



2017 NCI CSR REPORT

**New China Life Insurance
Company Ltd.**

Corporate Social Responsibility Report 2017

 **NCI 新华保险**

关爱人生每一天

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Report Preface

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01 Address from Chairman of Board

Promote high-quality development and gain a great achievement

In 2017, the global economy was recovering, and the financial market booming. China's economy was not only growing in stability but also better than expected. In this context, adhering to the fundamental principles of "making steady progress and deepening transformation and development", the Company has forged ahead and outperformed the annual targets set at the beginning of 2017.

Following the "13th Five-Year" plan, the Company's transformation and development strategy has been progressing smoothly, with all goals in the transformation period being achieved as scheduled: In terms of premium structure, compared with year 2016, the proportion of renewal premiums in gross written premiums increased from 58% to 71%, while the proportion of first year regular premiums in new business rose from 50% to 87%. As for term structure, proportion of first year premiums from regular premium products with payment periods of ten years or more in first year regular premiums increased from 60% to 66%. In terms of product structure, first year premiums from health insurance accounted for 35% of the first year premiums, representing a year-on-year increase of 14 percentage points. Time for underwriting, information updating and claim settlement has been further shortened. The new third generation customer-service center has been officially introduced, and the value-added service system, Love Credit Accumulation, has been put in place. Charity activities have opened a new chapter. The charity event "NCI Accompanies You in Building Beautiful Cities" has benefited 212,000 sanitation workers in 17 cities with accumulative sum assured reaching RMB21,200 million. Till now, the payment of claims settled has totaled over RMB900,000 with the coverage of 10 sanitation workers, which won wide praise and recognition of the society.

The year 2018 marks the beginning of implementing the vision of the 19th National Congress of the Communist Party of China and the 40th anniversary of the Reform and Opening-up. It is also a critical year to secure a decisive victory in building a moderately prosperous society in all respects and implement the 13th Five-Year Plan. We continue to follow the operation guideline of "growing, strengthening, improving and enhancing" and strive to achieve the goals of "four growth, three increase and two reduction". "Growing" means to shift the operation philosophy to development, shift the focus to the growth of regular premiums and gross written premiums, to health insurance business and to sales team building. "Strengthening" means the Company will strengthen the transformation results, specifically, to strengthen business structure advantages and product leading advantages and cost control. "Improving" means that operation policies of branches concerning fees and KPI assessment shall be improved. "Enhancing" means to enhance the market competitiveness, sales support capacity, operation and management capability and self-operation capability of branches. The major targets can be summarized as "four growth", "three increase", "two reduction", namely premium, value, sales team and profit growth; performing rate, retention rate and renewal rate increase; surrender rate and fee spread loss reduction. Great efforts shall be made to achieve those targets: develop the core business, build a high-quality sales team, strengthen the sales support capacity, and prevent operation risks.

"The new age calls upon us to work hard and upon people to review our performance". In 2017, the Company has secured decisive victory in its transformation and development, and presented satisfactory performance to shareholders. On behalf of the management team, I shall extend my highest respects to all staff of the Company and sincere appreciation to the investors, customers, partners and all walks of social communities. The year 2018 is destined to be an extraordinary year. The Company will combine our efforts, rise up to challenges and respond to the call of the new age.



Chairman
Wan Feng
20 March 2018



About This Report

02



02 About This Report

This report is aimed at elaborating the work performance on sustainable development of New China Life Insurance Company Ltd. and its subsidiaries (hereinafter collectively as "NCI" or the "Company")during 2017, which incorporates the environmental and social topics that our stakeholders concern to better enhance their understanding towards NCI's core ideologies, policies as well as related performance on corporate sustainable development. In order to have a full picture of the Group's overall performance, it is suggested to read along with our 2017 Annual Report (especially with the Corporate Governance section).

2.1 Reporting Scope and Reporting Period

The policies and statistics of this report involves business of the Company's Beijing Headquarter (the "Headquarter") and the subsidiaries. Unless otherwise mentioned, the recorded data and information in this report are from January 1, 2017 to December 31, 2017 (the "Reporting period"). This report is planned to be published the same time along with NCI's Annual Report.

2.2 Reporting Framework

This report is prepared based on the following guidelines:

China Securities Regulatory Commission - Standards for the Contents and Formats of Information Disclosure by Companies Offering Securities to the Public No.2 — Contents and Formats of Annual Reports (2017 Revision)

Shanghai Stock Exchange - Guidelines on Preparation of Report on Company's Fulfillment of Social Responsibilities

Stock Exchange of Hong Kong Limited - Guidelines for Environmental, Social and Governance Reporting

China Insurance Regulatory Commission – Guiding Opinions on the Insurance Sector's Implementation of Social Responsibility

Chinese Academy of Social Sciences - Guidelines on Social Responsibility Reporting

2.3 Disclaimer

This report is written in three languages: traditional Chinese, simplified Chinese and English. In case of discrepancy among these three versions, the simplified Chinese version shall prevail. The electronic editions are available for reading and downloading in official websites of NCI, Shanghai Stock Exchange and Hong Kong Stock Exchange.

This report has complied with all the "comply or explain" clauses in The Stock Exchange of Hong Kong Limited of Guidelines for Environmental, Social and Governance Reporting.

2.4 Report Feedback

If reader have any comment or advice on our sustainability report, please feel free to contact us via:

Administrative Management Department of New China Life Insurance Company Ltd.

Tel: +86 10 85210590

Email: wangyx3@newchinalife

Address: NCI Tower, A12 Jianguomenwai Avenue, Chaoyang District, Beijing, China



About Us

03



03 About Us

3.1 Company Profile

Established in Beijing in September 1996, NCI is a nationwide life insurance company. The Company was listed on the Hong Kong Stock Exchange and Shanghai Stock Exchange in 2011. The Company's stock code is 601336 in Shanghai and 01336 in Hong Kong.

In 2017, the Company has successfully achieved its business targets in transformation stage with abundant and excellent result. The Company is about to enter the period of development with steady driving forces.

During this reporting period, insurance business income of the company was 109.294 billion in RMB, and the total asset size reached 710.275 billion in RMB. The Company successfully ranked the 497th in "Fortune Global 500" and the 369th in "The World's 2000 Largest Public Companies 2017" by Forbes.

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2000 Largest Public Companies 2017" by Forbes.



3.2 Strategy and Culture

Visions:

NCI strives to become "the most excellent financial service group centering the comprehensive life insurance business".



Missions:



Provide security to our customer's life quality



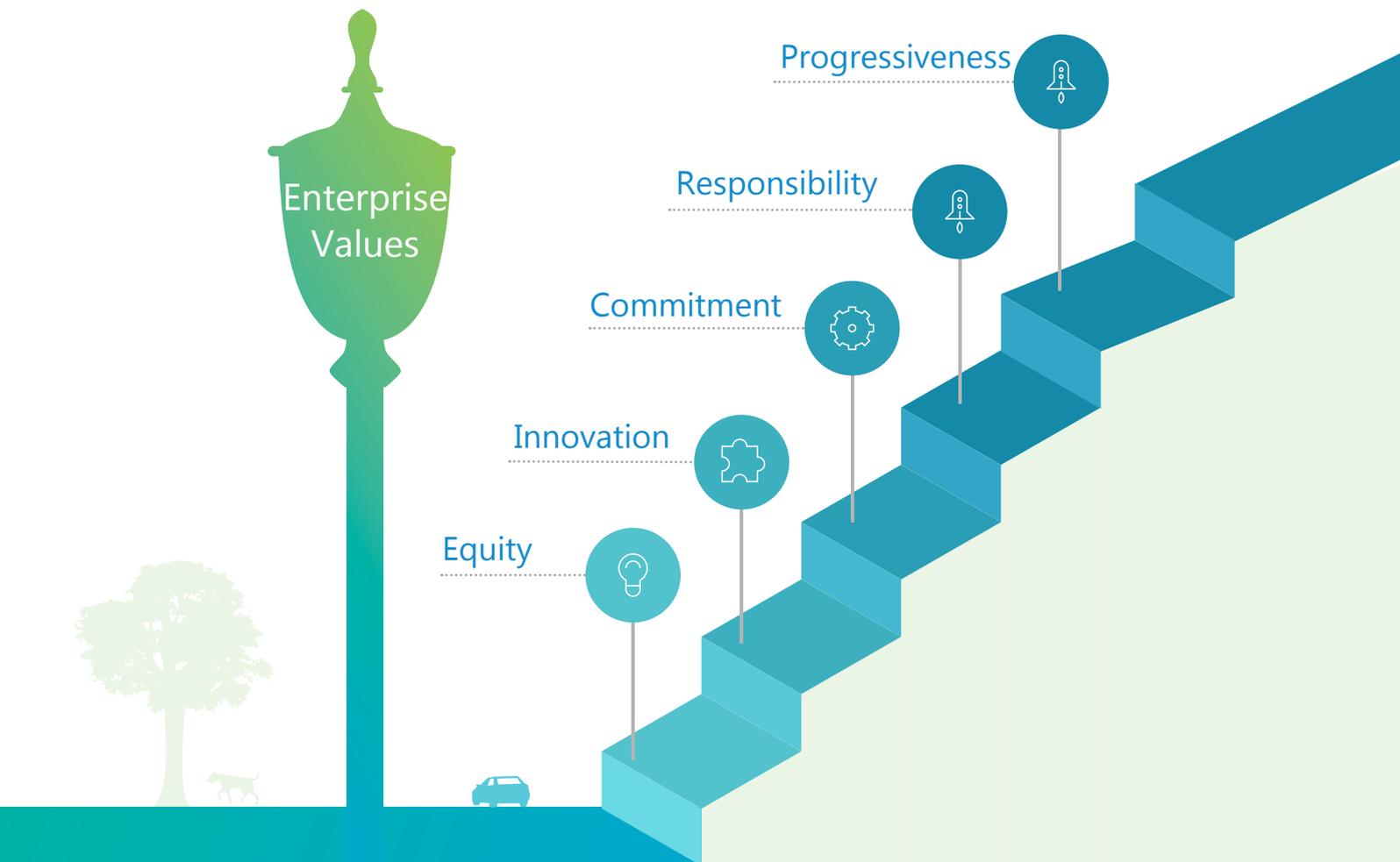
Provide stable and sustainable investment return to our investors

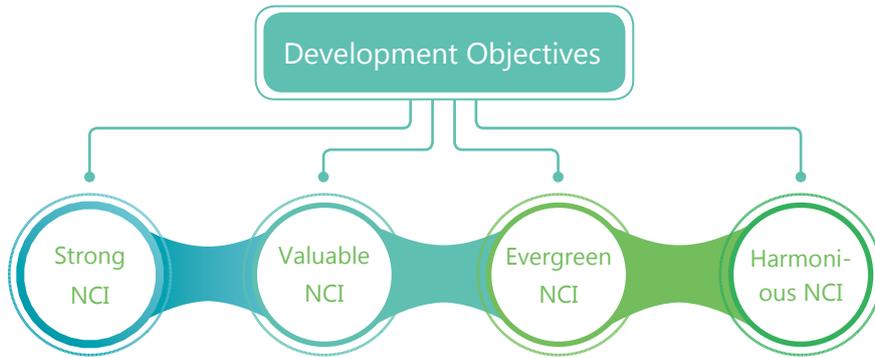
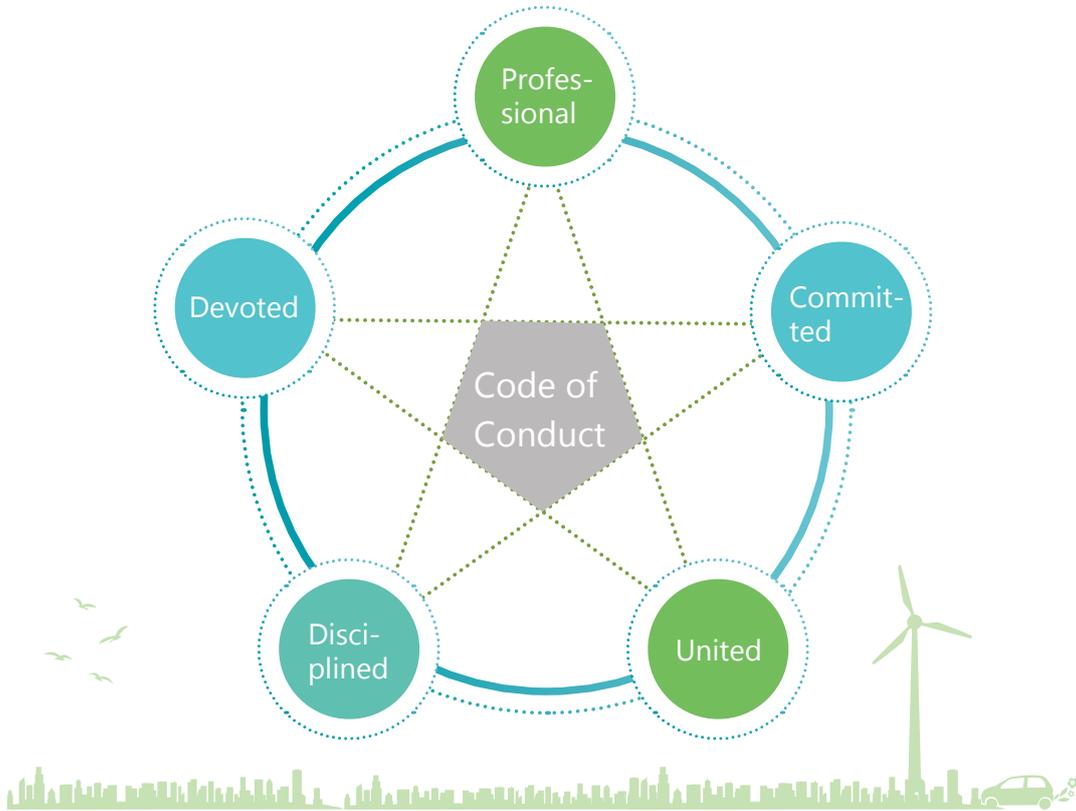


