



NEW CHINA LIFE INSURANCE COMPANY LTD.
Corporate Social Responsibility Report 2019

About This Report

Reporting Scope

New China Life Insurance Company Ltd. has been preparing Corporate Social Responsibility (hereinafter "CSR") Report for consecutive 10 years since 2010. Unless otherwise stated, the reporting scope of the Report covers New China Life Insurance Company Ltd. (hereinafter "NCI", the "Company" or "We") and its subsidiaries.

Reporting period: unless otherwise stated, the reporting period is from January 1, 2019 to December 31, 2019.

Releasing frequency: annually.

Reporting Framework

The Report is prepared with reference to 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) issued by China Securities Regulatory Commission ("CSRC"), Notice on Strengthening Listed Companies' Assumption of Social Responsibility and the Issuance of <Guidelines on Listed Companies' Environmental Information Disclosure>, Guidelines on Listed Companies' Environmental Information Disclosure and Guidelines on Preparation of Report on Company's Fulfilment of Social Responsibilities (Appendix 2 to Memorandum on the Annual Reports of Listed Companies in 2009, No.1) issued by Shanghai Stock Exchange ("SSE"), Guiding Opinions on the Insurance Sector's Implementation of Social Responsibility, China Academy of Social Sciences – Guideline to the Compilation of China Corporate Social Responsibility Report (CASS-CSR4.0) issued by Former China Insurance Regulatory Commission ("CIRC"), now the China Banking and Insurance Regulatory Commission ("CBIRC"), Environmental, Social and Governance Reporting Guide ("ESG Reporting Guide")(Appendix 27 to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) issued by Stock Exchange of Hong Kong Limited ("SEHK").

Disclaimer

The Report is prepared in three languages: simplified Chinese, traditional Chinese and English. In the case of discrepancy, the simplified Chinese version shall prevail. Electronic version of this report is available for access and download from official websites of NCI, SSE and SEHK.

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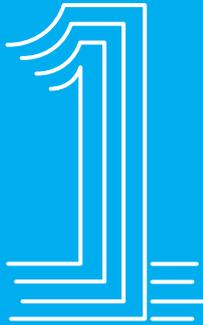
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CHAIRMAN'S STATEMENT

Dear shareholders:

The year 2019 marks the 23rd anniversary of the founding of New China Life. This year witnessed steady economic operation and a more expanded supply-side structural reform in the financial industry in China. This year also saw smooth transition in term of office of the board of directors of the Company (the "Board"), and hard-won business performance under the joint efforts of the Board, senior management and all staff.

As China's economy is shifting from high-speed growth to high-quality development, the imbalance and maladjustment between financial supply and demand are becoming increasingly prominent. The insurance industry is facing multiple challenges in development. Standing at the new historical position, the Company will rise to the challenges, seize opportunities and strive to achieve high-quality development goals.

Staying committed to the essence of insurance and maintaining strategic focus. The Company has established the development philosophy of making life insurance as the core business, sticking to the protection function of insurance, returning to the essence of insurance and focusing on core business since its listing. For years, NCI has remained true to its development vision and strived to forge an outstanding financial service group in China devoted to all-round life insurance services. The strategic direction remained unchanged. In 2020, the Company will accelerate business innovation, enrich product supply and improve service quality, empower traditional business through fintech and continuously optimize customers' experience to meet the diversified insurance needs of different groups.

Sticking to the market-oriented mechanism and deepening mechanism reform. During the course of over twenty-year development, NCI has fostered a corporate culture with its own

characteristics, featuring the enterprising spirit which makes the Company face the market competition without fear and maintain strong development willingness. In 2020, the Company will follow the rule of enterprise development and stay committed to the market-oriented mechanism to forge a corporate governance mechanism with clear responsibilities and coordinated operation as well as build a corporate operation mechanism with effective incentive and strong restriction to further unleash its development momentum and vitality.

Keeping the bottom line of risk control and building a solid foundation for the Company. Effective risk control is a guarantee and a foundation for sustained development. In 2020, the Company will continue to adopt a prudent and sound operation philosophy to constantly improve comprehensive risk management system and enhance risk management capability. The Company will strengthen the awareness of risk control and compliance to forestall major risk events.

At the beginning of 2020, the sudden outbreak of COVID-19 disrupted the development pace of China's economy and insurance industry. Every NCI staff has done his/her part in the fight against COVID-19. However, the short-term adverse effects will not change the positive long-term trend of China's economy. The public will have personal experience of the importance of health and protection with greater awareness of insurance products after the fierce battle with the virus. The Company will seize the development opportunity, conform to the industry trend, meet the customers' demands, blaze a trail for high-quality development with its own characteristics, contribute value to shareholders and fulfill its social responsibilities.

Chairman

LIU Haoling

25 March 2020





CEO'S STATEMENT

Dear shareholders,

The year 2020 is destined to be an extraordinary year.

At the beginning of the year, COVID-19 unexpectedly swept across the country with rapid pace and strong momentum. The life insurance industry also underwent huge short-term impacts. I kept thinking about the following questions during the pandemic. What must NCI do now and in the future? What is NCI's responsibility? And whether could NCI do better? NCI has relentlessly contributed efforts during this challenging period, including proactively protecting staff from the pandemic, immediately donating insurance to frontline medical personnel in the first place, expanding the coverage of insurance products, simplifying operational process and procedures to provide more convenient services to customers, etc. However, this is far from enough in battling against such an emergency. Life insurance, related to birth, aging, illness and death, shall improve people's resilience to disasters and diseases, manage family assets to cope with emergencies, improve the old-age care, actively respond to the management of national public affairs, and shall be integrated into the national development to shoulder its social responsibility and help citizens keep physical health, family security and feel at ease in emergencies. Only by accelerating scientific development and improving service quality can NCI benefit the society and serve the country.

When I took office with the new management team in 2019, various questions were raised. Why did NCI's development in the past two years diverge from its blueprint? Why did NCI not actively expand its business and service scope as a large-scale life insurance company? Where did the meritorious NCI Iron Army go? NCI seemed like a war horse struggling onwards with great burden. Though it has a highly-experienced professional management team and hundreds

of thousands of dedicated agents, the Company still faces a series of issues. Business growth is lower than that of peers, team size fails to expand for years, resources allocation deviates from the market and internal management coordination is insufficient, etc. The intensifying market competition highlights these problems, resulting in the performance which seems to be somewhat "unable to run".

It is not NCI's feature to ignore issues and situation. The pandemic brings us crisis as well as breeds opportunities and hopes. The legacy issues that the Company faces could also be transformed into a source of power to run again should NCI take a more holistic and broader view on future development with commitments.

I. Review 2019

2019 is a year to identify issues.

This year has seen intensifying market competition and NCI was in transition for half a year. In the face of challenges, the new management team conducted intensive research, identified and unravelled out problems and solved the pain points within only tens of days after taking office. The Company held two strategic seminars, revised and issued a series of policies to support sales team, reached consensus from the top down to focus on business development. The key is to make all management personnel at all levels develop a "problem-oriented and efficient" approach of work.

Team development orientation. The Company has established a business strategy of "team expanding before business growth". The organizational development activity "Winning in NCI" was launched last year. The number of sales agent, as a result, hit 500,000, nearly growing by 40% as compared to the same period of last year and accomplishing the development goal that failed to be achieved for many years. The basic law for agents was revised, which greatly



improved the retention of new agents and provided adequate agents for business growth in 2020.

Customer demands orientation. Health insurance and annuity insurance have been established as the two wings to fully protect the health and wealth of customers. The Company constantly improved the health insurance products and provided a variety of riders to meet the protection needs of customers. Meanwhile, assets and liabilities were coordinated to meet customers' demands for mid-term and long-term savings and asset allocation.

Management efficiency orientation. Given the market response was not sensitive enough and the management chain was too long, the Company pushed forward the reform of the individual insurance channel, integrated marketing, renewal premiums collection, training and other resources to build a large individual insurance marketing system. The Company set up four sales regions in the east, west, north and south China and enabled each region to make full use of their respective advantages to reduce the management scope of the headquarters and to enhance policy execution and market acumen.

In response to a series of issues hindering NCI's development, the management team has begun to tackle them one by one. The Company has started to improve IT research and development capabilities through cooperation with famous IT companies and optimize the management of existing subsidiaries to promote coordination, etc. But objectively speaking, it is impossible to solve all historical problems at once, and it will take some time.

Through the painstaking efforts of the whole Company, NCI achieved a new breakthrough in its comprehensive strength in 2019. The Company realized gross written premiums of RMB138,131 million, increasing by 13.0% year on year. For the first time, the total assets exceeded RMB800,000 million, and the net profit attributable to shareholders of the Company reached RMB14,559 million, representing a significant increase of 83.8% year on year. In 2019, NCI Iron Army "persevered despite all kinds of hardships" and took the strong first step on the way forward.

II. Focus, Broaden and Change

Point-to-point problem solving is the starting point and even the simplest step for NCI to take off again. Pinpointing the right direction and the right approach and pressing ahead unswervingly are vital to achieve development.

Life insurance has always centered on "focusing" and "broadening"

which have been developing harmoniously under the drive of the "revolution" of the times.

"Focus" on the basic function and return to the essence of insurance.

First, persevere with the core function of life insurance. The risk management attribute of life insurance determines that it has stronger ability to cross the cycle. The development of life insurance companies is based on the stable and continuous expansion of risk prevention and long-term saving businesses and the establishment of a sound investment system. Second, respect the operating mechanism of life insurance. Starting from long term operation and the basic profit model of life insurance business, life insurance companies shall balance business development, cost-effectiveness and capital demand as well as strengthen risk control. Third, deepen the asset and liability management. The huge amount of existing funds and increasing incremental funds in the life insurance industry will test company's investment ability for a long time to come, and the asset liability matching will encounter more prominent difficulties and contradictions. The bilateral integration and benign interaction of assets and liabilities is the key and reflection of capabilities for the operation and management of life insurance. Fourth, stabilize the foundation of business development. "Team, products and services" lay foundations for business operation in the life insurance. Business development largely relies on relatively flexible product strategy, continuously improving service quality and constantly progressive sales team.

"Broaden" the service scope and return to people-oriented.

At present, the insurers interact with customers mainly through underwriting and claim settlement. But the essence of life insurance is people. The individuals and families have rigid and long-term demands for old-age care, health, medical care and wealth management covering the whole life cycle. Besides rigid demands, the growing affluent population still have diversified demands in the areas mentioned above. Life insurance could precisely meet these demands in terms of fund feature, distribution network, product offering, service team, etc. This also represents a very important function extension of life insurance in nowadays, which has returned to people-oriented.

"Change" to adapt to the trend of the times and promote high-quality development.

The first is technological change. New technologies have spawned a large number of new products, tools and even new industries. Data have become the most significant infrastructure for development now and in the future. Technology empowerment has been lifted to the

national strategy. How does modern science & technology integrate with traditional insurance? Three aspects are worth pondering from my perspective: take advantage of science & technology in marketing and management as the supporting tools; gradually explore digital brand in response to the digitalizing trend; realize comprehensive operation through digitalizing management of customers.

