humanoid robots, which bring a whole new set of risks and opportunities.

This is Episode Five: Beyond the Payout: How AI is Rewriting the Rules of P&C Risks. Today, we have two guests joining us. The first is Derek Shi, Executive Director of the Corporate and Commercial Division of Ping An Property and Casualty. Welcome.

[Derek]

Thank you. Treena.

[Treena]

And our second guest is Dr. Chen Yuan Xu, who leads our P&C AI technology initiatives. Thanks for joining us.

[Dr. Chen]

Glad to be here.

01:17-02:49

[Treena]

Derek, tech-driven sectors like low-altitude drones and autonomous systems are moving fast. How does AI approach these markets, where the traditional insurance rulebook doesn't quite fit?

[Derek]

Well, these sectors are very exciting, but they also come with real challenges for us. Firstly, as you know, traditional insurance, the pricing depends largely on historical data. But unfortunately, in these areas, there's very little of it. Or the products iterate so quickly that the risk parameters can change every few months. And secondly, you'll see that the liability can be complicated in these new sectors. For example, in an autonomous-driving accident, who is responsible for the accident itself? Is it the driver, the hardware, maybe the software, the AI, or the network? And then thirdly, there often aren't clear standards. So there are still questions about what exactly counts as a loss and what's the right way to compensate for it. So our approach is to

embed ourselves in the industry chain. We collaborate closely with manufacturers, research institutes, industries, associations, and also government regulators. This collaboration allows Ping An to access real-time data and build a development cycle that shapes the standards for these new industries.

This is part of developing a first-mover advantage, which is all about getting early to accumulate data and build experience and models. Over time, that advantage creates a strategic advantage that separates us from our competitors.

02:50-04:16

[Treena]

Dr. Chen, while we explore those frontiers of technology, auto insurance is still the biggest part of Ping An P&C. I understand you've achieved something pretty remarkable, a claims process that's 2,000 times faster than before. How does that work?

[Dr. Chen]

Yes. Our fast compensation is designed for minor pieces of car damage. It's like small sketches and then audits with no injuries. Traditionally, this claims process can take five or six days. An adjuster would visit, assess the damage, and then negotiate with the parties involved to set an outcome. With AI, the process is now much simpler for customers. They upload photos. Our AI analyzes damage immediately, deciding whether a part should be repaired or replaced, calculating the labor and parts cost, and then offering an immediate payout. That balance really matters. In any insurance business, traditionally, there has always been the risk that if the insurer pays too much, they will lose money. If they pay too little, customers can complain about outcome, particularly if the coverage can't cover their expenses. By improving the precision, accuracy, and speed of the claim process, in many cases moving from days to minutes or even seconds, the customer can drive away satisfied and confidence in the result.

04:16-06:06

[Treena]

That is a significant competitive edge. Derek, what makes this level of precision possible?

[Derek]

I would say two things. One is scale, and the other one is the data depth, and the two are quite related. Firstly, the scale of our auto insurance premiums is over 200 billion RMB annually, and over time that creates a vast database of vehicles, parts, damages, and costs. We've seen claims in almost every scenario across China. That kind of scale builds a depth of information that enables a very high accuracy when it comes to the models and the AI, and that's something that simply third parties are difficult to replicate. And there's another important point to this. As critical as financial institutions, we cannot hand over sensitive data to third parties because of security and regulatory requirements. So we need to build and control this technology ourselves.

[Treena]

Dr. Chen, the AI itself has evolved a lot in the last decade. What's changed on the technology side?

[Dr. Chen]

About 10 years ago, we used to schedule smaller models, one for parts, one for damage, one for cost. They worked. They were hard to maintain. Now we use unified large model architecture. It has inference capabilities, so it can recognize parts on a new car model by similarity without needing a manual tag for every component. This becomes even more important as we face new challenges. In China, many new energy vehicle companies have their own proprietary systems, and this creates data discrepancies. So we are building mechanisms to automatically classify new data so our human adjusters can verify claims quickly and we can feed our AI model faster.

06:06-07:10

[Treena]

Ping An has also innovated with AI to go beyond fast insurance claims to helping avoid damages. Derek, tell us about the EagleX system.

[Derek]

EagleX represents a fundamental shift in how the insurance industry can protect our customers and their investments and it has a few parts. First, for natural disasters in China, we built a geographical risk map with one kilometer by one kilometer accuracy. We use this in our risk assessment to get insurance pricing right and we also use it for early warning of serious weather issues. For example, when Typhoon Yagi hit Hainan in September 2024, our AI sent calls and SMS alerts 72 hours in advance to over 24 million people in the affected path. And secondly, we use the satellite scanning or InSAR technology to build and detect ground shift down to millimeters. This enables us to provide early warning for potential collapses involving dams, subways or construction sites and reduce catastrophic losses

07:10-08:08

[Treena]

And this also extends to safety above ground, right?

[Derek]

Yes. Another major part of the EagleX is the Internet of Things or IOT platform. We install the AI-driven cameras and sensors in some high-risk and hard-to-manage scenarios. For example, small construction sites. The AI monitors in real time, you know, the whole environment around the construction. It can spot if a worker isn't wearing a helmet or if there's a water leak creating a slip hazard. It then issues warnings and it can escalate to managers and then regulators if needed. This multi-level governance has dramatically reduced our accident rates. One example, you know, in a project involving elevator in Suzhou, we've installed systems that detect e-bikes and other elevator repair issues. And through this system, we already saved over 30 million RMB in damages.

08:00-08:46

[Treena]

Dr. Chen, how do you see AI's role evolving inside Ping An? Is it replacing people or enabling collaboration?

[Dr. Chen]

It's a collaboration, what we call AI in all. We inject AI into every link of the value chain to increase efficiency. In the past, AI handled repetitive tasks. Now, with large models and agentic AI, it can support deep research, complex evaluation, and even more autonomous execution. There's a lot of groundwork, foundation work. Machines can help with it. But at the end of the day, we still need experienced humans to check for accuracy and compliance and to make sure the final output is right. That's what we call a **bionic partnership**.

08:46-09:28

[Treena]

Derek, when you put all of this together, new opportunities in emerging sectors, and the highly efficient core auto business, what does it mean for Ping An's position?

[Derek]

Our AI gives Ping An a competitive advantage, which makes it hard for others to replicate. We have deep and granular data from the core auto business, a proactive risk management through our Eagle X, and also a first mover advantage or strategy in emerging sectors. In China's vast P&C market, Ping An isn't just selling insurance. We're using AI to reshape the entire value chain from underwriting to claims and to risk mitigation. That combination, execution, industry insight, and technology foresight is what sets us apart.

[Treena]

Derek, Dr. Chen, thank you both for your insights on how a 37-year-old company can use cutting edge technology and still stay true to its original mission, protection. To find out more about anything you've heard today or to download fact sheets and episodes, please visit group.pingan.com. You can also find us on Spotify and Apple Podcasts. Join us next time on Technology Empowered Growth at Ping An. Thanks for listening.