Construct platforms for our staff's self-development



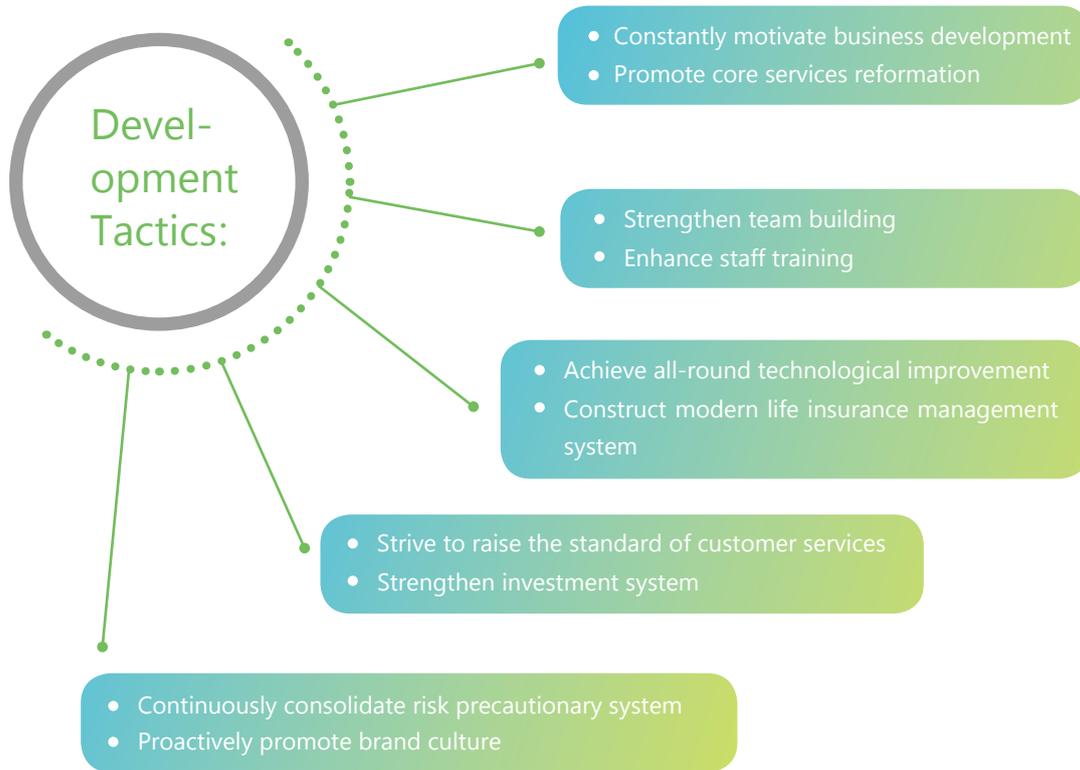
Bring harmony and peace to the society



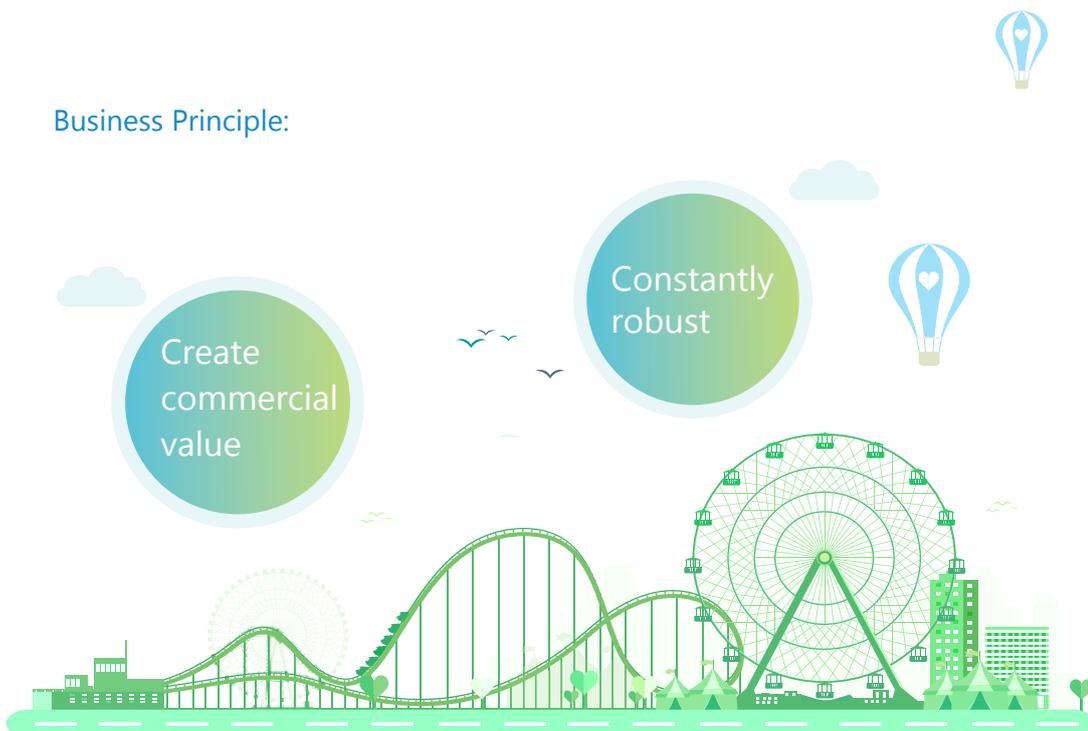


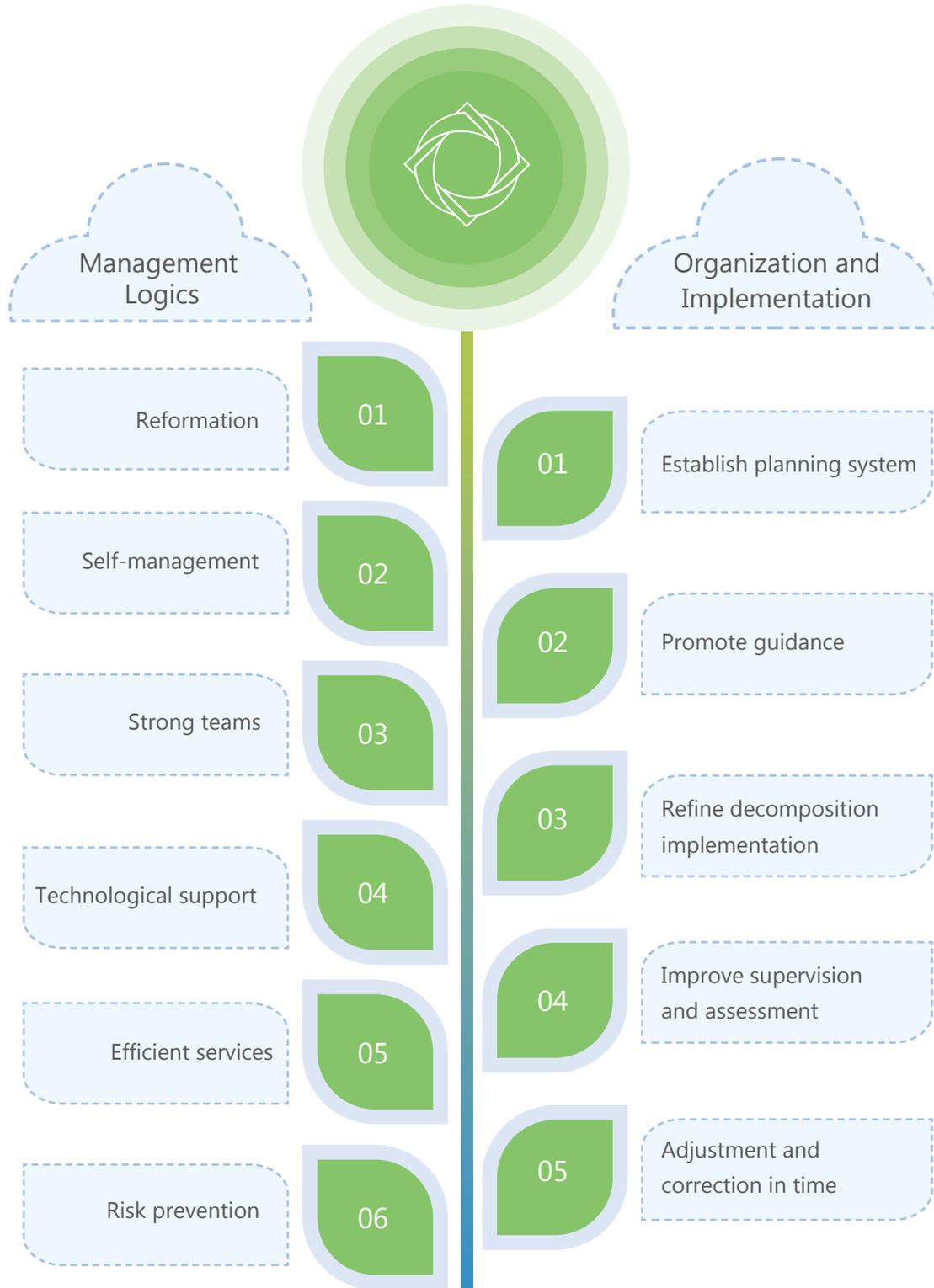
Development Stages:





Business Principle:





3.3 Stakeholder Engagement

NCI not only devotes efforts to creating commercial value, but also strives to perform corporate social responsibility ("CSR"). The Company learns from advanced international enterprises and initiatively communicate with various stakeholders (clients, employees, shareholders, government and supervision authorities, suppliers, media and communities) to fully comprehend their appeals. In addition, NCI integrates its services and operation characteristics to analyze and construct a well-developed CSR communication system.

Stakeholders	Communication Channels
Clients	Telephone(National Unified Customer Service Hotline 95567) "Customers Services Festivals" for 17 years
Shareholders	Investor Meetings Annual and Interim Reports Annual General Meetings
Employees	Questionnaire Surveys Employee Union Staff Training and Staff Activities NCI APP NCI WeChat Official Account
Government & Supervision Authorities	Meetings with Government Representatives Report to the Relevant Authorities Regular Performance Reporting
Suppliers	Email Telephone Regular Communication
Media	News Announcement Conference Email Telephone Media Open Day
Communities	Participate in Charities Environmental Conservation Function



"Customer Service Festivals" is a crucial communication channel between NCI and its clients. The festival serves to bring the newest and cutting-edge customer service experiences. 2017 "Customers Serving Festivals" is the 17th time NCI arranged the event. With the theme of "Love in NCI, Start Together", NCI launched "Love Credits", National Children Painting Competition, National Hiking Activity, Grand Customer Feedbacks, etc. Activities NCI arranged reach in total 4,500 times and involved over 10 million clients to participate in the festival.



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3.4 Stakeholder Materiality Assessment

In order to meet expectations from our stakeholders effectively, NCI has communicated with various stakeholders through different channels. For instant, NCI conducted interviews and questionnaire surveys to ensure the Company is able to be acquainted with stakeholders' needs and concerns. After analyzing the interview and questionnaires' results, the Company gained the most important 10 issues the stakeholders concern:

Priority	Issue	
01	Employee Benefits	<input checked="" type="checkbox"/>
02	Staff Training and Career Development	<input checked="" type="checkbox"/>
03	Customer Privacy Security	<input checked="" type="checkbox"/>
04	Service Upgradation and Product Innovation	<input checked="" type="checkbox"/>
05	Legal Compliance	<input checked="" type="checkbox"/>
06	Increasing Profitability	<input checked="" type="checkbox"/>
07	Green Office Management Strategies and Measures	<input checked="" type="checkbox"/>
08	Corporate Social Responsibility Planning	<input checked="" type="checkbox"/>
09	Customer Satisfaction Survey	<input checked="" type="checkbox"/>
10	Community Participation and Contribution	<input checked="" type="checkbox"/>



Product and Client

04



04 Product and Client

4.1 Product Management

The Company strictly complies with Measures for the Administration of the Disclosure of Information on New-Type Personal Insurance Products and relevant regulations released by the China Insurance Regulatory Commission. Also, NCI has formulated several internal regulations including Measures for the Product Information Disclosure Management and Product Informative Promotion Management Regulation, which regulate measures for the product informative promotion management and clarify the processes of verification. The regulations and management schemes successfully enhanced the Company's control of risks in product promotion.



Products Connotation:

- (1) "Affordable and Guaranteed" is the core brand value of NCI
- (2) Affordable Insurance constructs better living quality
- (3) NCI ensures our client enjoy medical and old-age care services and is determined to become a reliable and necessary part of everyone's life



Brand Characteristics: Concentrated and Progressive

- (1) Concentrated on life insurance - NCI strives to fulfill its vision, accomplish its business tactics and implement its industrial structure
- (2) Professional and reliable - NCI has competitive ability to offer "Full life-circle coverage" and "All-round coverage" to its clients



Brand Logo:



Brand slogan:

Love and care in every day

4.2 Service Elevation and Product Innovation

Since NCI is being in the transformation stage, accelerating the transformation development and returning to the root of insurance services is crucial. The Company has launched insurances that can properly cover the necessities of its clients' life. Besides, NCI insists its own core beliefs: to develop affordable and reliable products. In 2017, the Company made efforts in developing innovative products to meet its clients' needs.

1

Firstly, NCI upgraded our health insurance products. the Company released new series of products ("healthy and worriless"), which covers wider range of illness and has a higher price-performance ratio.

2

Secondly, NCI launched health care deluxe insurance product, which has high insurance coverage. The product can relieve clients' stress from personal medical expenses.

3

Thirdly, NCI enriched different types of additional insurance products and formulated a customer-centered insurance, which generated flexible combination to meet comprehensive needs of customers.

4

Fourthly, NCI launched fund accumulation insurance. The product can help saving the education fund for children, reserving pension for elders, and meet other needs of money saving. The product also provides comprehensive protection from unexpected events.



4.3 Product Promotion

In 2017, the Company has highlighted two series of insurance products, which were advanced "Healthy and worryless" edition and "Luxurious model A". The two types of products were widely publicized through different mass media (newspaper, radio, television, movies, billboards, internet, etc.), insurance agents, bank agents, internets and so on.

4.4 Customer Services

The Principle of "Efficiency and Satisfactory"

NCI adheres to "customers are our priority". Based on customers' needs, NCI took "Efficiency and Satisfactory" as the core ideology, sustainably raised our service level, and created "better, faster and more reliable" operation framework. NCI intends to continuously improve our fundamental services to offer a satisfactory experience to our client.

Efficient Customer Services Sharing Platform

NCI abides the business philosophy of "creating values and developing continuously", and continued to improve our service platforms. Our service platforms include customer service center, customer contact center, NCI website, mobile NCI APP, NCI WeChat official account, SMS service platform and mail service platforms. These platforms provide various channels to our customers, and makes our service become more convenient and efficient.

Over 1,600 customer service centers scattering nationwide always focus on "service" and "efficiency" and provide customers with convenient, intimate, professional one-stop service with an unified image of the service, standardized service processes, convenient service facilities, efficient operation and management and innovative service.

NCI's customer contact center (95567) provides national customers with 24*7 all year-round insurance advice, service return visit, claims reports, online processing, policy inquiries and other services. Besides, NCI service platforms have integrated different technologies such as online cloud, internet and database. With innovative ideas, excellent customers services and advanced techniques, NCI has been in a leading position in the insurance industry. In 2017, NCI upgraded our online service platforms. The upgradation is in three aspects. Firstly, we invented customer service hotline service with no waiting time. Secondly, we promoted WeChat smart services. Thirdly, we implemented automated management system and visualizable data management system. This upgraded platforms won high praise from our customers and insurance industry and was selected by the national marketing communications research institutions to win "2017 China Interactive Marketing Academy Award • Outstanding-Case Award".



During the reporting period, NCI conducted customer satisfaction surveys through **95567** national unified customer service hotline. The results showed that our customer satisfaction rate reached **98.45%**. The rate was **0.52** percentage points higher than last year's survey results.

4.5 The Protection of Customers' Privacy

New China Life Insurance strictly complies with the Insurance Law of the People's Republic of China, Information Security Technology Guidelines for Personal Information Protection on Public and Commercial Service Information Systems and Notice of the China Insurance Regulatory Commission on Issuing the Interim Measures for the Administration of Information Authenticity of Personal Insurance Clients, and accordingly formulated The NCI Customer Information Management Regulations to strengthen the authenticity and security of customers' personal information.

The NCI's customer information management system complies with the following basic principles:



Quality Assurance Principle:

In customer information processing, ensuring content of message is complete, authentic, and timely updated.



Security Principle :

Adopting properly management practices and technical measures to reduce the possible risk of damaging the customers' information. Protecting the security of customer information; Preventing loss, unauthorized disclosure, damage and tampering of customers' private information.



Responsibility Principle:

Clarifying procedures of customers' information handling and defining duties of different relevant departments.