The second is structural change. On the one hand, the change of customer structure is an important variable. The rising affluent class has more vigorous demands for health protection and wealth management and the growing silver-haired class continues to have more rigid demands for old-age care and health care. Meanwhile, there is a widening protection gap and a more diversified purchasing behavior among the growing young group. On the other hand, the change of team structure is the challenge that we are about to face. Increase the proportion of young agents and the proportion of long-term retained agents, and promote to apply scientific and technological tools are the internal pressures that NCI will face for a long time to come.

The third is competition change. The industry has changed its vision. The industry has seen competition of strategy and resources elevate to competition of situation judgment, strategic focus and management wisdom. As China continues to open up to the outside world, the global sophisticated experience and resources also join the competition. While the life insurance market experiences common development because of existing growth drivers, the competition gap will gradually become too wide to be reversed. There is not much time left for us to foster competitive advantages.

Based on this, NCI has established a "1+2+1" strategy with life insurance business as the main body, wealth management, health and old-age care as the two wings, and technology empowerment as the support. NCI adhered to the essence of life insurance, actively extended the function of life insurance, proactively embraced the changes of the era, maintained the strategic direction unshakable, strengthened the strategy execution and built its core capabilities and unique advantages for the future.

III. Outlook 2020

2020 is a year to forge ahead.

The pandemic has affected the performance of the industry in the short term. For years, the first quarter was the high-performing period of the year for insurance companies. But this year's offline business was almost stagnant and organizational development was

difficult due to the pandemic. However, online business has made a breakthrough at the fastest pace and the top-down strain capacity and execution of the life insurance industry have been greatly improved.

The pandemic has changed people's views on life and health. The public will cherish a stable and happy life with greater attention to personal health and hygiene. Just as the pandemic has pushed for an amendment to the wildlife protection law, many bad habits will be discarded and a healthy and civilized China will become a consensus.

The pandemic has changed people's perception of risks. The public's awareness of risks will increase significantly. Especially, the middle class has begun to carefully examine family risk exposure, which is of far-reaching significance to the development of the industry. How to better meet customers' risk prevention needs and offer protection services is worth pondering.

The pandemic has changed people's impression of the insurance industry. People will understand the basic mode of life insurance, understand the logic behind insurance products and the information conveyed by the insurance industry without prejudice.

This pandemic will not change the tide of the golden age of the insurance industry. China is still in an important period of strategic opportunities for development. With the accumulation of wealth and the enhancement of risk awareness of the public, the insurance industry still enjoys broad development space. The insurance industry will play a more vital role in the national strategy.

The pandemic will not change NCI's determination and pace to achieve a second take-off. The key to success often rests upon execution. The fluctuation of short-term performance won't waver in the strategic choice. The Company will "draw a blueprint to the end", and move forward step by step according to the established strategy.

The pandemic will not change NCI's confidence and determination to reach its 2020 business target. Though facing much pressure in reaching the target at this point, the Company will surely accomplish what it set in spite of all hardships. The confidence comes from NCI's branches and sales team who can fight a hard battle, and from NCI's professional management team.

The ice is broken, time waits for no man, and NCI will sail with all strength.

Chief Executive Officer & President

LI Quan

25 March 2020



About Us

Business Overview

NCI is a large and nationwide life insurance company founded in September 1996 and headquartered in Beijing. With its nationwide distribution networks and diversified sales channels, NCI has provided comprehensive life insurance products and services to 32.662 million individual customers and 860,000 institutional customers, and manages and utilises insurance funds through its subsidiary assets management company and assets management company (Hong Kong). In 2011, NCI was simultaneously listed on both the Hong Kong Stock Exchange and the Shanghai Stock Exchange.



RMB **138,131** million

In 2019, the Company realized insurance business income of RMB138,131 million

RMB **878,970** million

Total assets reached RMB878,970 million

336
among Forbes Global 2000

Listed in the Forbes Global 2000 for 6 consecutive years, moving up **66** spots.

Development Strategy

Came up with the development model of "dual drivers by assets and debts, and comprehensive development of scale value". The life insurance business is taken as the main body, wealth management and health care and old age care as two wings, and technology empowerment as the support. Thus a "1+2+1" strategy is formed, and a coordinated development model gradually comes into being, contributing to a development pattern with NCI's features and lasting vigor.



CSR Concept and Strategy

NCI continuously and actively performs social responsibilities, executes its major functions in providing insurance protection, and emphasises on stakeholders' interests. These include creating stable and sustainable returns for shareholders, providing clients with guaranteed protection of well-being, building a development platform for employees, advocating low-carbon and environmental protection to reduce impacts on environment, and actively carrying out public welfare activities and social contributions to sustain a positive brand image, in order to enhance corporate value and fulfil social responsibilities.

CSR Governance and Management Structure

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Stakeholder Communication

Through multi-channel communications with all stakeholders, we actively gain an understanding of their expectations and requirements of CSR, identify inadequacies in the CSR fields and continuously develop, complete and improve management capabilities in CSR, for the purpose of fulfilling basic social responsibilities while satisfying stakeholders' interests.

Considering the business and operation characteristics and experience and best practices of domestic and foreign fellow companies, NCI has classified major stakeholders into client, employee, shareholders and investors, government and supervision authority, supplier, partners, community and the public. We actively communicate with these key stakeholders through channels such as websites, meetings, reports in all forms and activities.

Stakeholders	Primary Expectation	Main Communication and Response
Client	<ul style="list-style-type: none"> Protection of consumers' rights and interests Product innovation Quality of service Information security 	Hotline 95567, routine communications, interactions on WeChat and Weibo, "Customers Services Festival", etc.
Employee	<ul style="list-style-type: none"> Employees' rights and interests Work and life balance Health and safety Career development 	Congress of Employee, training and activities, NCI Mobile application and NCI official WeChat account
Shareholders and Investors	<ul style="list-style-type: none"> Profitability Compliance operation Transparency of information disclosure 	Annual reports, interim reports and announcements, shareholders' general meeting and investors meeting
Government & Supervision Authority	<ul style="list-style-type: none"> Compliance operation Transparency of information disclosure Integrity construction 	Daily communication and reports, significant meetings, policy consulting, events reporting, institutions investigations and information disclosure, etc.
Supplier	<ul style="list-style-type: none"> Fair cooperation Supplier management Integrity and performance 	Procurement activities and field visits
Partners	<ul style="list-style-type: none"> Further cooperation Integrity and performance Joint development 	Strategic cooperation, communications and interactions, etc.
Community and the Public	<ul style="list-style-type: none"> Community relations Employment promotion Community investment and public welfare activities 	Public welfare activities, community interactions, company recruitment publicity campaigns, press conference and media open day

Stakeholders Engagement and Materiality Analysis

In 2019, we conducted a special survey on CSR material topics and 12,631 responses to our survey questionnaires from communications with stakeholders were received. We have performed substantive analysis on ESG topics in 11 aspects according to the ESG Reporting Guide issued by SEHK, and the materiality assessment results on the key topics are summarized in the table below. Material topics identified include "Information Security", "Customers' Rights and Interests", "Technology Empowerment", "Employees' Rights and Interests", "Anti-corruption", "Employee Health and Safety", "Employee Training and Development" and "Social Welfare"; related topics include "Emissions", "Use of Resources", "Environment and Natural Resources", "Green Office", "Labour Standards", "Supply Chain Management" and "Intellectual Property Protection". The topics are discussed in details in this report.



Environment	Operation		Talent
Emissions	Supply chain management	Intellectual properties	Employees' rights and interests
Use of resources	Technology empowerment	Anti-corruption	Employee health and safety
Environment and natural resources	Information security	Community investment	Employee training and development
Green office	Consumers' rights and interests protection		Force labor



Steady and Compliance Operation

Compliance operation serves as the fundamental premise for the development of Company steadily. We highly emphasize on compliance operation to ensure sustainable development by implementing multiple measures, including sound anti-corruption system establishment, money laundering risks management improvement, supply chain management regulation, consumer's rights and interests' protection system improvement and intellectual property management policies implementation.

Strengthening Risk Control Management

The Company adheres to the value-oriented, internal control as the core basis, combining quantitative and qualitative, promotes the construction of a comprehensive risk management system, realizes the professional operation of risk management, and ensures effective risk management to provide an important basis for the decision making of the board of directors and the executive committee. Based on the company's overall strategic goals, considering each stakeholder's expectations, the company developed to ensure that capital, value, profitability, liquidity balance each other, followed the laws and regulations, established effective risk controlled operations and maintained company's reputation and good brand image, to realize the goal of having a healthy and sustainable development in the Company's risk strategy.

During the reporting period, the company steadily promoted the construction of risk management system and process. It continued to improve the risk management system by strengthening the construction of the risk management process and comprehensive risk rating data reporting process, strengthening standardization and specialization of the control process for compliance risk, standardizing reporting process for emergency information, and thus building a good foundation for realizing the sustainable development of the company.

Promoting Integrity

The Company has always adhered to promoting and enhancing its anti-corruption system, which is fundamental and penetrated in all aspects of our operations. These involved all aspects of restrictions and monitoring, and continuously promoting the construction of the Party's integrity system and measures.

Institutional Contraction

We strictly comply with Company Law of the Peoples Republic of China, Insurance Law of the People's Republic of China, and Guidelines on Risk Management of Insurance Companies (Trial), and other relevant laws and regulations. On the basis of New China Life Insurance Company Ltd. Non-compliance Behaviors Accountability Management, the New China Life Insurance Company Ltd. Accountability Follow-up Management, Rules of Procedure for Discipline Inspection Committee (Trial), Duty Performance Policies for Members of Discipline Inspection Committee (Trial), Provisions on Replying to Party Integrity Opinions for Discipline Inspection Committee (Trial), Regulations on Issues and Clues Handling and Management, and other policies, we strengthen our supervision and enforce accountability so as to create an integrated environment and a solid foundation for the Company to achieve more successes.

To optimize the supervision and regulation system, promote integrity, enhance supervision on leader's team, leaders, and key positions, we further specified key responsibilities for integrity construction by organizing conference of discipline inspection and supervision system for implementation, reinforcing "One Position with Dual Responsibilities". We required leaders from all units to sign the Letter of Responsibility for Clean Party Construction, with the aim of stressing integrity and their obligations in fulfilling duties at all layers.

Special Inspection

To further prevent integrity risks and avoid conflict of interests, we conducted special inspection on two topics around "Cadres Part-time Run the Business" and "Organizational Suppliers Screening". The Company performed the whole inspection process through means of self-assessment, spot check and result summary reporting. Issues identified from the inspection were evaluated with rectification actions to be implemented for further system improvement, management regulation and risks prevention.

Integrity Education

The Company designed education activities focusing on integrity ethics to promote anti-corruption throughout the year, and organized various activities and forms of Party integrity education, such as integrity-related knowledge tests, revolutionary and traditional education training courses, and books recommendation.