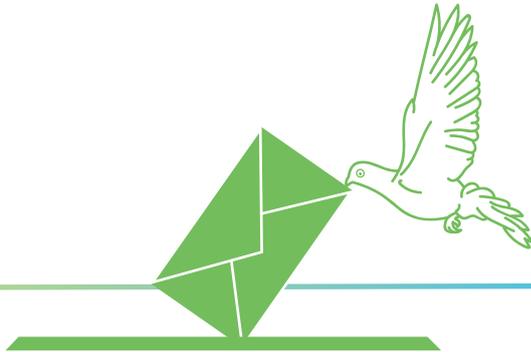


Rational Usage Principle:

Under the premise of respecting the rights and interests of our customers, NCI only uses customer information on reasonable purposes.

4.6 Customer Complaints

In order to protect the legitimate rights and interests of our customers, NCI has established various compliant channels for our customers:



NCI Main Complaints Channels

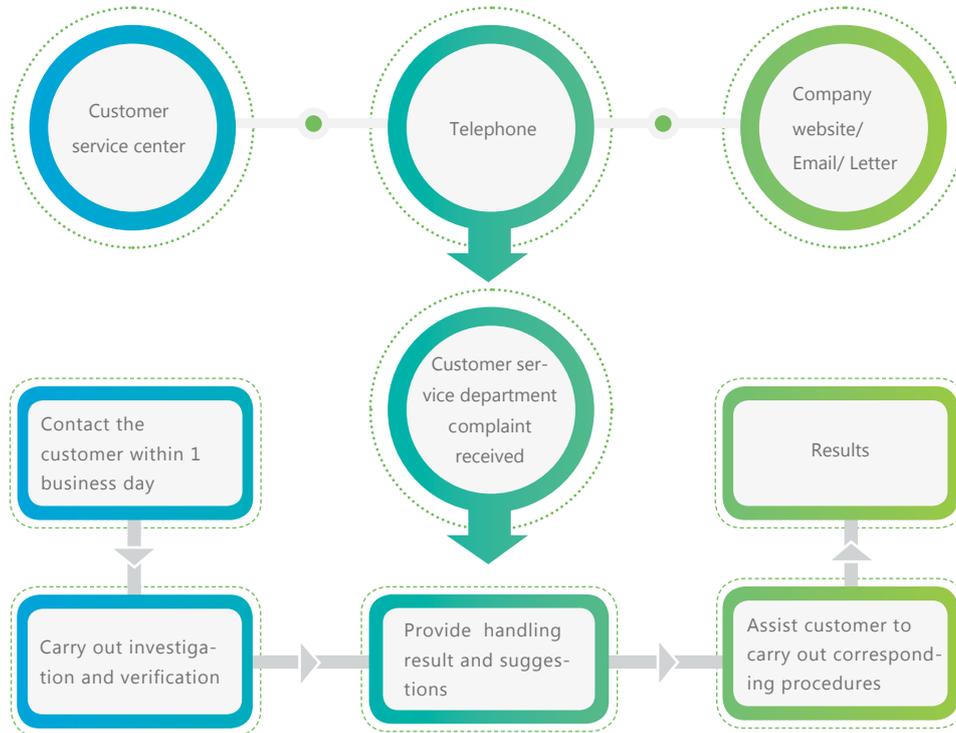
1. 24 hours national unified customer service hotline 95567;
2. Customers can sign up on NCI website(<http://www.newchinalife.com>) and submit reviews and feedbacks on our products;
3. Complaints and feedbacks can also be sent to us through letters and emails to the following addresses:

Mailing Address: NCI Insurance building, 100022, Chaoyang District, Beijing, No.12 Jianguomenwai Avenue;

Email Address: kehutsfw@newchinalife.com;
4. Customers could also fax to 010-85210101 or visit customers service department of NCI to make complaints.

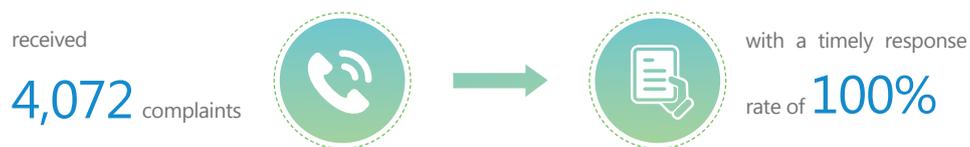


1. Customer Complaint Handling Process Highlight



2. Complaints in 2017

In 2017, NCI has received 4,072 complaints with a timely response rate of 100%. There was no emergency complaint.



The Company's response to the complaint is as follows

- 

1. Contact the customer proactively, which prevents the deterioration of the case effectively.
- 

2. Carry out investigation and verification to locate the conflicts, negotiate with our clients with sufficient evidence, and actively reach settlement with our clients.



Shareholders

05



05 Shareholders

According to the Notice of the China Insurance Regulatory Commission on Issuing the Plan for the Building of China's 2nd Generation Solvency Supervision System, NCI constructed an all-rounded risk management system, which plays a crucial role in risk management.

"Optimize the risk management system, and improve the professional level of risk control team"

Implement the prevention-first risk control concept, strengthen the leadership and management of risk control of institution, reinforce the management of risk control personnel of secondary institution, optimize the internal organization chart of Risk Control Department, reinforce the compliance training of risk control, and further improve the professional level of risk control team.

"Strengthen the system construction, and consolidate the internal control base"

Adapt to the need of strategy transformation of the Company and function transformation of head-quarters, strengthen the basic management of the Company, further improve the system management level of the Company, improve the scientificity, effectiveness and pertinence of formation and execution of company system, organize to develop the formation, amendment, abolishment, explanation and other work of systems of head office and subsidiaries, optimize the system construction of the Company, and improve the internal control management work level.

"Strengthen and highlight the governance and rectification of compliance problem of risk control, and prevent the major risk"

Continuously promote the governing and rectification of "two strengthening and two restraints", looking back, self-inspection, checking of various risks, supervision, inspection and problem finding; select the major institution to organize and develop the inspection and acceptance; and strive to promote the rectification of main risks and problems of the Company. We continuously optimize the construction of comprehensive control system construction of illegal fund-raising and important case, organize to develop risk checking and site supervision and inspection of illegal fund-raising and important case, properly complete the emergency disposal of illegal fund-raising and important case, and firmly hold the bottom line of risk of not occurring the major risk event.



5.2 Anti-corruption Management

In order to alert and punish corruption and other related unethical behaviors, to protect the legitimate rights and interests of consumers, and to ensure the Company has complied with laws and regulations, NCI complied with the Anti-Money Laundering Law of the People's Republic of China, and accordingly revised the Punishment Measures of Non-compliance in NCI Life Insurance Co., Ltd. (renamed as Accountability Measures for Non-compliance in NCI Life Insurance Co., Ltd.). Besides, NCI also enacted the Accountability Measures of Internal Cases of NCI and formulated the Accountability Measures of Misleading Sale of NCI.

In addition, in order to accurately identify and deal with illegal cases related to bribery, extortion, fraud and money laundering, NCI has a clear definition of violation of anti-money laundering, violation of procurement management and misleading sales.



Definition of the violation of anti-money laundering by NCI

- ▶ Failing to perform customer identification as required;
- ▶ Failing to save customer identification and related transaction record as required;
- ▶ Failing to submit large transaction report or suspicious trading report as required;
- ▶ Trading with unknown client or opening anonymous or supposititious account for client;
- ▶ Violating of anti-money laundering confidentiality agreement or disclosing of relevant information;
- ▶ Failing to submit name list of anti-terrorism;
- ▶ Refuse to submit anti-money laundering material or provide fake material willfully;
- ▶ When conducting insurance business through insurance agency or Financial and Insurance institution, the clause of "anti-money laundering" were not included in the agreement;
- ▶ Assisting others in money laundering activities;
- ▶ Other activities that violate anti-money laundering regulation.





Definition of the violation of anti-money laundering by NCI

- ▶ Perform unfair tendering;
- ▶ Getting illegal profits through unfair tendering;
- ▶ Conduct unauthorized procurement or other unauthorized activities;
- ▶ Delay the timing of procurement deliberately, causing a single source procurement or a passive renewal of purchasing contract;
- ▶ Disclosure of trading secrets of procurement and damage the interest of NCI Insurance;
- ▶ Provide false information or opinions that affect the outcome of business negotiations and damage the interest of NCI;
- ▶ Perform unfair tendering through using default supplier;
- ▶ Collaborate with supplier and damage the interest of the Company;
- ▶ Violating the unify purchasing policy of the Company;
- ▶ Failing to submit procurement-relevant Plan and result before deadline;
- ▶ The purchase solution or outcome that did not fulfil the approval procedure;
- ▶ Enrich in incentive program, substitute shoddy goods or receive rebate during purchase;
- ▶ Other behaviors that break the purchase-related rules of tendering management.



Definition of misleading sales practices by NCI

- ▶ Provide false statement to the real situations of the insurance products;
- ▶ Hide or conceal the important insurance related contract situations;
- ▶ Misleading sales behaviors by induction;
- ▶ Other deceive, conceal or misleading behaviors.



The NCI has formulated "The Measures for Reporting and Handling Insurance Illegal Activities of The New China Life Insurance Company Ltd." to specifically aimed at reducing the disciplinary violation. Different ways for reporting and their process flow are listed as follows:



By visiting

Send at least two staff members as reception to collect the informer's name, department, contact information and respondent's name, department, contact information as well as make a statement of respondent's detail evidence of illegal activities. The informer should sign or stamp the statement after checking. Audio recording or videotaping could be done if informer approved. All the information or evidence provided should be registered and an evidence accepted list should be provided and signed by informer. Photos could be taken if necessary. Keep the evidence properly.

When an informer makes an appointment for reception, at least two staff members are sent to interview venue where the informer thinks fit at the agreed time.



By mail

The staff members should open and read on the spot. The stamp, postmark, zip code, address and all materials inside the mail should be fully kept.



By e-mail

The staff members should download the report content immediately. The content should keep originally and should not include any words processing.



By phone

The staff members should precisely and completely record informer's name, address, phone numbers as well as respondent's name, department, duties and detailed illegal activities and evidence. The important content should repeat once to informer to confirm the main problem. Audio recording could be done if approved by informer. Informer's intention should be respected if he/she does not want to provide personal information.





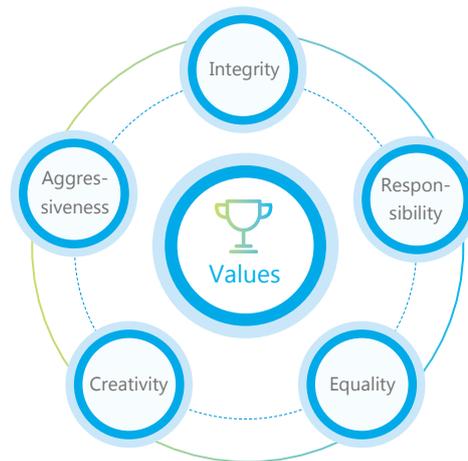
Employees

06



06 Employees

NCI holds the value of "integrity, responsibility, equality, creativity and aggressiveness", and attaches great importance to employees' rights and development. Guided by corporate culture values, NCI strives to provide well working environment, interpersonal atmosphere, overall welfares system, systematic career training as well as development planning. We also commit to guiding employee's personal behaviors match with the Company organizational behaviors to present the team value, enhance teamwork spirit and strengthen internal cohesion in Company.



6.1 Recruitment Policy

The NCI complies with relevant laws and regulations including "Labor Contract Law of the People's Republic of China", "Labor Law of the People's Republic of China", "Labor Dispute Mediation and Arbitration Law of the People's Republic of China", "Regulation on the Implementation of the Employment Contract Law of the People's Republic of China", "Law of the People's Republic of China on the Protection of Rights and Interests of Women", "Law of the People's Republic of China on the Protection of Minors", "Provisions on the Prohibition of Using Child Labor", etc.

Also, the "NCI Employee's Recruitment and Management Method" has been set up to implement fair and open recruitment and promotion policies. These policies ensure that employee's privacy and benefits are well protected, and allow the build up and development of a harmonious and stable labor relationship. The Group has also established the dismissal policy and holds the right to terminate labor contract with the employee who violates the Group's rules and regulations or is held criminally liable. In terms of labor, NCI adheres to principles of gender equality, salary equality, meritocracy, fair competition, transparent policy, observation of laws and strict rules. We never hire under-age employees. In order to guarantee equal employment opportunities, the Group equally treats every person regardless of their age, sex, race, ethnicity, religion or disabilities. At the same time, the Group has implemented a five-day, 8-hour work system and employees are provided with paid leave according to the national and regional laws and regulations. In this report, the Company strictly observes relevant laws in related countries and regions. No case related to child labor or forced labor was reported.

In 2017, we have 41,044 employees in the Company, among which, there are 1,504 employees in the Headquarter, 21,177 staff that are back-off office in 35 branches and also 18,363 field staff.

The statistics (including the Headquarter staff and staff that are back-office in branches) below are classified by gender, age group, employment type and geographical region.

Gender

Number of employees



Male **9,305**



Female **13,376**

Percentage



Male **41.03** (%)



Female **58.97** (%)

Age group



Below 30

8,213



30-50

13,998



Above 50

470

Employment type



Senior management

166



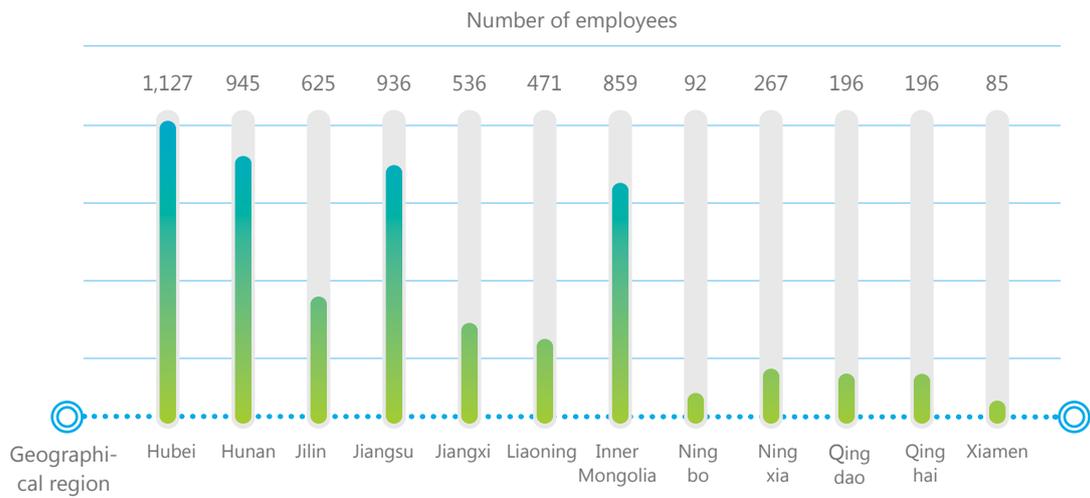
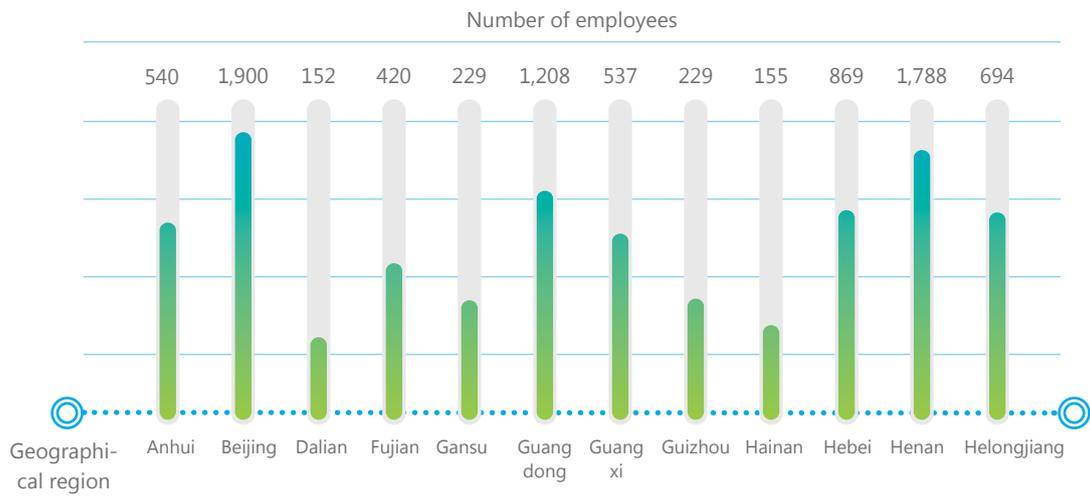
Middle management

1,321



General staff

21,194



In 2017, the number of employee turnover of NCI is 1,558 (including the Headquarter staff and staff that are back-office in branches). The statistics below are classified by gender, age group and geographical region.

Employee turnover of ---



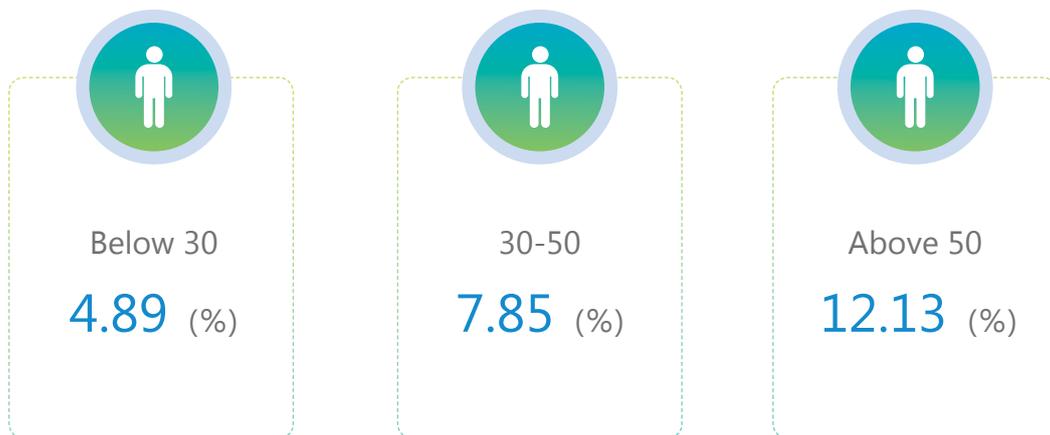
Gender ---

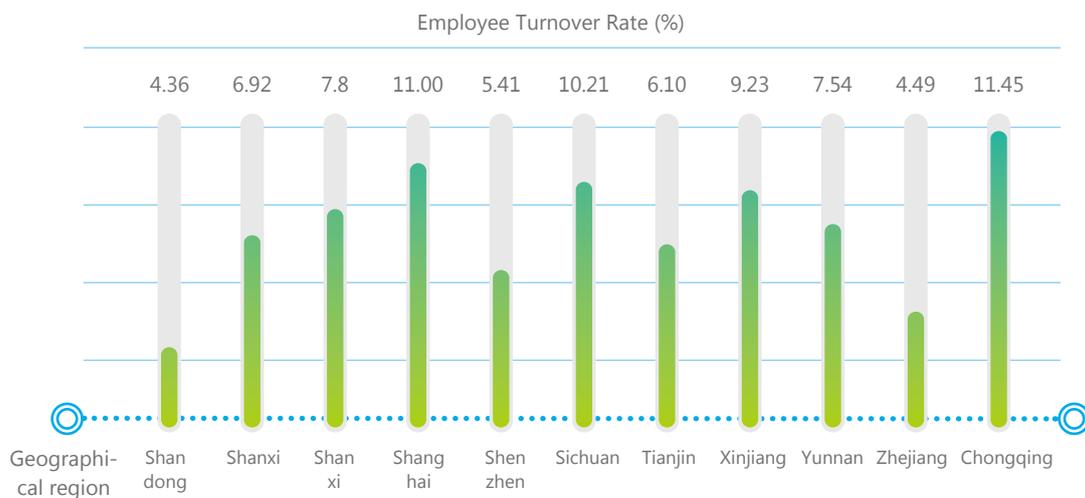
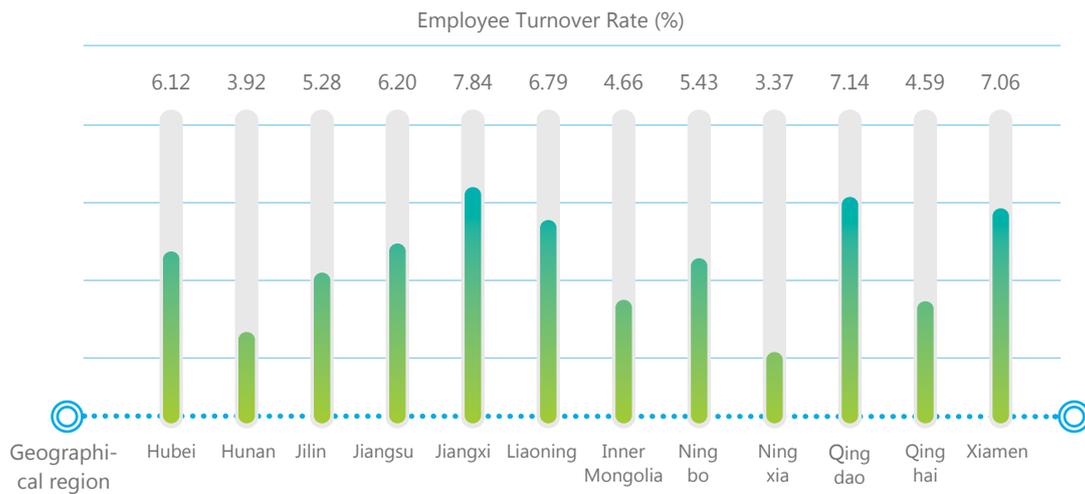
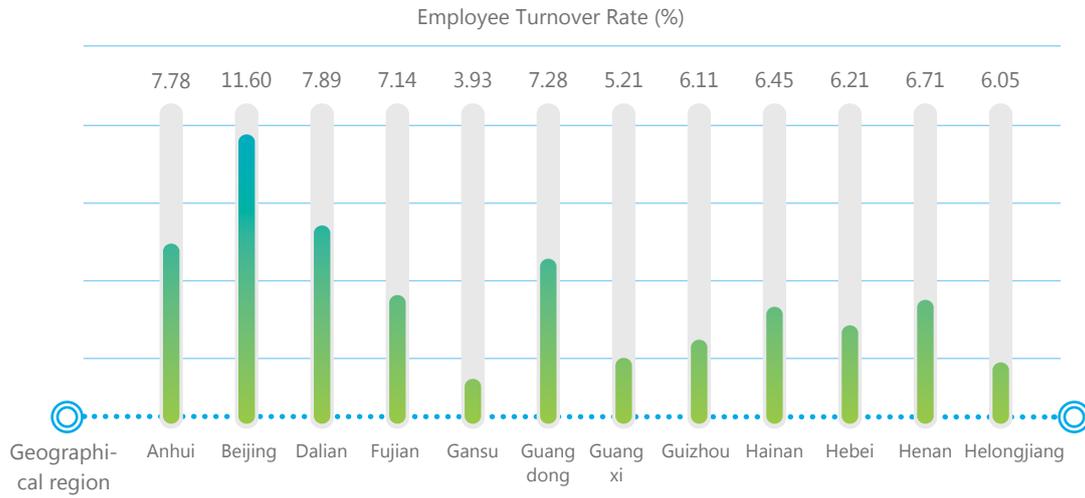
Employee Turnover Rate



Age group ---

Employee Turnover Rate





In this reporting period, the largest turnover rate (excluding the field staff) was shown in age group above 50, which was 12.13%. This is due to that some employees reached the retire age.



6.2 Employee Compensation and Benefit

Motivation Scheme of Competitive and Equal Salary

NCI provides competitive salary compared with other insurance industry companies in China. We observe relevant regulations and policies such as "Payment of Wages Tentative Provisions", "Provisions on Minimum Wages", "Regulation on Paid Annual Leave for Employees", etc. and set up the "NCI Salary Management Method" to attract talented people and motivated employees through competitive salary and excellent salary raising mechanism.

Diverse Welfare Protection Scheme

Employee welfare is one of the important parts composing of employee's salary. The Company complies with "Social Insurance Law of the People's Republic of China", "Provisions of the State Council on Working Hours of Workers and Staff", "Special Rules on the Labor Protection of Female Employees", "Measures for the Management of Enterprise Annuities Fund", "Measures for the Ascertainment of Work-Related Injuries", "the Regulations on Work-Related Injury Insurance", etc. and set up the "NCI Employee Welfare Management Method (2017 edition)". Based on different statutory welfares, the Company provides medical welfare, annual bonus and other various welfares for employees to meet their daily necessities and motivate their enthusiasm on work.



Establish Labor Union According to the Law

The New China Life Insurance Company Labor Union (the "Labor Union") was founded in 1997. The NCI labor unions are now directly controlled under headquarter labor union, regional branch labor union and subsidiary company labor union.

The Labor Union seriously implements the arrangement strategy with supervising labor union and party committee. Strive to keep "serve the development, serve the harmony, serve the workers" as the beginning and foothold of the Labor Unions. We demonstrate the functional ability of NCI Labor Union by enhancing employee morale, strengthening internal cohesion, improving business development and constructing harmonious corporate.

The Labor Union carries out various kinds of care activities. For example, implementing consolation activities for retired cadres, difficulties workers, and sick workers during the Spring Festival; providing holiday gifts for all female workers in Women's Day; distributing book card for parents of workers in Children's Day; giving conciliatory gift for employees and retired cadres in Mid-Autumn Festival; totally providing birthday wishes and birthday gifts for more than 1,600 employees.



Implementing consolation activities for retired cadres, difficulties workers, and sick workers during the Spring Festival;



Providing holiday gifts for all female workers in Women's Day;



Distributing book card for parents of workers in Children's Day;



Giving conciliatory gift for employees and retired cadres in Mid-Autumn Festival;



Totally providing birthday wishes and birthday gifts for more than 1,600 employees.



Colorful Employee's Life

On 11 January 2017, as the Chinese Lunar New Year Festival is coming, the New China Calligrapher Association started a series of new year celebrating events. The association invited headquarter leaders and association committee members as representatives of NCI and shared new year wishes and blessings by writing spring festival couplet for employees.





Colorful Employee's Life

On 20 January 2017, the Labor Union launched a new year tea gathering for retired workers in Beijing. The Chairman Wan Feng and the Chairman of Labor Union, Li Junping, talked with the retired workers. Meanwhile, the Labor Union sent new year gifts to retired workers who lived outside Beijing to present the best wishes.



Talking

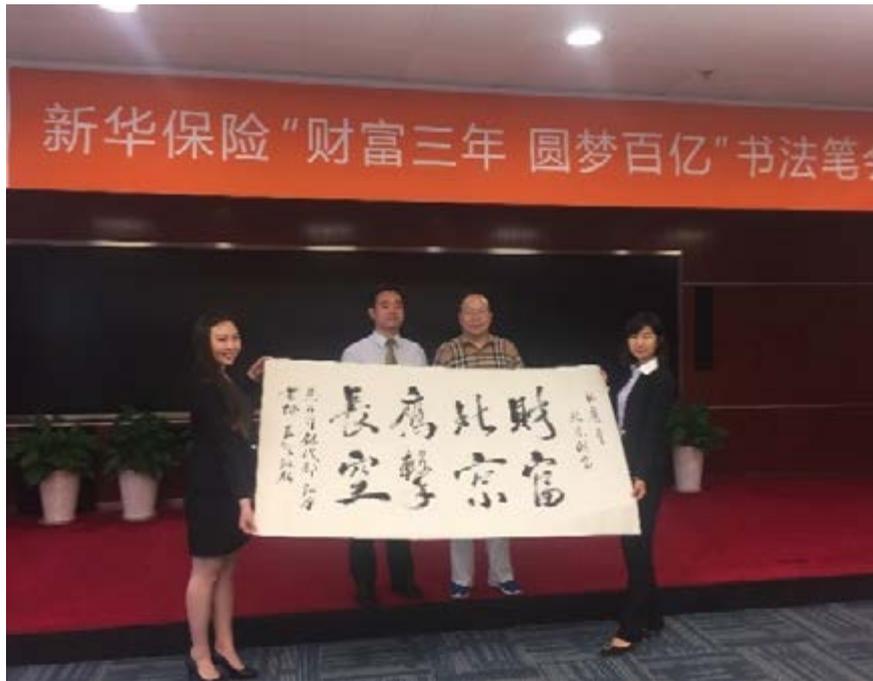
New Year
Gift

Wishes



Colorful Employee's Life

On 16 June 2017, the Labor Union worked hand in hand with the business developing department to organize a Chinese calligraphy event "Three years wealth saving makes ten billion dreams come true".





Colorful Employee's Life

In 2017, NCI "Staff Home" is built on schedule, which is mainly composed of 8 functional area: reception area, fitness zone, yoga area, billiard area, hairdressing area, reading area, wash area and medical area. The establishment of the "Staff Home" not only enriches staff's stylistic life, but also encourages staffs to relax and do sports in the spare time.





Colorful Employee's Life

During November 2 to 3, 2017, the 8th employee badminton competition "New China Insurance Cup" was held in Beijing. There were 9 teams with more than 160 competitors from the Headquarter, the New China Asset Management Ltd and Beijing subsidiary company that participated in this competition.