Promoting Integrity

We also took full advantages of official account "NCI with Integrity" via WeChat, intranet, departmental website, NCI Party Construction, Discipline Inspection Updates, and other media to interpret anti-corruption regulations, promote positive examples, and strengthen demonstration education. Pre-holiday notices were issued, like New Year, Spring Festival, International Labour Day, Dragon Boat Festival, National Day, and Mid-Autumn Festival, to strictly prevent "Festival Corruption", to promote the awareness of discipline and rules, and to reinforce the defensive line of anti-corruption morality. WeChat official account "NCI with Integrity" published 503 articles during the reporting period, 94 of which were original articles. In addition, anti-corruption and integrity forum on our official website published 555 articles related to anti-corruption.



503

WeChat official account of "Integrity NCI" issued a total of 503 articles during this year.

555

Anti-corruption and integrity forum on our official website published 555 articles related to anti-corruption



Discipline Inspection

NCI maintains a tough stance on corruption punishment and ensures complaint-reporting channels, such as letter, mail, phone call, and on-site visit. We standardize discipline inspection procedures, strictly address non-compliance cases, and take corresponding measures for whistle-blowers to protect their safety and rights. The Company prohibits any behavioural acts of retaliation against the whistle-blower by department nor individual. Severe disciplinary actions are imposed on any cases of identified intentional or unintentional behavioural acts of retaliation against the whistle-blowers and/or their close relatives. If such an act of retaliation constitute a criminal offence, legal proceeding with the judicial authorities is executed. In 2019, NCI received 31 complaint letters, and all reported clues from these complaints were thoroughly investigated and verified by relevant departments with 100% disposal rate.

Preventing Money Laundering Risks

NCI strictly complies with Anti-Money Laundering Law of the People's Republic of China and Provisions on Anti-money Laundering through Financial Institutions. In May 2019, we further improved the anti-money laundering system on the basis of our business characteristics and in accordance with Guidelines for the Management of Money Laundering and Terrorist Financing Risks of Corporate Financial Institutions (Trial) (Yin Fan Xi Fa [2018] No. 19) issued by People's Bank of China ("PBOC"). We also revised Measures for the Management of Anti-Money Laundering of New China Life Insurance Company Ltd. (2019 Version) which provide more specific provisions on establishing sound anti-money laundering management system on anti-money laundering governance structure improvement, responsibilities among institutions and personnel reinforcement, developing money laundering risks management strategies, policies and procedures, and the construction of information system optimization. Additionally, we put forward specific requirements for money laundering governance structure and segregation of duties at all levels and all business lines. We raised more specific stringent requirements and emphasis on money laundering risks management strategies of institutions, money laundering risks management policies, and implementation procedures and measures.

In 2019, with high supports from the Board and Executive Committee, NCI firmly upheld the "risk-based" approach and constantly improved the effectiveness of anti-money laundering risk control by optimizing the allocation of anti-money management resources, refining relevant policies and upgrading functions in the system in order to further improve money laundering risk management. With regard to risk assessment, we organized and completed comprehensive money laundering institutional risk assessment, with formulated targeted measures for money laundering risks management. In 2019, we upgraded our system with enhanced modules on large-value and suspicious transaction monitoring and reporting modules and also embedded functionality capabilities to enable automated data interface with the second-generation data receiving system launched by the PBOC's anti-money laundering financial intelligence center. In respect of client risk identification and client risk classification, we continuously optimized the classification and developed suspicious transaction monitoring function, enhanced effective customer identification measures with electronic transaction data via bank channel.

Special Conference

In May 2019, leaders and senior management team attended a special working conference on anti-money laundering held by the Company. Based on latest regulatory requirements and actual performance, we reviewed our money laundering risks management progress in terms of executive anti-money laundering performance, anti-money laundering system, client identification, large-value and suspicious transactions reporting, business standard procedures, anti-money laundering auditing, training, evaluation and promotion, and human resource support. In the conference, we discussed existing major issues with reference to regulatory requirements, allocated clear responsibilities on addressing key issues, explicitly requested all relevant departments and branches to increase their awareness and emphasized importance of executing anti-money laundering actions, in order to ensure anti-money laundering being "Substantially Effective".

Preventing Money Laundering Risks

Diversifying Education

In 2019, NCI and leaders from departments actively attended several senior conferences and trainings, such as "Beijing Financial System Anti-Money Laundering Work Conference", "2019 Beijing Securities and Insurance Financial Institutions Anti-Money Laundering Work Conference", "Beijing Insurance Financial Institutions Anti-Money Laundering Executive Training Course", and others high level conferences and trainings.

In 2019, the Company's Legal Compliance Department was well appraised for actively participating and cooperating in various supervisory activities and regulatory matters, comprising "Discussion and Implementation of Money Laundering Risks Assessment", "Pilot Analysis of Money Laundering Types for Non-Bank Institutions", "Pilot Online System for Anti-Money Laundering Regulatory Interactive Platform", "Questionnaire Survey on Due Diligence Implementation of Corporate Institutions" and "Anti-Money Laundering Knowledge Contest for Beijing Financial System".



Case

Case: Anti-money laundering training for middle and senior management cadres

On November 21, 2019, in order to implement the training requirements for middle and senior management cadres as required by the PBOC, improve the awareness of anti-money laundering and the capability of managing anti-money laundering risk, the Company specifically invited an expert from anti-money laundering department in the PBOC to share experience and knowledge about the Inspiration about China's Reaction toward International Anti-money Laundering Assessment. In addition, the expert provided an insight to the recent situation of international mutual evaluation of anti-money laundering and the latest anti-money laundering actions taken by the Chinese financial institutions. The Company's secretary of the party committee, deputy secretary of party committee, and chief executive, President and other corporate leaders, including head office staff members, department heads, backbone staff attended the classroom training, whilst team members of all branches and centers attended via video conference, a total of nearly 6,600 people attended this training.

Standardizing Procurement Management

In order to standardize procurement management, NCI strictly complies with relevant laws and regulations, including the Law of the People's Republic of China on Tenders and Bids and the Law of the People's Republic of China on Government Procurement. Additionally, we formulated the New China Life Insurance Company Ltd. Centralized Procurement Supplier Management Rules, the Detailed Rules for Centralised Procurement Leading Group of New China Life Insurance Company Ltd. and other regulations, which stipulate that procurement shall be conducted based on the principle of "Openness, Fairness, Justice and Effectiveness" and regulate supplier social responsibility management.

When screening suppliers, the Company treats production safety and environmental protection as critical evaluation factors. We evaluate their adequacies of qualification or management standards on green and environmental protection, energy conservation and emission reduction and employees' safety protection in the production process, and we set differentiated environmental protection standards for suppliers according to the characteristics of different projects, and implement veto power on environmental protection issues.

In addition, to advocate transparent procurement, prevent integrity risks and strengthen the supervision and control for procurement management, we conduct special inspection on suppliers with a series of actions, including monitoring the whole procurement process, issues identified and reported promptly for rectification and follow up on rectification actions, to continuously enhance our management, system, regulation, and risk prevention.

Regional distribution of suppliers in 2019	
Geographic region	Number of suppliers
Beijing	138
Shandong	120
Guangdong	83
Shanghai	55
Zhejiang	54
Jiangsu	46
Hebei	36
Tianjin	30
Liaoning	8
Chongqing	4

Protecting Consumer Rights and Interests

NCI conscientiously implements the requirements on consumer rights and interests protection, issued by the regulators, and strictly complies with the Law of the People's Republic of China on Protection of Consumers' Rights and Interests, Guiding Opinions of the General Office of the State Council on Promoting Protection of Consumers' Rights, Interests and Guiding Opinions of CBIRC on Bank, and Insurance Institutions Enhancing the Mechanism Construction of Protection of Consumers' Rights and Interests. We have formulated regulations, including New China Life Insurance Company Ltd. Products Management, New China Life Insurance Company Ltd. Sales Code of Conduct, New China Life Insurance Company Ltd. Contract Business Management, New China Life Insurance Company Ltd. Claim Settlement, New China Life Insurance Company Ltd. Phone Service Management, New China Life Insurance Company Ltd. Client Information Management, New China Life Insurance Company Ltd. Client Compliant Management, and New China Life Insurance Company Ltd. Emergency Management. Additionally, we have established and put in practice comprehensive protection policies and measures for consumer rights and interests, covering products, sales, underwriting, security, claims settlement and customer service.

The Board undertakes the ultimate responsibilities on consumer rights and interests' protection, and sets up a designated Risk Management and Consumers' Rights and Interests Protection Committee with clarity in its roles and responsibilities and decision-making rules and processes, management control to ensure effective implementation of all measures for protection of consumers' rights and interests and achieve relevant objectives.

Our headquarter has set up Consumers' Rights and Interests Protection (Affairs) Committee composed of relevant senior management and heads of departments, taking charge of integrated planning and overall deployment for consumers' rights and interests protection for better protection of consumers' rights and interests. In addition, Consumers' Rights and Interests Protection Sub-committees are set up for each branch to implement multiple aspects of control measures on sales conduct, promoting culture and conducting education promotion, thus elevating quality and integrity to provide consumers with products and services of good quality.

In addition, NCI incessantly enhances the development of client complaint and feedback channel with customer service center, phone call, complaint board on official website, email and letter mailbox. Upon receiving complaints, we immediately respond to and connect with clients, conduct investigation and verification on all processes for root causes to effectively prevent frauds, and actively agree solutions with clients, striving to achieve client satisfaction.

Client complaint and feedback channels



"3·15" consumers' rights and interests protection activities

2,749

Education and publicity activities

350,000

Distributed 350,000 copies of promotion materials

230

Organized 230 consumer interviews

320,000

320,000 participants accumulatively

8,182

8,182 on-site consultations provided

Case

"3·15" Insurance consumers' rights and interests protection activities

During "3·15", NCI actively held insurance publicity and education activities for consumers in communities and at countryside, enriching consumers with more knowledge about insurance through on-site consulting, flyers and public lectures for insurance knowledge promotion.

In 2019, we carried out a total of 2,749 diversified consumers' rights and interests protection education and publicity activities, distributed 350,000 copies of promotion materials, and organized 230 consumer interviews with accumulative 320,000 participants and 8,182 on-site consultations provided.



Protecting Consumer Rights and Interests



"Financial Knowledge Popularization Month"

3,589

3,589 various publicity and education activities

1.03 million

1.03 million direct audience

196

196 press releases

Case

Financial Knowledge Popularization Month

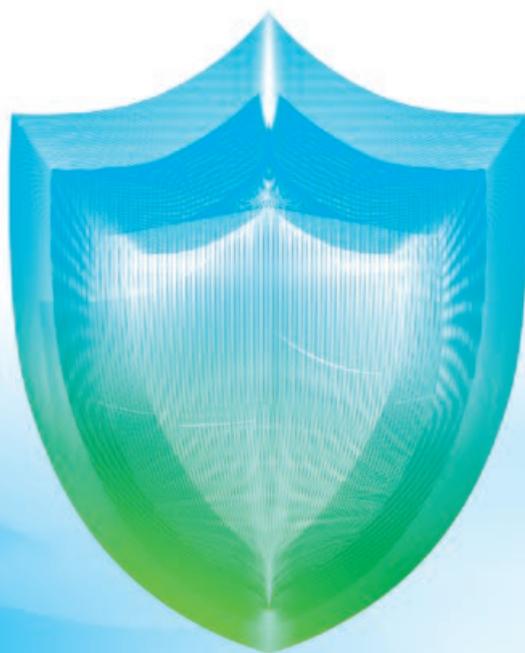
Institutions at all levels of NCI actively cooperated with local government and social groups to form joint force and intensive resources, concentrating on major contents like basic insurance knowledge, fraud risk prevention and illegal fund-raising risk prevention, and carefully planned and organised a series of diversified financial knowledge publicity activities.