The 8th employee badminton competition

There were 9 teams with more than 160 competitors from the Headquarter, the New China Asset Management Ltd and Beijing subsidiary company

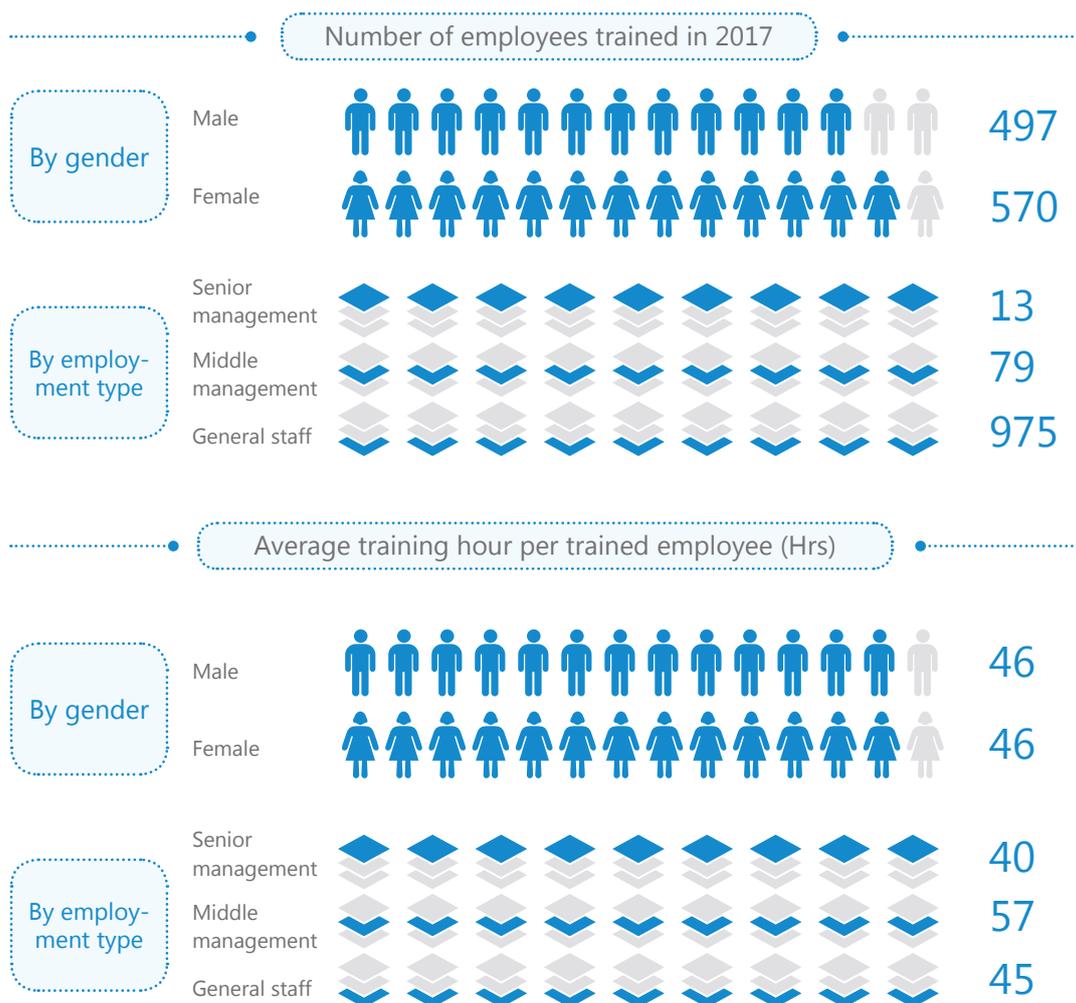
In recent years, the Company is largely increasing the care for employees, keeping organizing humanity caring activities and providing warmth from Labor Union for workers. The Company has distributed almost 2 million donations for 142 employees to provide financial support to their personal affairs such as weddings, funeral and birth giving.

Meanwhile, the Labor Union specifically provided the independent, private resting and breast-feeding room for pregnant mothers and breast-feeding women to fulfill the special needs of the female employees. In 2017, the Headquarter and subsidiary companies added 6 "mother baby caring" rooms to better maintain female employees' benefits.

6.3 Employee Development and Training

NCI has set up the "Employee Training Management Method" to specifically provide different types of training schemes to different level of employees. In 2017, the total number of employees in New China Insurance headquarter is 1,504, among which, 99% of department heads were trained, 88% of manager grade staff and 97% of professional sequencers attended training. Among all the trained employees, 95% are male and 97% are female workers. The employees' average training hours in the Headquarter of NCI are 46 hours in this year.

Statistics



Remarks: 1. The statistics shown above covers only the staff in the Headquarter of NCI.

NCI provided "Special Management Training Course" to organize trainings for department heads of NCI and the leaders of subsidiary companies. The participants were arranged to go to Tsinghua University, Peking University and Jingtangshan for learning. There are regular courses and lectures for middle management, junior management and general staff. Additionally, different training courses are assigned to new staff, employees with 2 to 3 years' experience and employees with over 3 years' experience. The Company is recently developing e-courses such as training videos and mini courses to digitize employees' training.



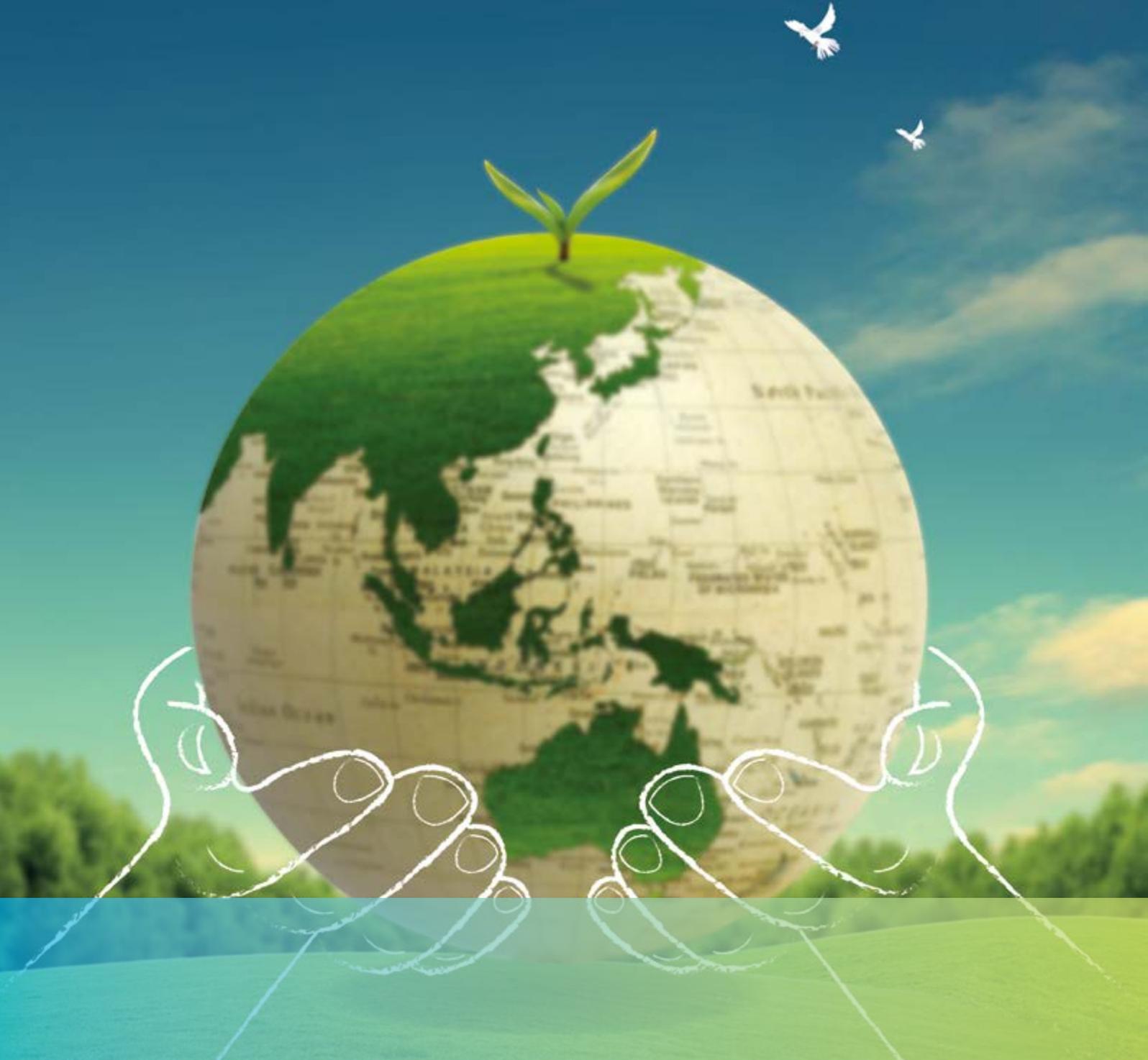


6.4 Occupational Safety and Health

NCI strictly complies with the requirements of "Labor Law of the People's Republic of China", "Regulation on Work-Related Injury Insurances" and "Occupational Safety and Health Ordinance" to provide a safe and healthy working environment for employees. In November 2017, the Company cooperated with property firms to organize a fire drill on New China Insurance building. The fire drill improved employees' fire control and evacuation knowledge. The Company did not receive any case of work-related fatality or work injury in this year.



In the meantime, the Company deeply concerns about employee's health. Every year in November and December, the Company organized annual body check for all employees, providing them professional health service. Employee can choose the health center according to their own choice. Apart from basic body check items, the health service also provides checking and monitoring of cytokeatin for lungs cancer, creatine kinase, lipoprotein, etc. which are typical dangerous factors to human. Specified health service program is assigned to employees based on their gender, so that they could understand their health status more comprehensively.



Environment

07

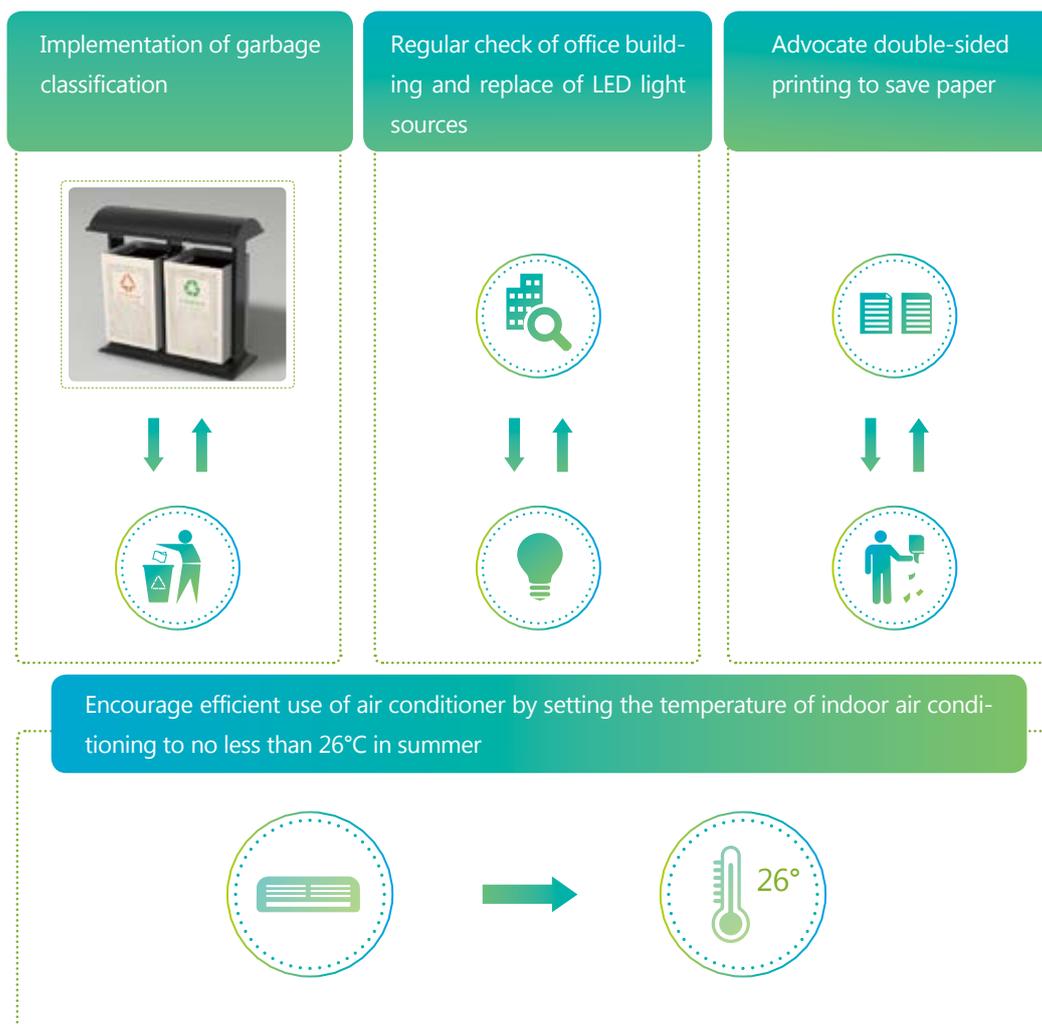


07 Environment

New China Life Insurance complies with relevant laws and regulations including the "Environmental Protection Law of the People's Republic of China" and the "Energy Conservation Law of the People's Republic of China". Also, the Company promotes policies of green office, green purchasing, green finance and other related measures to reduce the environmental impacts raised from daily operations.

7.1 Green Office Policy and Results

Owning to NCI belongs to insurance industry, we do not implement data monitoring of atmospheric emissions in daily operation. But we actively implement green office policies and measures to achieve energy saving and emission reduction. Measures that we implement in offices to contribute to energy conservation, environmental protection and efficient use of resources include:



Encourage our employees to switch off the computers and lights after work



Encourage our employees to save water



Promote the "clear your plate" campaign and encourage everyone to say "No" to food waste



Promote paperless (digital) office policy by encouraging our employees to utilize the use of electronic document so as to reduce paper usage. In addition, the headquarters and branch offices have implemented an online application that has various features including the electronic policy's encryption, instant notification, SMS reminder, electronic signatures, website download, variety verification, back-end visualizable management, etc. In 2017, a total number of 4.77 million electronic policies were issued with a coverage rate of 76.20%. The application effectively enhanced customer experience and supported our goal in sharing green finance.



A total number of **4.77** million electronic policies were issued with a coverage rate of **76.20** %.

Below are some of our branches' energy conservation and environment protection cases and achievements in 2017:

1 Jiangsu branch energy conservation and environmental protection measures and achievements

In 2017, Jiangsu branch changed 13 LED lights on average monthly. the energy efficiency of LED lights is higher than the fluorescent energy saving lights. Also, the service life of LED lights is longer than ordinary fluorescent lights.

Meanwhile, Jiangsu branch posts environmental protection tips in the office area with contents suchas "Save Paper", "Please Turn off Power before Heading Home", "Save Water", "Don't Forget to Turn the Light Off" and so on. Jiangsu branch also composed and distributed the proposal of "care for sanitation workers, be cvil and polite". The proposal advocates all staff and citizens to boycott.



Save Paper



Save Water



Don't Forget to Turn the Light Off

2 Jilin branch energy conservation and environmental protection measures and achievements

Jilin branch changed its office area's the incandescent grille lights to the more environmental-friendly LED grille lights. As a result, 3,373.2 kwh of electricity power used for office lighting was saved each year, which is equivalent to a total saving of RMB 15,000.



3,373.2 kwh of electricity power used for office lighting was saved each year

total saving of RMB **15,000**.



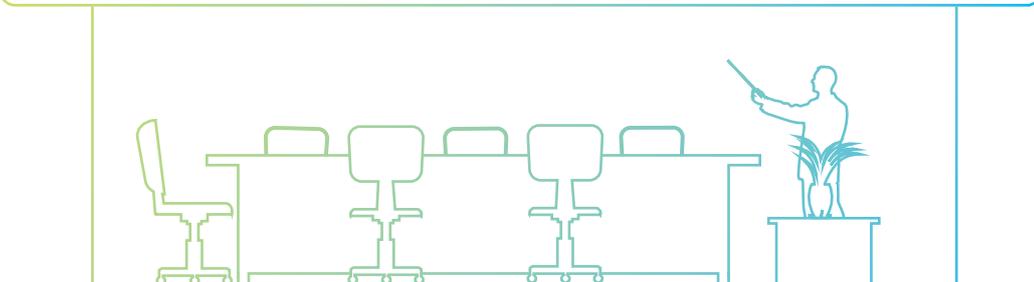
3 Gansu branch energy conservation and environmental protection measures and achievements

Gansu branch advocated "Green traveling, low-carbon life" in 2017, and formulated relevant environmental protection policies to enhance employees' awareness of environmental protection.

Firstly, due to the prevalence of shared bicycle, some employees go to work by bicycle. Compared to driving, bicycling does not generate air pollutions and bring exercising opportunities for employees.

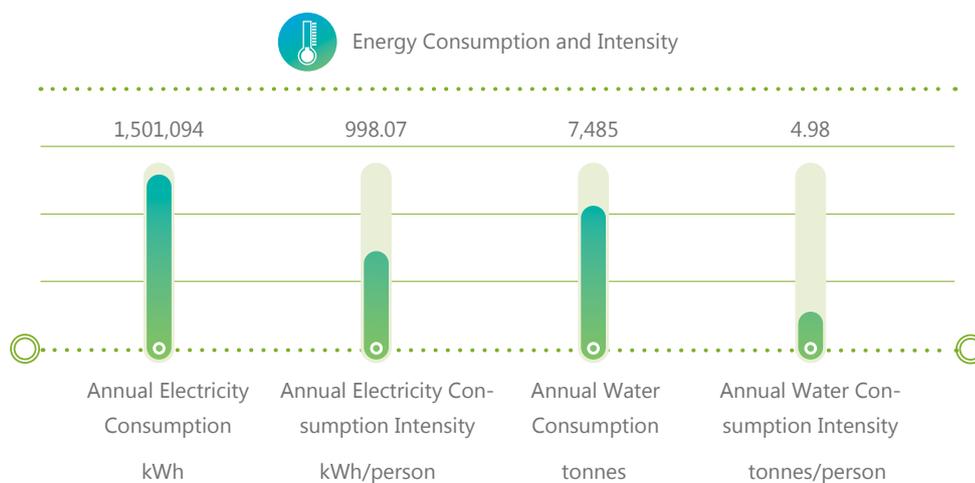
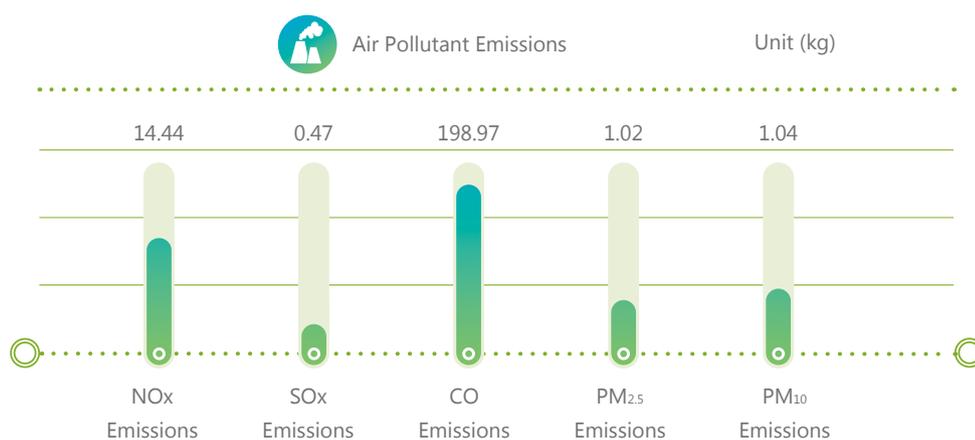


Secondly, Gansu branch posted energy-saving and environmental protection posters in the office area, "Please turn off power after work" posters on computers, "Earth's forest cover area is declining at an alarming rate, please save paper" posters and other similar type posters in the washrooms. In addition, Gansu branch replaced 50 lights in its office area to energy-saving lights in 2017.



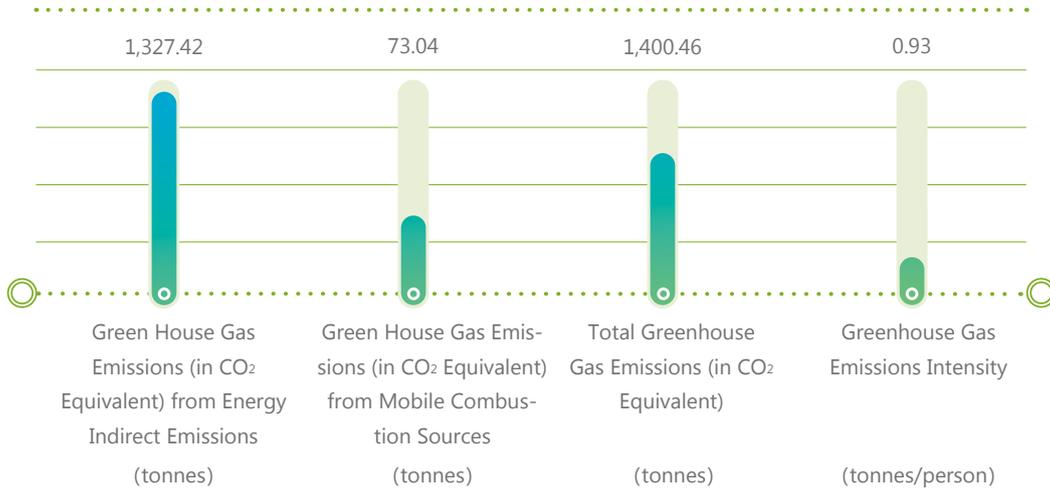
7.2 Environmental Performance Data

In this report, the Company first discloses the environmental data, NCI prioritizes the group headquarters as the statistical scope of the data collection. In future, we will further improve the data collection system and expand the scope of data collection. During the reporting period, New China Life Insurance recorded the resources usage data and calculated the emissions of environmental pollutants during the daily operation of headquarters office building. This year, the solid waste emissions data focus on and disclosed the production of hazardous waste. The statistics of hazardous waste materials (including waste paper, waste plastic bottles, waste stationary, etc.) will be disclosed in 2018.

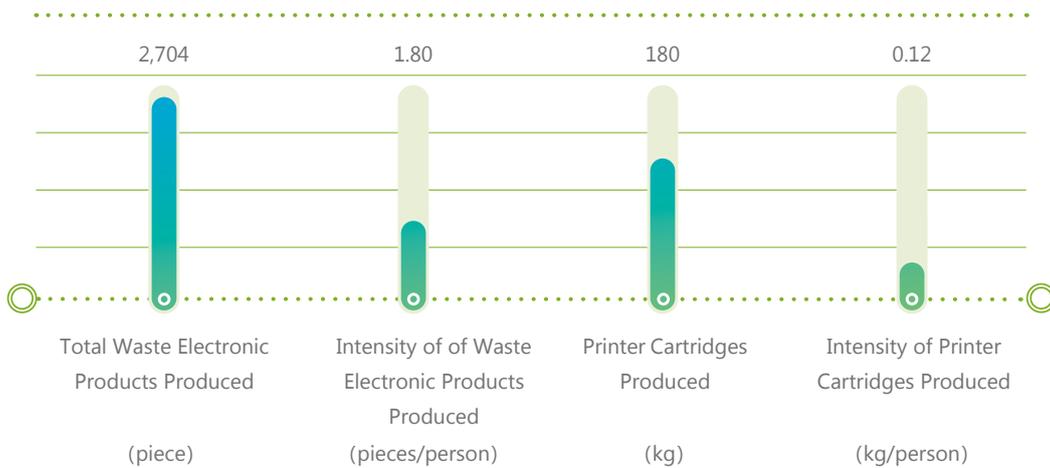




Greenhouse Gas Emissions and Intensity



Production of the Hazardous Waste and Intensity



Remarks:

1. Above statistics are from the headquarters of New China Life Insurance. The number of headquarters employees is 1,504; All the intensity indicators are calculated by the quantity of each employee in the headquarters.
2. Air pollutant emissions comes from the emission caused by vehicles used by the headquarters in 2017. The calculation of air pollutant emissions was conducted according to the "Technical Guide for Air Pollutant Emission Inventory for Road Vehicles (Trial)".
3. Greenhouse gas emissions consist of two scopes, which are direct emissions from combustion of fuels in mobile sources (the headquarters' motor vehicles) and energy indirect emissions from generation of electricity that were purchased by the headquarters.
4. The calculation method of the greenhouse gas emissions was conducted according to the "Guidelines for accounting and reporting of greenhouse gas emissions from land-based transportation enterprises (Trial)" and "Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions in Enterprises in Other Industries (Trial)" published by Ministry of Environmental Protection of the People's Republic of China and "2011 and 2012 China's regional grid average carbon dioxide emission factor" published by National Development and Reform Commission.



7.3 Green Building Cases

The Company does not only make effort to minimize energy consumption and waste generation in the office, but also seeks other possibilities and opportunities in energy saving and emission reduction. New China Life Insurance Hefei Backup Center's construction design complies with green building standards. In the design, multiple schemes of structural and foundation design were thoroughly discussed and compared. The final selected design scheme considers both material efficiency and energy saving. The environmental-friendly design scheme eventually passed the Hefei Municipal Commission of Urban-Rural Development's review of building energy efficiency and green building programs.



Measures adopted to achieve environmental protection and energy saving



The overall layout and building orientation are conducive to natural lighting and ventilation;



The design incorporates solar energy and other renewable energy;



The design utilizes the efficiency of water usage, enhance the capacity of environmental water conservation, and reduce the consumption of water;



The construction and design save minimize usage of high energy consumption building materials and utilize the use of local materials to reduce transportation energy consumption;



In design and construction, thermal insulated wall materials and energy-efficient equipments were used to save energy and improve energy efficiency;



The design improves the condition of lighting and ventilation to reduce the energy consumption of lighting and ventilation;



In construction, the transition season is extended to reduce the energy consumption of air conditioning;



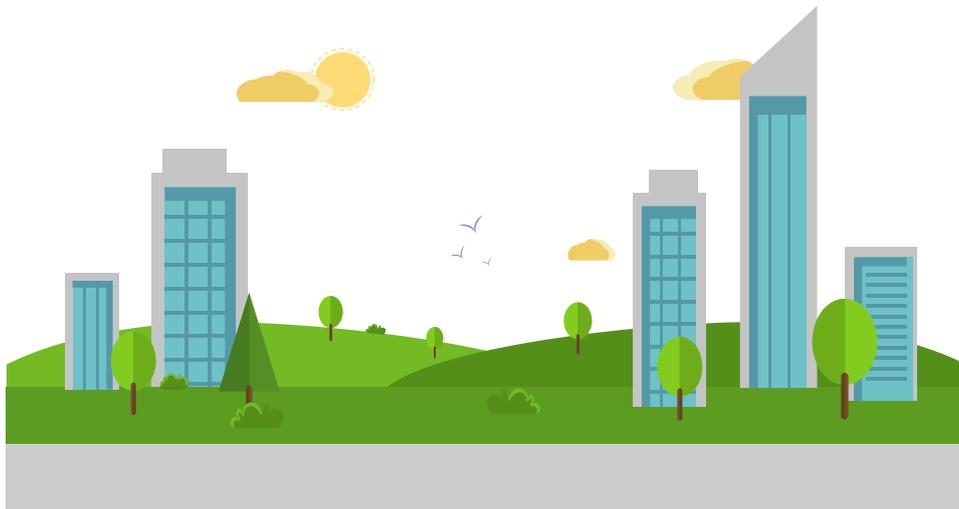
The construction team primarily uses mechanical and electrical equipment that are relatively low in energy consumption and strengthens the control system of the equipment to reduce energy consumption.



7.4 Participation of Environmental Activities

Danyang branch's "in Spring We Plant a Tree, in Autumn We Harvest Millions of Green" tree planting activity

On 12 March 2017, New China Life Insurance Danyang branch organized a tree planting activity that had a theme of "in Spring We Plant a Tree, in Autumn We Harvest Millions of Green". More than 30 employees took their children to this event, which built everyone's awareness in protecting the environment.



Heilongjiang branch's "Earth Day Hiking" activity

On 22 April 2017, a hiking activity with the theme of "Earth Day Hiking" was held in Harbin city. More than 300 Heilongjiang branch staff and customers participated in the activity to promote low carbon traveling and resources saving, and advocating environment-friendly living style. The activity had great social influence.



On 26 October 2017, New China Life Insurance volunteer's association in Shanxi, the branch's labor union and New China health care management team together arranged an event to care for sanitation workers. The event was held in Yongyang park in Shanxi High-tech District. In the event, volunteers helped sanitation workers to rake leaves in Yongyang park and pick up cigarette butts and trash.





Society

08



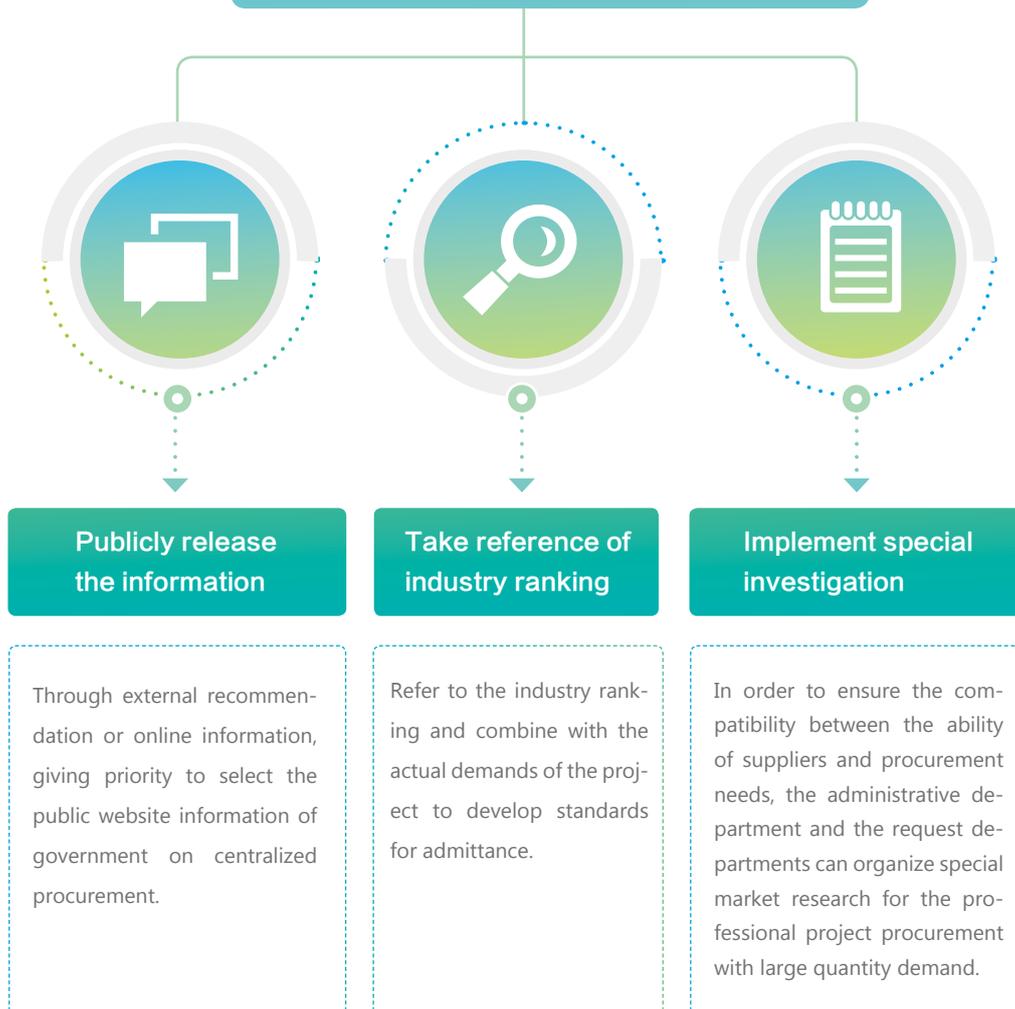
08 Society



8.1 Supply Chain Management

NCI has formulated the "New China Life Insurance Centralized Procurement Supplier Management Rules" which regulates the members of procurement team shall be selected from different departments, increasing the transparency during the procurement process and supervision. The procurement team members collectively research the supplier list and evaluation standard, and score separately to ensure that the procurement process is fair. The procurement plans and results of major projects shall be reported to the leadership of procurement team for collectively approval.