In September 2019, a total of 170,000 office and field staff from institutions at all levels participated in activities of the Month for Financial Knowledge Popularization. We held 3,589 various publicity and education activities with 1.03 million direct audience, distributed 660,000 copies of publicity materials, sent out 1.2 million text messages, posted 5,700 Weibo posts and 1.58 million WeChat promotion messages, having achieved remarkable results. Such activities were reported by 135 media platforms nationwide, with 196 reports in total.

Using a combination of online and offline platforms, we organized various special events, such as financial knowledge giveaway, knowledge contest, interactive games collection and "Good Finance Netizens" typical cases collection, deepening public awareness of financial knowledge by recreational teaching methods.

Protection of Intellectual Property Rights

NCI strictly abides by the Anti-unfair Competition Law of the People's Republic of China, the Trademark Law of the People's Republic of China and other applicable laws and regulations to create and safeguard intellectual properties and trademarks. We have formulated internal measures for trademark management including establishing strict review procedures, raising employees' management awareness and enhancing management of intellectual properties and trademarks. We aim to protect our own intellectual properties and trademarks from being infringed while avoid violating rights of others.



Returning to the Essence of Insurance



The essence of insurance is to protect people's needs in life, and remains to be the core fundamental intention and mission of insurance industry even in the new era. As a large domestic life insurance company, NCI has always focused on the essence of insurance. In meeting our clients' increasing demands for protection as our principle, we value high-quality and professional development, actively cope with rapid changes, focus on core business and develop more protection-type products. Additionally, with technology empowerment, we cooperate with the industry and government to accelerate the reform of medical and health system, promote the optimisation of economy structure, endeavour to improve people's well-being and their health, and actively assume social responsibilities, in order to truly implement the concept of "Focusing on Security Function" and contribute to the society.

Carrying out Insurance Protection Solidly

NCI upholds the service model of life insurance-centred and multiple-channel development and the principle of "Return to the Essence of Insurance to Highlight Protection Function". Following customers' needs on "Birth, Aging, Illness, Death, Disability", NCI has developed a series of targeted protection-type products, which meet clients' demands for health insurance, medical insurance, pensions and accident risks prevention, child education and family risk management throughout their life cycles. As committed to being the most considerate insurance service consultant for our clients, we successively launched a series of insurance products - "Health Worries-free Critical Illness Insurance", "Multiple-protection Critical Illness Insurance", "Additional Specific Insurance for Cardiovascular and Cerebrovascular Disease", "Enjoy Life Pension Annuity Insurance" and "Non-commercial Health Insurance". We continuously develop the healthcare for health and aging pension industry, comprehensively enhance customer experience and ability to better satisfy their diversified needs.

Product Design Guarantee

NCI has always been client-oriented, and adheres to product and service innovation, designing insurance products that are beneficial to protection and life improvement, and establishing more protection type and long-term saving type products that meet customer needs. Through upgrading and development, NCI has formed a protective insurance product series for three major disease themed as health worry free, multiple protection and anti-cancer, and a medical insurance product system for hospitalization and clinical medicare, which cover diseases that are severely detrimental to residents of modern society. We also designed special protection-type insurance product for special diseases to meet clients' diversified protection needs. By constantly embracing innovation, NCI has actively developed medium and long-term annuity insurance products with various comprehensive features and functions, covering market segments like child education fund and pension annuity, to satisfy clients' needs for fund planning and pension protection.



Multi-protection Critical Illness Insurance Products

As the flagship product, the Company carries out product iteration and upgrading in 2019, and launched Multiple Protection Critical Illness Insurance (Type-A1) Products, which including more diseases and provide wider protection into the scope of insurance, such as minor illness guarantee continues to exist after critical illness, and the highest compensation which is 3 times of malignant tumors, and the highest compensation which is 7 times of products. The extra payment for specific serious diseases is increased, and the guarantee is stronger. The product has received great responses and rave reviews from the market. Since 2016, it has won several insurance product awards.



Health Worries-free C3 Series Products

As a brand product of NCI, it covers most disease categories, provides protection for both minor and critical illnesses and pays extra for specified critical illness. It also provides value-added services like emergency rescue, easy access for critical illness, secondary diagnosis and treatment of critical illness, satisfying such protection needs of child, adults and seniors. By the end of December 2019, new contract premiums for both products were about RMB 1.44 billion.



Additional Specific Insurance for Cardiovascular and Cerebrovascular Disease

As a specified disease insurance, it is highly duties-targeted, covering 33 minor and critical cardiovascular and cerebrovascular diseases with high-risk, matching with any major insurance (annuity, health and anti-cancer), available for clients of all social status and providing customised health protection. The product won "Ark Award for Gold-medal Insurance Products" in 2019.



Enjoy Life Pension Annuity Insurance

As a pension annuity insurance, it targets senior clients (male of 60 years old, female of 55-70 years old), providing pension plans for the retired. As at the end of December 2019, accumulative new contract premiums amounted to RMB 180 million.

Carrying out Insurance Protection Solidly



16

Business has extended over 16 cities and 9 provinces over the country

130,000

Over 130,000 beneficiaries

700,000

More than 700,000 settlement claims

Non-commercial Health Insurance

Devoted to solving the problem of "Poverty because of Illness and Returning to Poverty because of Illness", NCI actively undertook non-commercial insurance business, returned to the essence of insurance and cooperated with government departments. It is one of the main concerns of NCI's product management philosophy to promote accessible insurance. Therefore, as an important tool to underline NCI's contribution toward the development of a harmonious society, non-commercial health insurance plays a significant role on promoting healthy livelihood and public health. The introduction of non-commercial health insurance increased the reimbursement rate of critical illness insurance, reduced the deductible threshold of such insurance and alleviated the medical financial burden for local poverty-stricken people, so that more people can obtain better health care.

As at the end of the reporting period, the non-commercial insurance business has extended over 16 cities and 9 provinces over the country with over 130,000 beneficiaries, and more than 700,000 settlement claims. It covers critical illness insurance, accident and casualty insurance, long-term care insurance, supplementary insurance for individual medical insurance card, supplementary insurance for work injury and other types of businesses.



Yangjiang supplementary medical insurance project

Ever since 2017, NCI Guangdong Branch had established a health insurance department aligned to the development trend of national medical insurance and as advocated by the government. It actively expanded non-commercial health insurance business and promoted "Yangjiang supplementary medical insurance project" for three consecutive years, aiding the issue of "Expensive Medical Bills and Quality Medical Services Inaccessibility" for local residents.

The project covers over 2.7 million people in Yangjiang City; covering three groups 3 both urban and rural residents, urban employees and civil servants. It divides into four sub-projects including "Critical Illness Insurance for Urban and Rural Residents in Yangjiang".



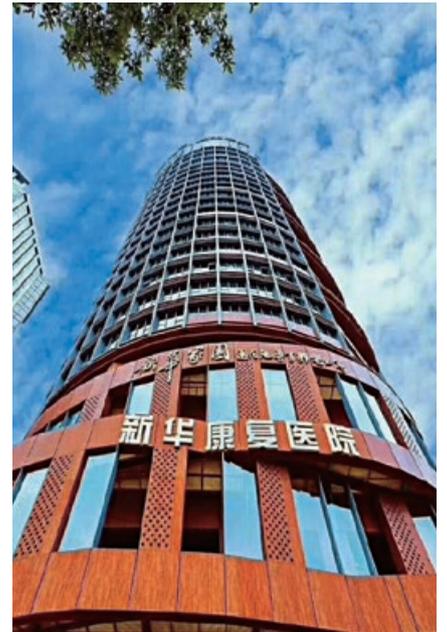
19

19 health management centers and New China Excellent Rehabilitation Hospital established.

Healthcare and Aging Industry

To provide a more comprehensive protection for our clients, we actively extended into healthcare and aging pension industry, established an elderly healthcare community and health management center, gradually expanding its capacity for the whole life cycle to meet clients' needs for elderly health and care.

Currently, with both 19 health management centers and New China Excellent Rehabilitation Hospital established, NCI has preliminarily launched a product line of health management and featured medical service, and enlarged its external strategic cooperation to grant clients access to top-class and all-round health management services. In the future, we will stay focus on health industry and establish a nationwide system of "Insurance + Medical and Health Service". On top of that, NCI has been devoted to building aging healthcare community, continuing care community and rehabilitation care community, providing the elderly with professional nursing services, rich resources, comfortable living environment, so as to care for the elderly and satisfy their needs.



Optimizing Service Quality

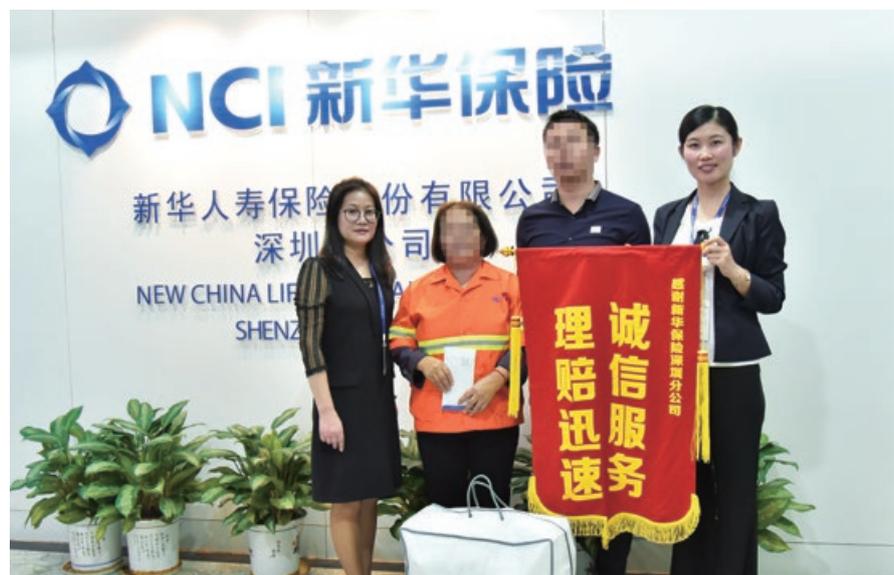
NCI stays committed to the principle of "Returning to the Essence of Insurance" and "Quick Claims Settlement, Excellent Services". Leveraging new technologies, we expand service capability and improve service measures to provide convenient and efficient claims services, differentiated value-added services, readily accessible service experience and colourful customer service events, earnestly taking responsibilities for client protection.

With the 2019 new version of 10 Promises for Customer Services and 10 Salesman Promises for Services targeted at sales team and transparently announced to the society, we assured our clients with confidence on our insurance services.