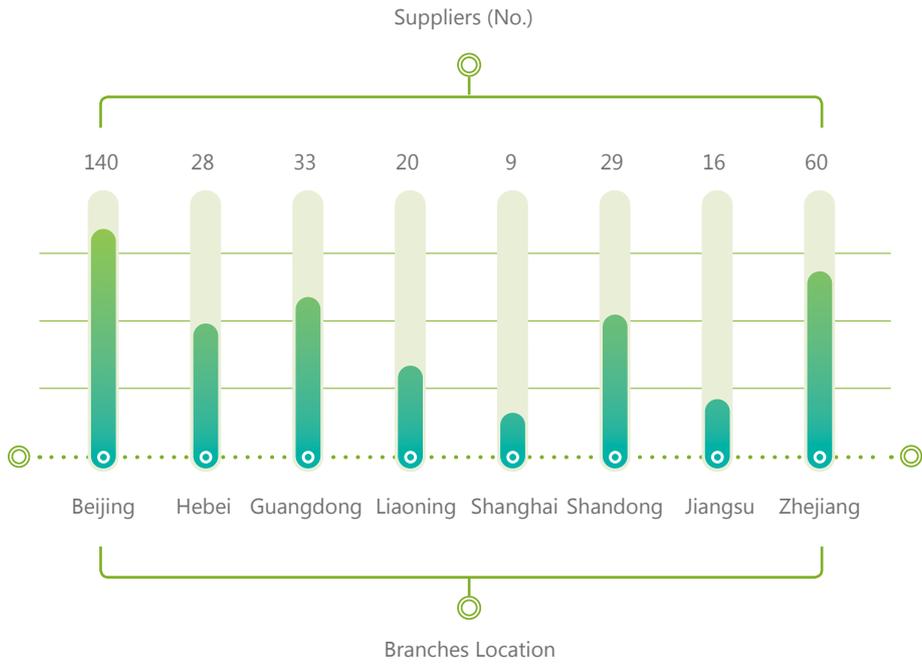
The initial screening processes for suppliers selection are as follows



After preliminary screening, we will give priority to suppliers that meet the requirements of environmental protection and pay attention to corporate social responsibility.

NCI promises to give priority to environmentally-certified products, and to reasonably investigate the measures and achievements of suppliers in environmental protection and energy saving and emission reduction. In addition, we would pay attention to the safety management level of suppliers during production and refer to the safety guarantee measures taken by suppliers in the production process and the social insurance for their employees. In 2017, the Company did not receive any complaint in terms of procurement.

NCI's suppliers of headquarters and part of branches in 2017 are shown as follows





8.2 The Community and Public Welfare

NCI proactively undertakes social responsibility and strives to contribute to society. We take advantages of the industry to help the disadvantaged groups, and is committed to implementing the guiding principles of 19th National Congress to exert the important role of the insurance institutions in poverty alleviation. In 2017, we have total dedicated 10,708,600 RMB in charity donation. And NCI were award the "Insurance Welfare Pioneer" in the "2017 List of Insurance Pioneer" held by the Investor Journal Weekly.



8.2.1 Targeted Poverty Alleviation

In 2016, NCI launched and founded the public welfare foundation (the "NCI Public Welfare Foundation"). With the platform, we join the public welfare undertakings of corporate social responsibility to achieve leaps and bounds.

In 2017, the NCI Public Welfare Foundation has implemented lots of initiatives in poverty alleviation, including developing industries, improving education, providing better healthcare, and supporting society, so as to providing strong insurance support for overcoming poverty alleviation in 2020 and building a moderately prosperous society.



*In this report, NCI has carried out statistics and disclosure work referred to Shanghai Stock Exchange "Listed Company's Targeted Poverty Alleviation Statistics Table". The Company will continue to improve the information statistics and disclosure of poverty alleviation.

The cases of NCI Public Welfare Foundation participated in targeted measures for poverty alleviation in various provinces and cities.

Case 1

"Sounds for Love, Going with Dream" —— New China Life Insurance and Ningxia Volunteer Association Jointly-organized Public Welfare Activities in schools

During July to August 2017, Ningxia branch and Ningxia Volunteers Association jointly-organized the public welfare activities with theme of "Sounds for Love, Going with Dreams" for poor students. To advocate the use of social resources through the idle books collection, arouse social attention to primary school students in poverty-stricken mountainous areas, Ningnan district, the practice of corporate social responsibility, practice corporate social responsibility. The activities were widely concerned by the public and NCI customers. Many children actively participated under the guidance of their parents. Total 7,684 books were collected in 2 months.

On 17 October 2017, as the 4th "National Poverty Alleviation Day" was coming, New China Life Insurance and Ningxia Volunteer Association jointly launched the donation ceremony of public welfare activities to Jiangtaobao Mingrong primary school in Xiji County, Guyuan City, Ningxia Province. On the donation ceremony, NCI donated 6,000 books, and 1,000 sets of all kinds of stationery to 10 poverty primary schools, nearly benefiting 1,000 students.



Total **7,684** books were collected in 2 months



Donated **6,000** books



1,000 sets of all kinds of stationery



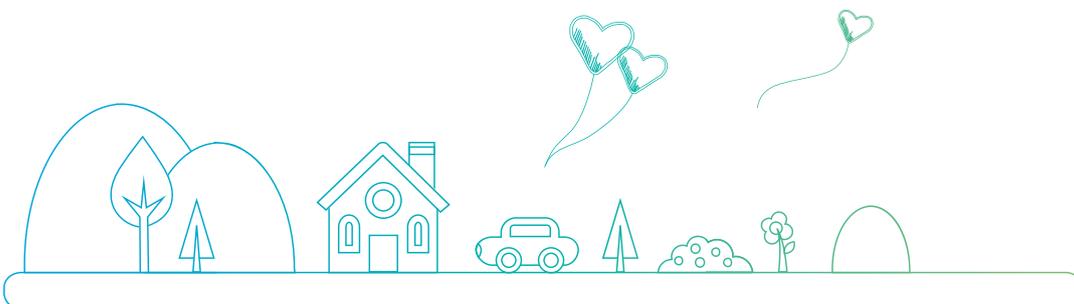
Nearly benefiting **1,000** students

Case 2

Yunnan Branch Complete the Undertaking Work of Insurance Protection Services for 100,000 Labor Forces Among Poor Families

Yunnan Branch and Yunnan Office of Poverty Alleviation and Development, and Yunnan Insurance Association jointly held the donation activity for 100,000 registered labor forces of Maguan county, Wenshan preference, Yunnan province, and Shidian county, Baoshan city. Provided a one-year based, RMB 500,000 coverage of accident injury insurance per person, and RMB 10,000 coverage critical illness insurance per person, a total of 600 million coverage undertaken by employee donation.

Since getting started on July 20, the project was supported by all employees across the company, from all sectors of society. During the process, holding the spirit of "Every insurance shall be sent to those who are really in need", we frequently communicated with the local government and carefully checked the list of underwriting lists, providing real guidance for poor families.



Case 3

"Light up Hope, Dream with Books" — New China Life Insurance donated 40,000 books to 20 primary schools in Yuxi

On 20 October 2017, Yunnan branch launched the poverty alleviation activities with theme of "Light Up Hope, Dream with Books". We selected 50 primary schools in poverty-stricken mountainous areas, proactively appealed all levels of institutions, employees and customers to donate books and established the love bookstore. This activity has been fully instructed and strongly supported by Yuxi Education Bureau. More than 1,000 employees and customers from Yuxi branch donated more than 40,000 books to build love bookstore to the 20 primary schools in the city.



More than **1,000** employees and customers from Yuxi branch donated more than **40,000** books to build love bookstore to the **20** primary schools in the city.

Case 4

"Targeted Poverty Alleviation, Brave to Take Responsibility" ——
NCI Public Welfare Foundation donated 1 million to poverty alleviation
demonstration project at Jiaxian County, Yulin City, Shanxi Province

On 7 November 2017, NCI Public Welfare Foundation donated 1 million to poverty alleviation projects of Hongzaoyang industry in Jixian County, Yulin City, Shanxi Province. Employees from Shanxi branch donated RMB 300,000. The poverty alleviation demonstration project of Hongzaoyang industry in Jixian county is the key project that Shanxi Insurance Regulatory Bureau and the insurance industry promoted. At this time, the donation from NCI Public Welfare Foundation would be used to build a traceability system for the poverty alleviation industry in the project. Through helping the livestock industry to transform and upgrade, we supported the region in improving industry and developing science and technology, so as to help people get rid of poverty.



NCI Public Welfare Foundation donated 1 million to poverty alleviation projects of Hongzaoyang
industry in Jixian County, Yulin City, Shanxi Province.

Employees from Shanxi branch donated RMB 300,000.

Case 5

Guangxi Branch Donated 9 million Coverage of Safety Insurance to Students from Duan Gu Liang Poverty Primary School

Guangxi Zhuang Autonomous Region, is the main target of national poverty alleviation. Guangxi branch has been committed to fully using the advantages of the insurance industry in improving education and providing better healthcare, so as to implementing the social responsibility in local area. In order to further boost Guangxi's poverty alleviation work, on November 9, 2017, Guangxi branch went to Gu Liang poverty primary school in Baoan village, Duan county, Hechi city, and implemented poverty condolences activities and donated student safety insurance to 180 poor students with total amount of 9 million coverage, as well as books, sports goods and teaching tools, which valued 4,000 RMB in total.



Donated safety insurance to 180 poor students with total amount of 9 million coverage, as well as books, sports goods, and teaching tools, which valued 4,000 RMB in total.

Case 6

New China Life Insurance Support "One insurance, One County" Go into Yuanzhou District, Guyuan City, Starting a New Phase of Poverty Alleviation in Ningxia

In order to implement the spirit of the "Decision of the CPC Central Committee and the State Council on Winning the Tough Battle against Poverty" and "Notice of the People's Government of the Autonomous Region Approved the Finance Bureau and Other Departments to Implement the Financial Boost of Poverty Alleviation Work Guidance", and to further improve the accuracy and effectiveness of financial poverty alleviation as well as make full use of the commercial insurance guarantee function, the NCI Ningxia branch and China Continent Insurance 's Ningxia branch, and yuanzhou district Government jointly held the signing ceremony of "One Insurance, One County" in River town central primary school, Yuanzhou District, Guyuan City, Ningxia Province on November 8.



1 Implement the financial boost of poverty alleviation work

2 Further improve the accuracy and effectiveness of financial poverty alleviation

3 Make full use of the commercial insurance guarantee function

Case 7

Ningxia Branch Donated Quilts for the Elderly and Boost the Targeted Poverty Alleviation via "One Insurance, One County"

On morning of November 17, Ningxia Hui Autonomous Region Bureau of Financial Work and NCI Ningxia branch investigated and expressed greetings to the poverty alleviation location of the Financial Bureau at Baiji Town, Haiyuan County. In order to get rid of poverty earlier, the Counterpart Assistance Unit Autonomous Region Bureau of Financial work implemented poverty alleviation respectively in developing industry, promoting finance and other aspects.

NCI boosted "One Insurance, One County" to go into Guzhou District, Guyuan City, starting a new phase of poverty alleviation in Ningxia Province. Ningxia branch donated quilts to 254 old people over 65-age in Baiji Village, Xian Town, Haiyuan County.



Ningxia branch donated quilts to **254** old people over **65**-age in Baiji Village, Xian Town, Haiyuan County.

Case 8 Xinjiang Branch Launched "Visit and Benefit" to Improve Rural Infrastructure

Ayakeku Leda Nishimura where is not far from the Tarim River in Xinjiang, is a drought and with plenty of sunshine area. The dust storm comes every spring and the economic development is lagged behind. Since the village was built in 1983, it is always dark during evening. A few sparkling stars are the brightest light on the village roads. This situation has lasted for 34 years.

On December 9, Xinjiang branch in town of gulbag Shaya County Ayakeku Leda Nishimura work team held the handover ceremony of "Brightening Project". After carefully coordination, planning, we decided to invested 50 thousand RMB to buy 71 solar street lights for the village, supporting Ayakeku Leda Nishimura's "Beautiful Country" construction. With the joint-efforts of the team workers and the villagers, it took two days to complete the installation of all street lamps. After commissioning, all street lamps worked normally, and the reliable street lamps finally lighted up the village's street.



After carefully coordination, planning, we decided to invested **50** thousand RMB to buy **71** solar street lights for the village.



Case 9

Jiangsu Branch's Yangzhou Sub-division Donated books to Warm Country Primary School

Since November 2017, NCI Jiangsu branch and Jiangsu Youth Development Foundation jointly launched the large public welfare activity "A Book for Love". NCI donated 100 thousands to Jiangsu Youth Development Foundation.



On 27 December 2017, there were more than 300 employees and customers from NCI Yangzhou branch went to Tu Qiao Primary School, Piaoxi Town, Yangzhou City, Jiangsu Province and donated more than 400 books to enrich the school library.



In future, NCI Public Welfare Foundation will continue to implement poverty alleviation in developing industry, improving education, providing better healthcare and supporting society, continuously contributing to poverty alleviation undertakings.



NCI donated **100** thousands to Jiangsu Youth Development Foundation.



Jiangsu Province and donated more than **400** books to enrich the school library.

8.3.2 Public Welfare Undertakings

In 2017, NCI performed well in caring vulnerable groups in society and helping poor people, especially via organizing and participating in large-scale public activities including "Caring For National Sanitation Workers" and "Jiangxi Province's Donation of Heroic Act Foundation" and other initiatives, which indicated the social responsibility implementation of a large enterprise.

Case 1 "Caring for Sanitation Workers in Nationwide" Public Welfare Activity

In August 2017, NCI Public Welfare Foundation launched the "Caring for Sanitation Workers in Nationwide", donated 100,000 coverage of accident injury insurance per person to more than 200 thousand sanitation workers in nationwide. On December 6, the first station of donation ceremony was held in Taiyuan City, Shanxi Province, and ended at Shenyang City. Within the 4 months, NCI's public welfare footprint has been gone through 17 large and medium-sized cities, including Taiyuan, Nanning, Yangjiang, Jinan, Xian, Yanqing, Hangzhou, Zhengzhou, Wuhan, Fuzhou, Changchun, Qitaihe, Nanchang, Huaibei, Wulanchabu, Nanjing and Shenyang, donating a total amount of more than 21.2 billion RMB coverage to more than 212 thousand of sanitation workers.



In 2017, NCI totally completed 4 cases of life accident insurance claims received from four sanitation workers from Yangjiang, Xi'an, Nanning and Qitaihe. The cumulative claims of four accidents was up to RMB 400,000, which provided a strong guarantee for sanitation workers.



Case 2 Donation to Jiangxi Province's Heroic Act Foundation

On 3 August 2017, NCI Public Welfare Foundation donated 3 million to Jiangxi Province's Heroic Act Foundation. This fund was used for recognition, rewards, condolences, pensions, grants and care and support activities for the heroic act members in Jiangxi Province. This is the first donation from NCI Public Welfare Foundation since establishment last year. The Chief Supervisor of NCI and the Chairman of NCI Public Welfare Foundation, Wang Chengran said,

- "The reason why the first donation was donated to the Jiangxi Province's Heroic Act Foundation is to firstly express the high respect to the traditional revolutionary areas and to contribute their own strength to the development of the traditional revolutionary base areas;
- Secondly, we hope to promote the development of heroic act, inherit and expand the heroic act spirit;
- Thirdly, we hope the donation funds can be better used, so that those courageous hero who really need help could be respected and treated well".