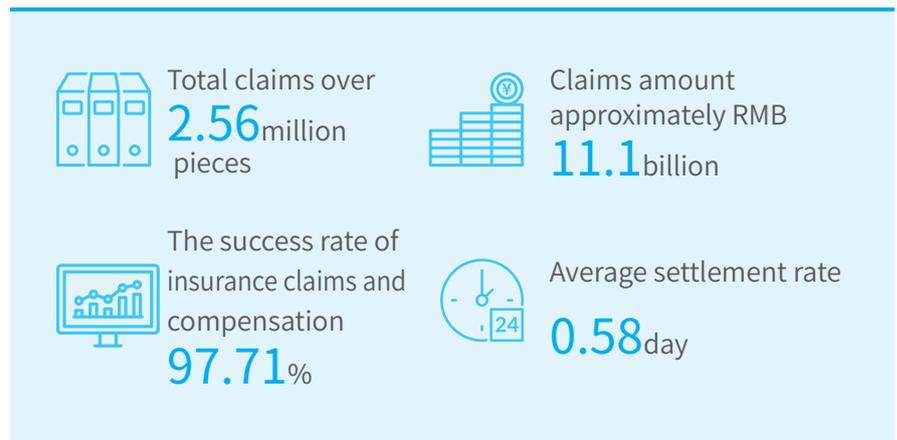
Convenient and Efficient Claims Services

Consumers are increasingly in pursuit of a convenient life and a conciser application, implementing a quick claims process is a key response to their expectations. Claims have always



been the core manifestation of protection function and social values of insurance that is directly felt by consumers. Guided by the industry principle of "Return to the Essence of Insurance" industry philosophy, the focus of future life insurance market competition will switch to intelligent and flexible claim service that can cope with complex and diverse demands.

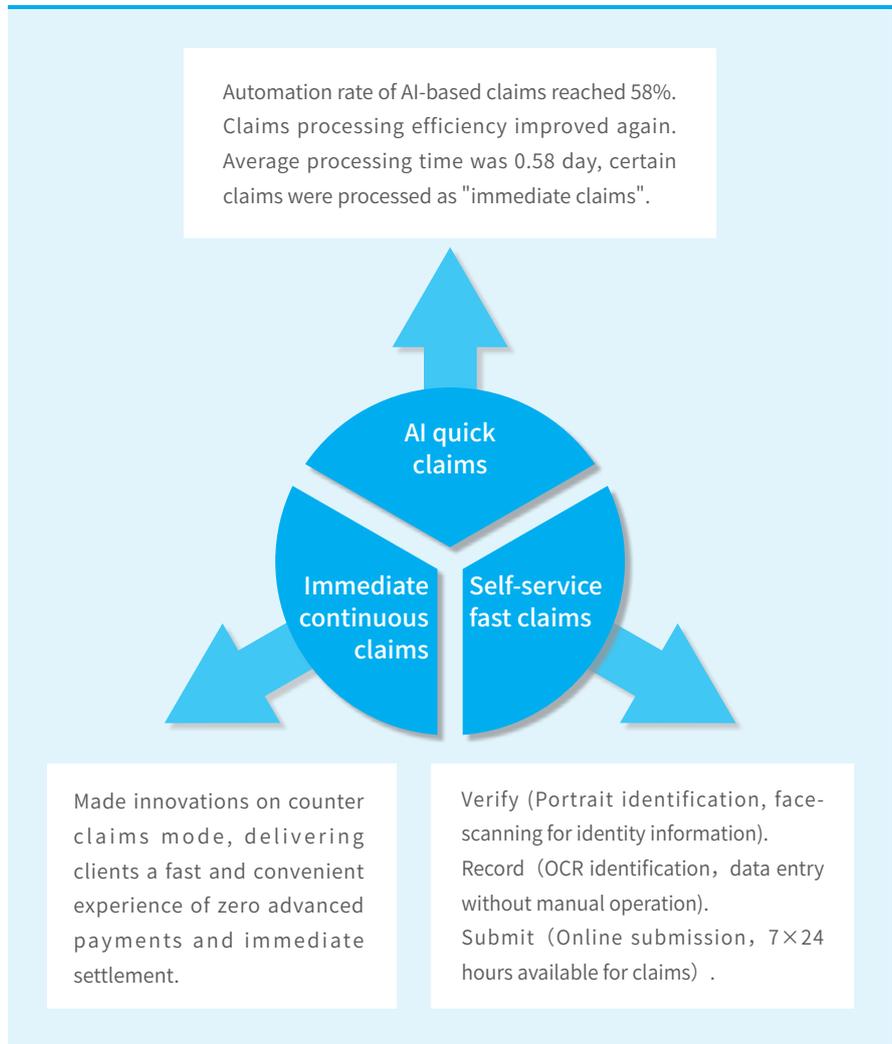
Driven by customer needs, NCI strictly follows the protection commitment by continuously optimizing claims processes, simplifying claims procedures and enhancing claims services. With the assistance of "AI Intelligent Claims", we launched a series of advanced technologies and service innovations, like intelligent voice reply, mobile claims, real-time payment, portrait comparison, emergency response, classification appraisal, national claims coverage and claims compensation, providing clients with a comprehensive coverage protection and creating convenient and efficient claims service experience. At the end of 2019, accumulated claims cases of NCI amounted to 2.56 million with claims amount exceeding RMB11.1 billion, with the rate of insurance claims and compensation reaching 97.71%. The average settlement rate for individual clients from file a claim to settlement is 0.58 day, with 1 second as the fastest. For the complicated cases, it takes no longer than 30 days to settle.



At present, NCI's "Mobile Self-service Claims" has served 703,000 customers, with a claims application use rate of more than 88%. "Individual Customer WeChat Self-help Claims" service that customers can directly connect for online insurance claims is free of paper documents. The use of this mobile app is fast growing. As at the end of 2019, the cumulative number of individual customer using WeChat self-help claims has reached 11,000.



Optimizing Service Quality



While providing fast claims customer services, NCI also upholds the notion of "Finding Claim Causes for Clients", truly serving clients from their perspectives. We explored various new servicing modes for claims service like claim classification appraisal, external expert consultation and claims credibility billing to bring clients ease, relief and comfort in using our services.



External expert consultation

For difficult and controversial cases, we maintained our intention of "finding claim causes for customers" and invited medical experts from the three most reputable domestic authoritative high rated hospitals to provide expert opinions, so as to increase the accuracy of claims and effectively protect clients' rights and interests.

Case

Claims classification appraisal

Injured and disabled clients are regarded as a special group among various types of claims that in general require professional appraisal certified by social appraisal institutions for their injuries or disabilities claims. The appraisal application is required submitted one to two weeks in advance for appraisal results. In response to such difficulty, NCI has announced "Claims Classification Appraisal" service based on different claim amount, nature and standard, and provided on-site appraisal service for clients with certain immobility.

The service accelerates the claim process and shortens the processing time. It also charges no additional expenses and delivers our brand connotation of "Fast Claims, Excellent Service". At present, it has already benefited over 370 clients with a total appraisal cost saving of over RMB 400,000.

Case

Claims credibility bills

Claims credibility bills, through the use of big data, objectively analyse key data, such as claims value, count cases and success rate for claims processes by each sales staff. The visualized data analysis objectively demonstrates the service quality, capabilities and credibility of sales staff from clients' perspectives, hence providing them with ease and confidence in the protection of insurance. This also promoted our sales team to deliver higher quality services. At present, more than 120,000 claims bills of sale staff were generated with over 1 million views.

Differentiating Value-added Services

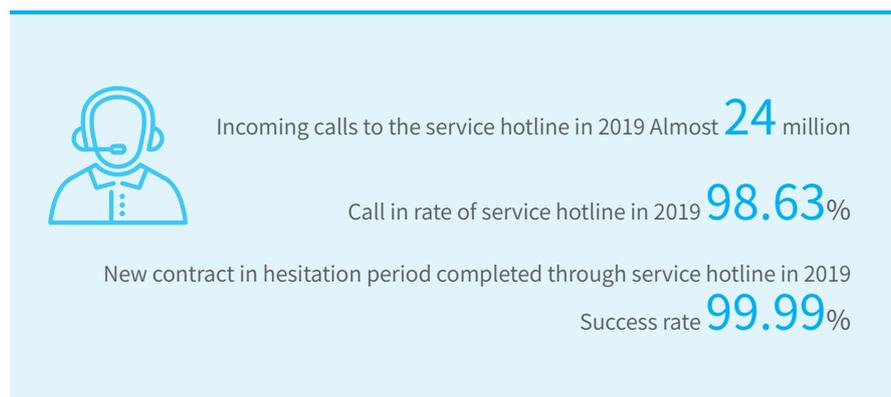
NCI has always focused on customer-oriented and new innovations on "Product + Service", which allows us to provide high-quality coverage protection products and also certain value-added services like quick medical consultation, self-service registration, emergency rescue, secondary diagnosis and treatment of critical illness, easy access for critical illness, health lectures and rehabilitation guidance for critical illness as contributions to the community. Meanwhile, we constantly optimize "Zhen Ai" points rewarding service and other NCI featured additional services for our high profile clients, such as medical examinations, rehabilitation therapy, nursing experience and physical objects to meet client's diversified needs.

Optimizing Service Quality

Providing Superior Service Experiences Anytime and Anywhere

Upholding the service tenet of "Insurance Makes Life Better", NCI keeps optimising processes, increasing the application use of new technologies, and improving the efficiency of operational services. Through a combination of online and offline service channels, NCI provides customers with full life cycle service consultation covering product consulting, business processing, claims settlement report, and maintenance services, to improve our user's service experience and attain satisfaction from our customers.

In order to ensure a high-quality online experience for customers, the Company has established and launched an all-media, multi-structured, multi-level intelligent service system that integrates mobile phones, WeChat, NCI mobile application, website, SMS, email interactive services with artificial intelligence robotic services. These include our intelligent robot "Zhi Xiao Xin", and online sales platform, in providing excellent customer experience with 7x24 access services, intelligent, efficient, convenient and considerate features.



The customer service center, as the core platform and key connectivity for providing face-to-face services to customers of NCI, has expanded our "Quick Service • Happy Life" customer service center 3.0 with remarkable progress towards comprehensive services, following two generations of upgrades. The customer service center 3.0 has introduced cutting-edge store design concepts, focusing on "Efficiency Improvement" and "Customer Experience", where its layout and processes are accordingly planned and refined in terms of size and business function type. The design layout has catered for consulting reception area, counter service area, customer waiting area, fill-in area, self-service area, negotiation area, interactive experience area, health experience area, and so forth. NCI will further innovate and enrich its services center, to enable users to "Enjoy the Convenient Service and Life", and meet customers' diversified needs.

Case

Intelligent service - intelligent robot "Zhi Xiao Xin"

Our intelligent robot "Zhi Xiao Xin" is an intelligent service system relying on artificial intelligence technology to improve user experience. It provides services to customers on NCI's official website (online consultation), NCI mobile application, Xinxin Quick Answer, and Underwriting Think Tank through semantic understanding engine. The intelligent robot overcomes the burdens of time, work force, and geography with automation, intelligence, humanisation, and personalised artificial intelligence services. It is available online 24 hours a day, 365 days a year, and solves customer problems anytime and anywhere. According to statistics, through the official website, WeChat, NCI Mobile application, mobile preservation/claim, E Baotong and other channels, the intelligent robot achieves an average number of 9,100 daily dialogues between the robot and customers with an accuracy rate of approximately 80% and a daily reduction of 71% of online manual services. In recent years, NCI has applied a number of artificial intelligence technologies to intelligent services, such as intelligent quality testing, intelligent navigation, and intelligent speech recognition, which greatly improve speed of services and reduces pressure of manual services.

Diverse Customer Service Activities

We explore to establish an insurance service ecosystem that integrates companies, customers and business personnel, and constantly improve the content and form of services to allow customers to experience the warmth from NCI.

In 2019, NCI organized the customer service festival, and carried out a series of customer service activities with the key theme of "Greeting the New Era, Caring for A Myriad Families". Conducting the NCI Cup for National Children's Painting and Calligraphy Competition with



Optimizing Service Quality

a core theme of "Me and My Motherland", the event "Broadcasting Culture to Thousands of Families" aimed to build a parent-child interaction platform for customers and promote inheriting traditional Chinese culture. Based on a core theme of the "Brand New Service Experience with Love", it focused on customer experience, and allowed customers to enjoy NCI service care with a brand new service experience. Focusing on "Protecting the Rights and Interests of True Information", the event "Guardian into Thousands of Families" aimed to promote safeguarding the legitimate rights and interests of customers, improved customer policy protection to assure the happiness of customers' families.

With the joint efforts from 35 branches, the customer service festival has attracted more than 10 million customers for 5 consecutive years, with more than 7,000 site activities and over 10,000 reports from various media, provided care and services to over 30 million new and existing customers, and shared the Company's development results with customers.



Case

Expert live broadcasting

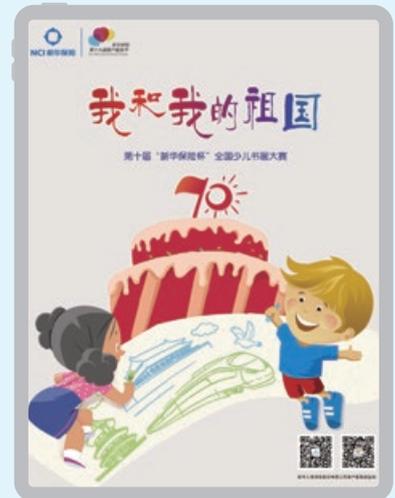
In 2019, NCI joined hands with domestic top-class medical experts to launch Expert Live Broadcasting events, holding six live health lectures for our clients with more than 50,000 audiences. In addition, we led branches to deliver over 2,000 health lectures of various themes, giving health knowledge to people, helping them understand their health conditions and raising their health awareness.



Case

National Children's Painting and Calligraphy Competition themed as "Me and My Motherland"

NCI has focused on the development growth of young teenagers. We cooperated with experts from Chinese Teenagers News and domestic authoritative painting and calligraphy experts to launch a national children's calligraphy and painting competition. 2019 marked the 70th anniversary of the founding of the People's Republic of China. With the theme of "Me and My Motherland", we organized 35 branches across the country to jointly launch a grand platform for children



to exhibit their profile in loving the motherland and pursuing their dreams. The participants competed on the prefecture-level stage, provincial-level stage, and then state-level stage. The competition received huge support from reputable institutions, artists and all sectors of society.

It has been held for 9 years since 2010, with a total collection of nearly 3 million work pieces. The quantity and quality of work pieces hit record highs. The competition has also become well known and popular with a large number of children participants and strong social response, and was awarded the "Annual Service Innovation Award for China Insurance" and "Gold Award for Creation by China Interactive Marketing Academy". The competition lasted for 100 days, holding 3,600 site activities, and nearly 500,000 children across the country participated.



Standardising Marketing Promotion

Regulating our product information disclosure and marketing is an important aspect of NCI in safeguarding the rights of customers and reducing risks associated with product marketing. NCI strictly complies with relevant laws and regulations and regulatory documents such as the Advertising Law of the People's Republic of China, Patent Law of the People's Republic of China, Copyright Law of the People's Republic of China and Measures for the Administration of the Disclosure of Information on New-Type Personal Insurance Products. It has implemented the Measures for the Product Information Disclosure Management of New China Life Insurance Company Ltd., the Management Rules for Product Data of Individual Insurance Channels of New China Life Insurance Company Ltd., the Management Rules for Product Promotion Materials of Bank Agent Business of New China Life Insurance Company Ltd. and Measures for the Management of Customer Business Activities in Individual Insurance Channels of New China Life Insurance Company Ltd. (Trial), to regulate publicity and marketing activities in strict accordance with regulations, preventing malicious acts, such as malicious speculation and misrepresentation, and focusing on upholding appropriate public opinion. Meanwhile, NCI requires every salesperson to sign a compliance commitment in conducting business.

NCI strictly controls all aspects of business activities, establishes review procedures and review mechanisms for publicity materials, and ensures that all types of publicity materials, courseware, lecture notes and other content are properly reviewed in accordance with relevant regulations. To ensure the standardisation of the publicity campaigns, instructors must undertake qualified professional training held by the headquarter and branches. The Company stipulates that sales personnel shall not use information disclosure materials that are inconsistent with insurance terms and product descriptions during the selling activities. After the customer business activities, the management agencies at all levels shall conduct regular or irregular inspections on the customer business activities of their subordinate agencies, take corrective measures for the problems identified in a timely manner according to the severity of the situation. In case of violation of laws and regulations, NCI shall, in accordance with the Accountability Measures for Non-compliance of New China Life Insurance Company Ltd., the Personal Business Insurance Commission Contract, the Basic Law and the Quality Management Measures, impose disciplinary actions on the relevant responsible persons.



Safeguarding Information Security

Information security is vital for financial companies. NCI attaches great importance to protecting customer privacy. NCI strictly complies with the Cybersecurity Law of the People's Republic of China, the Insurance Law of the People's Republic of China, the Interim Measures for the Administration of Information Authentication of Life Insurance Clients and other relative laws and regulations and regulatory requirements. It has developed a series of information security policies based on its own business characteristics, including nine aspects namely, overall security policies, terminal security management, system development security, user authentication, data security, system operation security, network security, physical security, and disaster backup recovery and emergency response.

Based on the regulatory requirements and standards of Cybersecurity Law of the People's Republic of China, relevant documents issued by the CBIRC, NCI has established an information security implementation mechanism in respect of information security system regulations, inspection and supervision, and publicity and training. The Executive Committee is the highest responsible institution for information security. The Operation and Information Management Committee is specifically responsible for information technology construction and cybersecurity. At the executive level, the Information Technology Department takes the lead in information security management; the R&D Center is responsible for specific network construction, security strategy implementation and daily network security operation. The New System Project Management Office (PMO) is responsible for the secure operation of NCI's new-generation core business. In order to ensure the stable operation of the information security system, NCI conducts assessment and reporting of its information system every year, and engages third party institutions with national or Beijing level assessment qualification to carry out independent evaluation and reporting of information system.

With the goal of improving its information security protection capability, NCI has established an information security defensive system with comprehensive protection coverage, risk warning function, vulnerabilities and threat detection, and safe and controllable technologies, in its business.

Building a Security Management Platform

The security management platform uses an intelligent analysis engine with automated data interface functionality to early detect unknown and potential threats, which effectively mitigate significant inherent limitations commonly existed in different types of equipment in security protection. We have established more than 300 security models based on data mining, to realise real-time analysis, real-time visualization, and real-time alerting of security operation conditions, thereby improving the efficiency of event discovery and response. The platform has met the requirements of the Cybersecurity Law, the Basic Requirements of Grade Protection and relevant requirements of industry supervision, and won the "Outstanding Project Award for Informatization of China's Insurance Industry".

Establishing the Terminal Access Management System of Information System

Through technical means such as network access control and user real-name system management, we carry out a comprehensive security management and monitoring of

Safeguarding Information Security

personal computer terminals used in the Company. In order to avoid the risk of leakage of customer information through mobile storage media, we have strengthened the security and confidentiality management and use control of mobile storage media. Mobile storage devices are required to be registered before use for system access, which can effectively reduce the risk of data leakage caused by data copy.

Implementing Network Access Control Measures and Deploying Monitoring Methods

We have strengthened the management of firewalls, anti-virus software, and network access rights to ensure physical and logical security of the network. In addition, we continue to improve terminal security management, install system patches and update security management software such as anti-virus software in a timely manner. Moreover, we prohibit the use of unauthorised blue tooth, infrared instrument, modem and other external devices.

Making Efforts on Data Leakage Prevention

We have conducted and deployed data leakage prevention measures to prevent and monitor client data transmission through the terminal. We can also real time monitor the user's avoidance of inspection, effectively detecting data leakage behaviour that may exist, and realising the protection of sensitive data through terminal devices. At present, the deployment of DLP data leakage protection system has reached 99.99%, and has won the "Innovation Project Award for Informatization of China's Insurance Industry".

Stepping Up Information Security Training

In our daily work, we require employees to comply with the NCI's information security requirements, independently supervise employees' compliance on security, and raise the overall information security awareness of employees. We arrange information security training and annual information security awareness lectures for newcomers, and regularly organise information technology professional to share knowledge on security technology and risk management. We added information security courses, requiring all employees of NCI to conduct learning through the training management platform, which is mandatory as part of the annual performance assessment. In 2019, we further improved information security protection and risk prevention capabilities of all employees through diversified information security training.

Carrying out information security audit

In order to strengthen the management of information work and prevent information security risks, we engage a third-party audit company to carry out on-site testing of internal control every year. The on-site audit work carries out interviews and tests from the company level, process level and IT level to assess and identify deficiencies on information security, if any and recommend rectification actions. The Audit Department of NCI regularly also periodically organizes the internal information security audit to identify detect potential risks, and recommend implementation of rectification action on issues identified to ensure the information security of the Company and promote the operation in accordance with the law.

Promoting Technology Empowerment

As a large and nationwide professional life insurance company, NCI actively responds to regulatory policy requirements and market demands, gives full play to its own advantages, and actively conducts research and exploration of Internet insurance strategies and Internet insurance products. In 2019, NCI proposed the strategy of "Technology Empowerment" to accelerate the application of financial technologies such as Big Data, artificial intelligence, cloud computing, and actively built an IT system with the vision of "Digital Ecosystem, Intelligent NCI". By continuously improving the competitiveness of financial technology, increasing innovation, focusing on demand, and strengthening services, NCI provides customers and marketing teams with all-round technical support in various areas.

Information Superhighway Project

NCI is currently preparing the "Information Superhighway" project, which covers the headquarters data center and 1,655 second-tier, third-tier, and fourth-tier institutions. Combining the new technology of network development and the requirements of security supervision, NCI upgrades and builds its frameworks of Wide Area Network, Wireless Network and Internet, and is committed to comprehensively improving the level of network infrastructure, avoiding security risks, better supporting business needs and enhancing user experience.