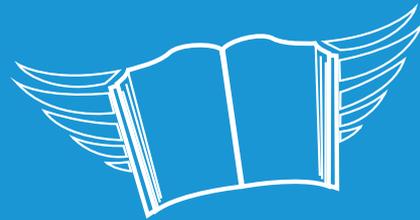
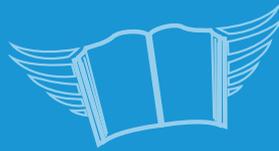
Case 3 Beijing Branch Fulfilled Children's "Reading Dreams"

On 28 September 2017, staff representatives of NCI and the left-behind children from GuangAi school held a reading workshop.

GuangAi school is a non-profit civil education charity which aims to help homeless children return to school, the school collected a total of more than 100 left-behind children. NCI has been implemented help activities in six consecutive years and cultivated deep relationships with children from GuangAi school.

NCI Beijing branch's employees went to GuangAi school and conducted a public consolation activity at Mid-Autumn Festival. We brought living and learning necessities with a sincere greeting and a meaningful reading action.

The school collected a total of
more than 100 left-behind
children.





Honors of the Company

09



09 Honors of the Company

January 2017

New China Life Insurance won the "Life Insurance Company in 2016" award in 10th Jin Chan Awards Selection organized by China Times.

February 2017

The Insurance Association of China issued the first "List of Insurance Pioneers in Poverty Alleviation". Our service of "Remote assurance services of disability compensation claims" stood out from over 200 candidates, won the Top 10 of "List of Insurance Pioneers in Poverty Alleviation Service", demonstrating the remarkable achievements and advanced experiences of poverty alleviation work in insurance industry.

12 March 2017

New China Life Insurance stood out in the fierce competition among more than 1,900 enterprises in the 3rd China Quality Trust Brand Forum held by the China Association for Quality Promotion with guidance from the General Administration of Quality Supervision, Inspection and Quarantine, and rewarded as winner of "Five-star Quality of Service Award" and "Excellent Demonstration Enterprise of National Quality Trust Brand" again, which was the only one insurance company that won two awards.



20 March 2017

The largest global communication services group, WPP and the leading research organization, Millward Brown, jointly published the "the BRANDZ™ Top 100 Most Valuable Chinese Brands". New China Life Insurance ranked 42th in the list with brand value of USD\$ 1.802 billion in 2017, entering top 50 in the list for consecutive four years.

Top **100** Most Valuable Chinese Brands

Insurance ranked **42th**

With brand value of USD\$
1.802 billion in 2017

Entering top **50** in the
list for consecutive four years



29 March 2017

New China Life Insurance was first awarded "A2" and "A" respectively in financial strength rating of insurance company by two international rating agencies the Moody's and the Fitch, which fully expressed the high recognition of our financial strength and management ability.



April 2017

The First Hong Kong Listed Company's Development Summit Forum and the 2016 "Hong Kong Stock Top 100" Award Ceremony was held in Hong Kong. New China Life Insurance was listed in the top 100 list of comprehensive strength and ranked 38th.



2016 "Hong Kong Stock Top 100" Award Ceremony

New China Life Insurance was listed in the top 100

List of comprehensive strength and ranked 38th

May 2017

New China Life Insurance ranked 369th in the list of Forbes the World's 2,000 Largest Public Companies 2017.



June 2017

World Brand Lab released the "China's 500 Most Valuable Brands 2017" list. New China Life Insurance ranked 87th, upgrading with three places compared with last year. We have ranked the top 100 for consecutive six years. The brand value reached RMB 37.935 billion, increasing about RMB 67 billion from last year, and nearly 25 times than that of the first entry in 2004. The annual compound growth rate of brand value in 13 years was around 28%.



New China Life Insurance ranked **87th**

Have ranked the top **100** for consecutive six years

The brand value reached RMB **37.935** billion

Increasing about RMB **67** billion from last year

The annual compound growth rate of brand value in 13 years was around **28** %

July 2017

New China Life Insurance ranked 497th in the list of " Fortune Global 500", and retained the double World Top 500.



7 July 2017

In "2017 China's Insurance Industry Innovation and Development Summit Forum" sponsored by National Business Daily, the "2017 China Insurance Billboard" initiated by the National Business Daily, China's Insurance Market Research Center of Central University of Finance and Economics, KPMG, and Deloitte Touche Tohmatsu was revealed. New China Life Insurance won the "Excellent Value Insurance Company" award.



New China Life Insurance won the "Excellent Value Insurance Company" award.

7 July 2017

The "2017 China Insurance Asset Management Annual Meeting" jointly sponsored by Securities Times and Insurance Asset Management Association of China took place in Beijing. New China Life Insurance was awarded "2017 The Ark Prize of Trustworthy Insurance Company"; New China Life Insurance Asset Management co., LTD. (hereinafter referred to as "New China Asset") was awarded the "Ark Prize of Trustworthy Insurance Asset Management Company" again.

20 July 2017

New China Life Insurance entered the list of "Fortune Global 500" for the second consecutive year and ranked the 497th place in the list.



September 2017

New China Life Insurance was reelected to the list of "Top 500 Chinese Enterprises in 2017" and ranked the 114th place, and ranked 51st place in the list of "Top 500 Chinese Service Enterprises".



October 2017

"New Wealth Era · Change Creates Prosperity – 2017 Summit of China Business Journal of Wealth Management" and China Business Wealth "Gold Amber" Awards Ceremony jointly sponsored by China Business Journal, Chinese Academy of Social Sciences, China Business Institution for Finance Research took place in Shanghai. "Healthy and worrisome critical disease insurance product" (C1) series stood out from many competing products and won the 2017 "Excellent Innovation Insurance Products" Award.

November 2017

China Insurance Culture and Brand Innovation Forum and the 12th China Insurance Innovation Awards Ceremony held in November 2017, New China Life Insurance won the 2017 "Top 10 China Insurance Charities" with a series of charity projects, such as "Caring for national sanitation workers project", and "Jiangxi province's donation of heroic act foundation". "Healthy and worriless critical disease insurance product" (C1) series won "The Best Health Insurance Product Award", and "Enjoy Golden Life Type A Life Annuity Insurance" (bonus) won the "Best Selling Insurance Product Award".



23 November 2017

In 2017 "The 9th Excellence Competitive Financial Summit" sponsored by the China Business Journal, New China Life Insurance won the award of "Life Insurance Company with excellent competitiveness" and "Winner of The Tripod Award" with the fruitful results of steady operation and transformation, and effort in undertaking social responsibility.

23 November 2017

In 2017 Financial Innovation and Development of Chinese Listed Companies Summit Forum and "Jin Zhi Award" Ceremony, New China Life Insurance won the "Jin Zhi Award" - 2017 China Listed Company Charity Action Award" with the "City is beautiful because of you, New China Life Insurance accompany with you - New China Life Insurance caring for national sanitation workers project", Jiangxi province's donation of heroic act foundation as well as insurance and poverty alleviation projects of Hongzaoyang industry donation in Jixian county, Yulin city, Shanxi province.

24 November 2017

China Insurance Regulatory Commission (CIRC) announced 2017 insurance company service evaluation rating. New China Life Insurance won the highest rating of "AA", and this is also the second consecutive year for New China Life Insurance to win the highest rating of CIRC service evaluation.

2 December 2017

In the 2017 Financial Value List released by China Business Network Co., Ltd., New China Life Insurance won the title of "Annual Insurance Company (Life Insurance)". New China Life Insurance is the only life insurance company that won the award.

7 December 2017

Entrusted by 21st Century Economic Herald and the Insurance Research Center of California State University in Fullerton, "2017 Asian Insurance Company Competitiveness Research Report" was published. New China Life Insurance listed among the top 10 Asian life insurance companies, and the top 5 China life insurance companies.

7 December 2017

New China Life Insurance "Healthy and woriless critical disease insurance product" (C1) won the "2017 Golden Financial Year Best Guarantee Insurance Product Award" in the 8th "Golden Finance" event hosted by the Shanghai Securities News.

8 December 2017

Economic Observer's 2016-2017 "China Excellent Financial Awards" ceremony was held in Beijing, and New China Life Insurance was awarded the "Annual Excellent Social Responsibility Insurance Company".

14 December 2017

New China Life Insurance "Healthy and worriless critical disease insurance product" (C1) won the "2017 Annual Trustworthy Guarantee Product Award" in 2017 Annual Insurance Pioneer Forum and Awards Ceremony sponsored by International Finance News.

22 December 2017

Financial Times awarded New China Life Insurance the "2017 China Financial Institution Gold Medal-Golden Dragon Award".



25 December 2017

Investor Journal Weekly launched the "2017 List of Insurance Pioneer" eight awards through deep research on the data of Insurance companies. The awards are meant to encourage companies to explore the main vein of the industry, to continuously provide high-quality products and good services for customers, and to actively give back to the society. New China Life Insurance won the award of "Insurance Welfare Pioneer".



Future Outlook

10



10 Future Outlook

So far, China's economy has shifted from the phase of rapid growth to the period of high-quality development. Currently, China's economy is in a crucial phase of transforming the development methods, optimizing the economic structure, and shifting the growth momentum. In order to increase the quality development and efficiency, the future of life insurance industry is expected to achieve three aspects of change: Firstly, transforming the development methods—from promote wholesale transfer to renewal drove. Secondly, shifting the growth momentum—from finance-management products to pension and health-based products; Thirdly, changing the competition pattern. As a large-scale listed company whose main business is life insurance, New China Life Insurance actively follows the direction of national development, initiates transformation ahead of the market and builds a solid foundation for achieving high-quality development.





Content Index

11



11 Content Index

1、The Stock Exchange of Hong Kong Ltd "Environment, Social and Governance Report" Index

Environmental			
Items	Descriptions	Reference Pages	
Aspect A1: Emissions			
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste</p>	P49	
Comply or Explain	A1.1	The types of emissions and respective emissions data	P53-P54
	A1.2	Greenhouse gas emissions in total and, where appropriate, intensity	P54
	A1.3	Total hazardous waste produced and, where appropriate, intensity	P54
	A1.4	Total non-hazardous waste produced and, where appropriate, intensity	P53
	A1.5	Description of measures to mitigate emissions and results achieved	P49-P52
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	P49-P52

Aspect A2: Use of Resources			
General Disclosure		Policies on the efficient use of resources	P49
Comply or Explain	A2.1	Direct and/or indirect energy consumption by type in total and intensity	P53
	A2.2	Water consumption in total and intensity	P53
	A2.3	Description of energy use efficiency initiatives and results achieved	P49-P52
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	P50-P51
	A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced	Not applicable
Aspect A3: Environmental and Natural Resources			
General Disclosure		Policies on minimizing the issuer's significant impact on the environment and natural resources	P49-P52
Comply or Explain	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	P55-P57

B.Social			
Items		Descriptions	Reference Pages
Aspect B1: Employment			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	P33-P38
Recommended Disclosures	B1.1	Total workforce by gender, employment type, age group and geographical region	P33-P38
	B1.2	Employee turnover rate by gender, age group, and geographical region	P33-P38
Aspect B2: Health and Safety			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	P47

Recommended Disclosures	B2.1	Number and rate of work-related fatalities	P47
	B2.2	Lost days due to work injury	P47
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	P47
Aspect B3: Development and Training			
General Disclosure		Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	P45-P46
Recommended Disclosures	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	P45-P46
	B3.2	The average training hours completed per employee by gender and employee category	P45-P46
Aspect B4: Labour Standards			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor	P33
Recommended Disclosures	B4.1	Description of measures to review employment practices to avoid child and forced labor	P33
	B4.2	Description of steps taken to eliminate such practices when discovered	P33
Aspect B5: Supply Chain Management			
General Disclosure		Policies on managing environmental and social risks of the supply chain	P59-P60
Recommended Disclosures	B5.1	Number of Suppliers by geographical region	P59-P60
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	P59-P60
Aspect B6: Product Responsibility			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	P19-P25
Recommended Disclosures	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	P19-P25
	B6.2	Number of products and service related complaints received and how they are dealt with	P19-P25
	B6.3	Description of practices relating to observing and protecting intellectual property rights	P19-P25

Recommended Disclosures	B6.4	Description of quality assurance process and recall procedures	P19-P25
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	P19-P25
Aspect B7: Product Responsibility			
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	P28-P30
Recommended Disclosures	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	P28-P30
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	P28-P30
Aspect B8: Community Investment			
General Disclosure		Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	P61-P79
Recommended Disclosures	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport)	P61-P79
	B8.2	Resources contributed (e.g. money or time) to the focus area	P61-P79

2、China Securities Regulatory Commission - Standards for the Contents and Formats of Information Disclosure by Companies Offering Securities to the Public No.2 – Contents and Formats of Annual Reports (2017 Revision)

Requirements	Reference pages
No.43 - Encourage companies to develop all kinds of precise poverty alleviation considering its own production and operation, strategic development plan, talents and resources advantage, and actively disclose the specific performance on implementation of social responsibilities in poverty alleviation during the reporting period.	
Poverty alleviation plan: includes its fundamental strategy, the overall objectives, main tasks, and guarantee measures of poverty alleviation.	P62
Annual summary of poverty alleviation: includes the overall accomplishment and achievements of poverty alleviation during the reporting period. If the poverty alleviation plan is not accomplished, the reasons and follow-up improvement measures shall be provided.	P63-P75
Results of poverty alleviation: respectively disclose the results of industrial development, employment transfer, education poverty alleviation, health poverty alleviation, ecological protection poverty alleviation, miscellaneous guarantee social poverty alleviation and etc. during the reporting period.	P63-P75

Follow-up poverty alleviation plan: According to its long-term business strategy and poverty alleviation plan, disclose the poverty alleviation plan for next year, and the main measures which could guarantee the achievement of the plan.	P62
No.44 - Companies which are out of key units discharging pollutants may disclose its environmental information with reference to following requirements. Otherwise, the reasons should be fully explained.	
Discharging information: includes but not limited to the names, the discharging method, the number and distribution of discharging ports, the concentration and total amount of pollutants, excess emissions, emission standards and approved total emissions of the main pollutants and the particular pollutants.	Not applicable
The construction and operating conditions of pollution control facilities	Not applicable
Environmental impact assessment and other administrative licenses of environmental protection of construction projects	Not applicable
Environmental emergency plan	Not applicable
Environmental self-monitoring program	Not applicable
Other environmental information which shall be disclosed	P49-P57

3、Shanghai Stock Exchange – Guidelines on Preparation of Report on Company's Fulfillment of Social Responsibilities

Requirements	Reference pages
Promotion of social sustainability development	
To protect employees' health and safety	P47
To protect and support the community	P61-P79
To check the quality of products	P19-P25
Promotion of environmental and ecological sustainability development	
How to prevent and reduce pollution	P49-P52
How to protect water resources and energy	P49-P52
How to ensure that the area is suitable for living	Not applicable
How to protect and improve biodiversity in the area	Not applicable
Promotion of economic sustainability development	
How to create values for customers through its products and services	P19-P25
How to bring higher economic returns for its shareholders	P36-P30
How to create better job opportunities and future development for employees	P45-P46

The logo for the New China Life Insurance Company's customer service line, featuring the number '95567' in a stylized, rounded font. The '9' is a dark teal color, while the '5567' is a lighter teal. A small green leaf-like shape is positioned to the left of the '9'.

全国统一客服电话

www.newchinalife.com

新华人寿保险股份有限公司
NEW CHINA LIFE INSURANCE CO., LTD.

总公司行政管理部监制 2018年3月

北京市朝阳区建国门外大街甲12号新华保险大厦
New China Insurance Tower, A12 Jianguomenwai
Avenue, Chaoyang District, Beijing 100022, P.R.C
Tel:+86 10 85210000 Fax:+86 10 85210101
www.newchinalife.com