To ensure the standardised construction of the network, the construction of the project follows the four principal standards and requirements, including:

- **Unified planning:** Nationwide layout and unified architecture planning can meet the development trend of applications, and provide basic conditions for access flow planning of application systems, scheduling of line resources, and monitoring plan of network operation and maintenance, and improve the capacity of network to support services;
- **Unified design:** National networking standards, technical standards, security standards, and operation and maintenance management standards shall be unified to make the overall network construction and operation more standardised, and improve transmission quality and service level of operation and maintenance;
- **Unified implementation:** On the basis of unified planning and designing, the headquarters and branches work together, obeying unified commands. The headquarters uniformly formulates equipment procurement and implementation plans, and drives enterprise wide implementation with personnel of branches participating and ensure the implementation of technical schemes;
- **Unified management:** Through the implementation of top-down network construction, the management process, management requirements and emergency response mechanism of network operation and maintenance services of institutions at all levels are further clarified and improved, thus improving the management effect.

Promoting Technology Empowerment

In 2019, the "Information Superhighway" project is in the phase of technical scheme design, product selection and procurement, and is expected to be completed in 2020.

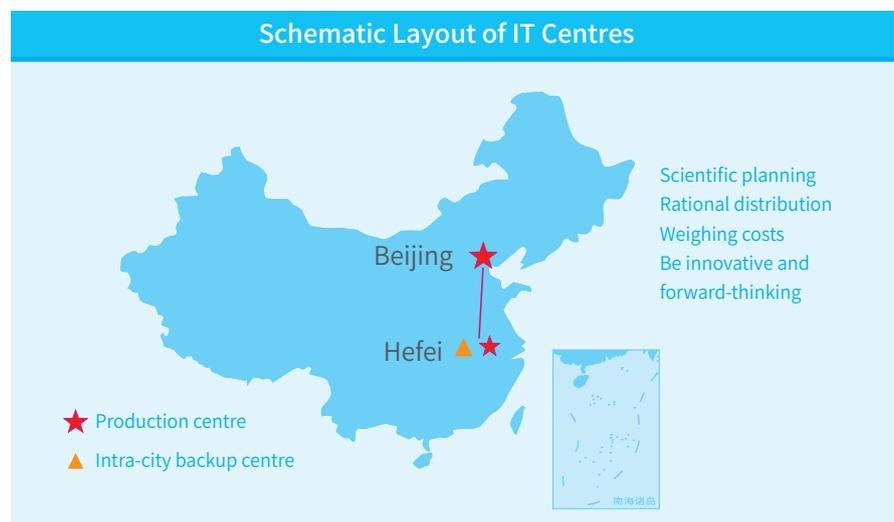
Overall Planning and Construction of Data Centers

Data center is core to a company's production and operation information system and services and various types of information assets, as well as the core hub for communication security at all levels of a company.

The data centers have experienced two phases of development comprising: office building renovation and external lease. The demand for IT is growing at an annual rate of 20%, with stronger reliance on information technology services in its business. The leasing method is unable to meet NCI's development needs. In 2014, the Company started to select site and self-built data centers.

Taking into account the advancement, stability and security of technology, NCI has strictly complied with the guidelines of the regulatory authorities and formulated the overall layout plan of data centers of "Two Sites and Three Centers". According to the plan, the three data centers of NCI are Beijing Self-built Data Center, Hefei Self-built Data Center, and Hefei Disaster Backup Center (as shown below). Beijing Self-built Data Center will be primarily used for production systems and management services, and serve as an offsite backup center for transaction services. Hefei Self-built Data Center is planned to be the main center of NCI's transaction services and backup center of management services. It will form a dual-active center at the application level with Hefei Disaster Backup Center. Hefei Disaster Backup Center is planned to be the city-wide dual-active center of Hefei Production Center. It was officially launched in the middle of 2018. At present, it is a disaster backup center that carries 16 services.

At present, Beijing Self-built Data Center and Hefei Disaster Backup Center are put into use. Hefei Self-built Data Center is under construction and is expected to be put into trial operation by the end of 2020 to gradually complete the implementation of the overall layout of NCI's data centers.



New China Century E-Commerce Co., Ltd.

New China Century E-Commerce Co., Ltd. (hereinafter referred to as "E-NCI") was established in March 2014 and is a wholly owned subsidiary of New China Life Insurance Co., Ltd. E-NCI has been taking the lead in promoting technology empowerment. E-NCI, regarded as an innovation incubator, shoulders the mission of expanding customers and business space for NCI. It focuses on building insurance ecosystem and big data workshop. Relying on the existing resource advantages, E-NCI is committed to the Internet transformation of traditional insurance business, integrating the technical services of online and offline insurance products with an open vision and pattern, maximising the product technical services and diversifying promotion functions through Internet. Moreover, E-NCI continuously enriches and improves our business model and profit model to achieve long-term sustainable development. After 5 years of exploration and development, E-NCI owns 17 independent software development copyrights and has become a high-tech Internet company that has passed high-tech certification. E-NCI has been deeply engaged in the insurance industry, focusing on technical strength, insisting on using fast demand response, rigorous development process and meticulous customer service to contribute value to the development of NCI business.

In addition, with the promotion and innovation in recent years, NCI has achieved remarkable results in intelligent research and application.

Case

Anti-fraud predictive score for medical claims

The anti-fraud predictive score for medical claims project has realised the response in seconds to a single claim through the big data mining technology, coupled with analysing about 160 basic characteristic values of insurance applicant, the insured and agent, and adopting the supervised mining model, as well as the random forest algorithm. Through big data mining technology, the anti-fraud predictive score for medical claims project achieved a year-on-year increase of 13.38 percentage points in automated settlement rate under the premise of controllable risks.

Case

New technologies in the field of mobile Internet - New Era Sales Platform

New Era Sales Platform has been officially launched nationwide, covering all business contact points. With friendly interface and simple operation, it integrates sales, exhibition, inquiry, and customer service functions, which wins the approval of the front-line sales team. The total number of registered users is 408,131, making more than 190,547 electronic insurance orders and nearly 458,791 proposals on average per day.

Promoting Technology Empowerment

Case

Optical Character Recognition

Optical Character Recognition (OCR) platform has provided automatic recognition services for 8 application scenarios in New Era Sales Platform, mobile preservation and other systems, realising automated recognition functions of common certificates such as bank cards, ID cards and household register. During the sales process, the OCR can automatically scan and verify the document information. The sales representative only needs to proof check the consistency of the information. This function effectively improves the operational efficiency and reduces the workload of the sales staff. The OCR platform handles more than 20,000 recognition requests every day, saving more than 10,000 copy papers on average per day.

Case

Cloud Platform

In 2019, the construction of the IaaS layer of the cloud platform was completed, which can provide computing, network and storage services with elastic expansion, rapid response, and unified management capabilities, and realise centralised management, dynamic allocation, and alleviation of cumbersome operation and maintenance of cloud-based infrastructure resources. At present, it supports nearly 2,000 virtual machines, 76 production application systems and test and development systems. On average, one server hosts of 14 virtual servers. On average, the use of physical servers is reduced by about 130 sets per year, gaining significant effect on energy saving and consumption reduction. The cloud platform realises quick response, on-demand deployment, on-demand use and effective sharing, and can be applied to the basic resource support of the headquarters/branches/subsidiaries.



Helping Employees' Growth

Employees are the most valuable asset of the company. NCI regards promoting the overall development of employees as one of its important development goals, and strives to create a working environment of inclusiveness, equality, mutual trust, and collaboration. We protect our employees' rights and interests, promote their physical and mental health and have built a growth platform, aiming to realise the unity of corporate value and employee value.

Guaranteeing Employees' Legal Rights and Interests



36,504

The Company had a total number of 36,504 employees

23,692

23,692 back office employees

12,812

12,812 sales related personnel

NCI adheres to people-oriented principle, and strictly complies with the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Law of the People's Republic of China on Mediation and Arbitration of Labour Disputes, the Law of the People's Republic of China on the Protection of Women's Rights and Interests, the Law of the People's Republic of China on the Protection of Minors, the Provisions on the Prohibition of Using Child Labour and other relevant laws and regulations. Based on its own characteristics, the Company formulates the Administrative Measures for Headquarters Employee Recruitment and Management of New China Life Insurance Company Ltd., the Administrative Measures for Headquarters Employee Payment of Wages of New China Life Insurance Company Ltd., the Administrative Measures of Working Hours of New China Life Insurance Company Ltd. and other relevant rules and regulations to effectively protect the legitimate rights and interests of our employees.

Recruitment and Equal Opportunity

NCI strives to build a high-quality team and a "fair, equal and open" corporate culture, and is committed to establishing a human resources management system that is "unified and standardised, scientific and efficient, performance-oriented, and for a win-win situation." For recruitment processes, compensation and benefits determination, training and development, and career advancement, NCI prohibits inequalities caused by gender, region, and age, and resolutely forbids acts of discrimination and use of child labour or forced labour. Meanwhile, NCI upholds the concept of openness, transparency and compliance with laws and regulations. Through the performance evaluation system with clear objectives, unified standards and transparent process, we evaluate our employees' performance in a fair manner and strives to maximise employees' benefits.

NCI recruits people through campus recruitment, social recruitment, employment agency recruitment and internal recruitment. The Executive Committee is responsible for leading the recruitment and the Organization Department of the Party Committee is responsible for recruitment organization and operation. All recruitment methods follow uniform procedures and standards to ensure proper compliance and that the overall capabilities and suitability of employees are comprehensively examined. In 2019, the Company had a total number of 36,504 employees, in which 23,692 were back office employees, 12,812 were sales related personnel.

Workforce by professionalism ¹	Number of person	Percentage
Managerial personnel	1,671	4.58%
Professional personnel	3,502	9.59%
Sales personnel and sales management	21,345	58.47%
Including: contracted field sales staff	12,812	35.10%
Others	9,986	27.36%
Total	36,504	100.00%

Workforce by education background ¹	Number of person	Percentage
Master	1,491	4.08%
Bachelor	22,737	62.29%
Bachelor below	12,276	33.63%
Total	36,504	100.00%

Workforce by gender ¹	Number of person	Percentage
Male	12,150	33.3%
Female	24,354	66.7%
Total	36,504	100.00%

Workforce by age ²	Number of person	Percentage
Under 30 years old	743	44.4%
30 years old - 49 years old	854	51.0%
50 years old and above	77	4.6%
Total	1674	100.00%

1. The scope covers NCI headquarters and 35 branches.

2. The scope covers NCI headquarters only.

Case

"New Youth of Young NCI" - Graduate programme of NCI

NCI is committed to strengthening the corporate brand at campus recruitment to meet the needs of the Company's transformation and development, and to attract more independent, dedicated, proactive youth talent. Through the centralised campus recruitment mode of "led by the headquarters, cooperating with branches, managing the whole process", the "New Youth" campus recruitment brand newly launched by NCI strengthens the brand building, focuses on target universities across the country, and deepens school-enterprise cooperation. Through the "New Youth" graduate programme of NCI headquarters, NCI systematically improves the general capability, management capability, professional skills and professional quality of new employees, and retains high-quality talent for the development of NCI.

In 2019, NCI signed school-enterprise cooperation agreements with a total of 68 universities, held more than 130 school-enterprise cooperation activities, and participated in a number of overseas recruitment and exchange activities organized by the Chinese Service Center for Scholarly Exchange of the Ministry of Education, which promoted the Company's employer brand image among overseas students.

Remuneration, Benefits and Employee Wellbeing

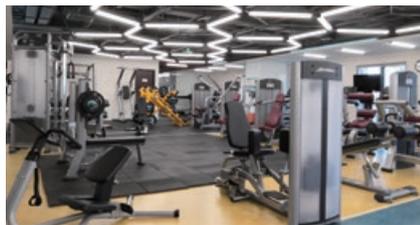
NCI adheres to the remuneration philosophy of "paying for positions, employees' capabilities, and performance", as well as the welfare concept of maximizing benefits to employees, and provides employees with a competitive salary and secure benefits plan. In addition to providing legal benefits required by applicable laws and regulations, NCI provides employees with supplementary medical insurance, enterprise annuities, and other protection programs, and provides various subsidies such as transportation subsidies and communication allowances for employees, which not only meet the daily needs of employees, but also stimulate their enthusiasm for work.

In 2019, NCI continued to promote employee care program. NCI has held various kinds of staff care activities on traditional festivals such as the Spring Festival and the Mid-Autumn Festival, including offering gifts and condolences to retired veteran cadres, underprivileged employees, and sick employees, etc., which brings warmth and care to employees and enhances the Company's cohesion.

Attaching Importance to Employee Health and Safety

NCI attaches great importance to the occupational safety and health management of employees, and has been committed to creating a good working environment for employees. We ensure employees' health and safety are taken care of in all aspects during our business operations and our employees work in a healthy, safe and comfortable environment. During the reporting period, there were no employees reported to incur death due to work.

NCI strives its best to protect the health of employees and continuously innovates safety protection measures. It arranges medical examinations for employees every year, and sets up routine medical services and arranges clinic visits. NCI has set up a "Home for Worker", which provides employees with a place for fitness exercises, reading, haircuts, and exhibition hall tour. It also carries out various recreational and sports activities for employees, such as billiards games, aerobics classes, open day activities on Children's Day and donations. In addition, NCI has completed equipment upgrades for the staff canteen in 2019, including the kitchen utensils, part of the reception tableware and linen, and the brunch dining mode is adjusted to buffet to improve the catering quality.



NCI ensures employees' occupational safety through multiple channels, and conducts online and offline safety training for employees. The Administrative Department regularly organises safety work meetings, publicises safety instructions and formulates emergency plans. In 2019, we invited Professor Zhu Zhuohong from the Institute of Psychology, Chinese Academy of Sciences to give lectures on mental health topics. The Administrative Department promotes diet, travel, and office safety knowledge through WeChat official accounts to safeguard health and safety of employees in their duties.

In addition, the Company focuses on fire prevention and fire safety, and has formulated a series of policies and regulations on fire safety such as the Fire Safety Education and Training System, the Fire Inspection and Inspection System, and the Fire Extinguishment and Emergency Evacuation Plan Exercise. These include daily fire safety inspections, regular fire prevention inspections, and regular maintenance of fire equipment. On Fire Publicity Day, NCI carried out extensive and diversified fire safety publicity activities at the NCI Tower to raise employees' fire safety awareness.



Building a Talent Training System

Employees are the most valuable assets of NCI. Achieving the unity of firm value and employee value is the purpose of NCI's talent training system. The Company regards promoting the all-round development of employees as one of its most important development goals, protects the rights and interests of employees, promotes the physical and mental health of employees, builds a platform for employee growth, helps employees realise their self-worth, and working hard to create a working environment of inclusiveness, equality, mutual trust.

NCI has formulated training guidelines such as the Outline of Education and Training of New China Life Insurance Company Ltd.(Trial), the Administrative Measures for the Education and Training of Sales Personnel of New China Life Insurance Company Ltd. and the Education and Training Management Measures for Employees of New China Life Insurance Co., Ltd., to promote the standardization, professionalism and systematisation of NCI's education and training, continuously improve the education and training programs with the characteristics of NCI, and effectively improve the competence and quality of employees.

Our education and training activities could be categorised into non-standard training and standard training, targeted sales and general personnel based on training contents and target, depending on training needs. Employee training aims to continuously improve the comprehensive quality of employees by ensuring all employees receive comprehensive, professional and systematic training, so that employees can master professional knowledge and skills. Sales personnel training aims to comprehensively improve the overall quality, marketing capacity and independent operation ability of the sales team and promote the sustainable and healthy development of the sales team through systematic, professional and comprehensive training.

The Company provides diversified training experiences for employees. To build a diversified team of lecturers, the Company is equipped with three types of lecturers: full-time lecturers, part-time lecturers and external lecturers. Full-time lecturers are professional and technical staff who are experienced in teaching whilst part-time lecturers are normally recommended by different departments. The Company employs external professional lecturers specialised in certain fields.



Building a Talent Training System



In order to transform the results of training and education, the training and related information of all employees and sales personnel of the Company are included in the training management system, forming personal training files. The personnel files serve as an important basis for personnel induction, job-transfer, promotion and performance evaluation.

In 2019, NCI's average annual training hours per staff was approximately 90 hours, covering all internal staff. 23,819 employees were trained online. We held 10 Xinhua Lecture Halls with 58,000 attendants. In 2019, our field training focused on personal insurance. 43,371 training courses were conducted covering all lines of operations, with 3.23 million attendants. We had provided training to over 12,000 full-time and part-time lecturers and over 1,000 newly added courses authorized lecturers.

Staff Training in 2019 — Employment Type ¹		Index Name	hours/person
Percentage of middle-level staff trained	94%	The average training time of basic-level staff	77.0
Percentage of basic-level staff trained	100%	The average training time of middle-level staff	84.0
Percentage of senior-level staff trained	100%	The average training time of senior-level staff	87.5

Staff Training in 2019 — Gender ¹		Index Name	hours/person
Percentage of male staff trained	95%	The average training time of female staff	85.7
Percentage of female staff trained	96%	The average training time of male staff	86.7

Note: 1. Scope of the training data only covers the NCI headquarter.

In addition, NCI highly values the training of new recruits and young employees. NCI has set up "six mechanisms" for the systematic training of new recruits at the headquarters, which include the introduction and training of new recruits, career mentors, institutional training, internal job rotation, communication and sharing, and professional training. Through "monthly summary, quarterly discussions, and final appraisal", we assign career mentors to new recruits to guide them through the "integration period", help them grow rapidly, thus effectively changing the organizational atmosphere.

The Company provides new recruits with career mentors and carries out discussions, exchanges and summaries regularly. Meanwhile, NCI specially arranges external professional training for career mentors to improve their coaching skills, and arranges exchange and

sharing sessions between previous mentors and new mentors to form a good organizational atmosphere and promote the department's awareness of talent training.

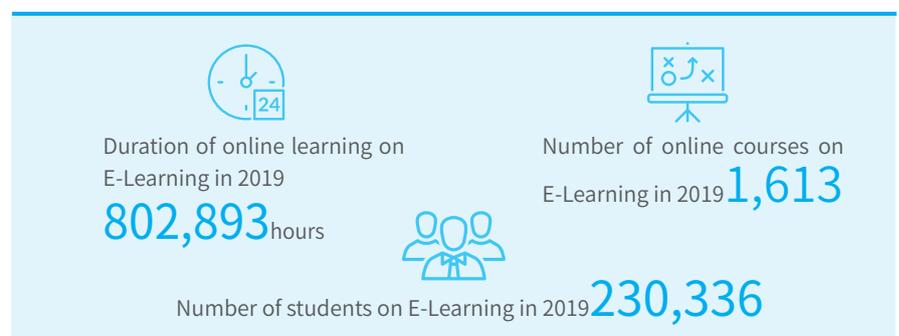
With regard to the training of young employees, the Company guides branches to formulate training programs for new university-graduate staff, implements training requirements, as well as promoting a wide spread of advanced training experiences among institutions through exchanges, sharing, and compilation of cases. At the same time, we do research in the formation of the ability and quality model of excellent young cadres in third-tier, and fourth-tier institutions to enrich the talent management tools in branches.

Focusing on NCI's development strategy, all branches shall take the training of professional and management talents as the core to promote the team construction of new university-graduate staff. In accordance with their individual ambition, career potential and work performance, NCI gradually determines the training direction and sets up the operation mode focusing on the training of new university-graduate staff. The employee training is mainly supported by the seven major mechanisms, namely, standard training mechanism, follow-up learning mechanism, dual mentor coaching mechanism, post training mechanism, treatment mechanism of protection period, long-term evaluation tracking mechanism and selection mechanism, providing strong talent guarantee and intellectual support for the development of the Company.

In 2019, in accordance with the all-dimensional, multi-tiered and wide-ranging principles, the Company adopted four methods of education and training, practices and exercises, monographic study and discussion, and external communication and learning to further optimize the two-year backup cadre training program, and successfully held the second training course for young and middle-aged cadres, which achieved good results.

NCI E-Learning

In order to implement NCI's development strategy in diversified ways and effectively promote the implementation of training, the Company launched the NCI E-Learning network platform for employees to learn online. Online courses are delivered live and in the form of micro lecture. Employees can participate in training through video and audio on the platform anytime and anywhere.



Building a Talent Training System

Risk manager

In order to practice the industry development concept of "Focusing on Security Function" and "Returning to the Essence of Insurance", NCI has launched a risk manager program to improve the career positioning and ability of individual insurance salesmen as risk management consultants. This program is mainly for sales personnel above the official level of individual insurance. Through special training and qualification examinations, the program helps them acquire the certificate of risk manager (junior).



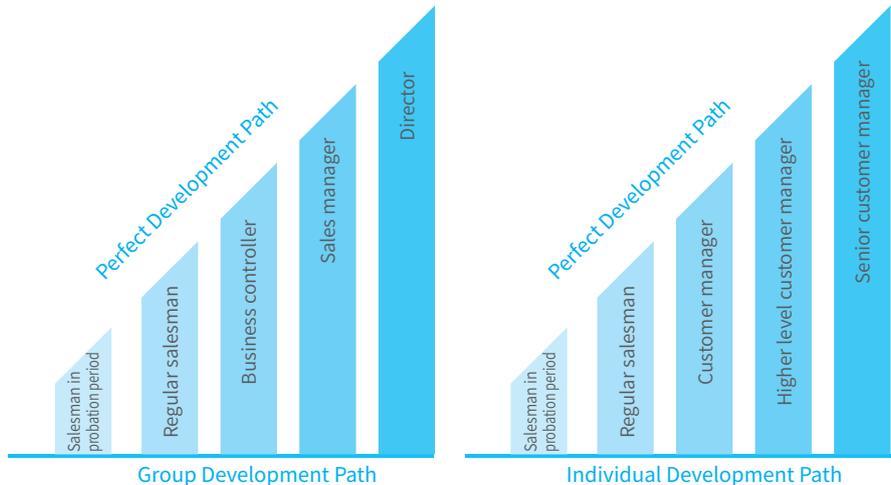
Agent

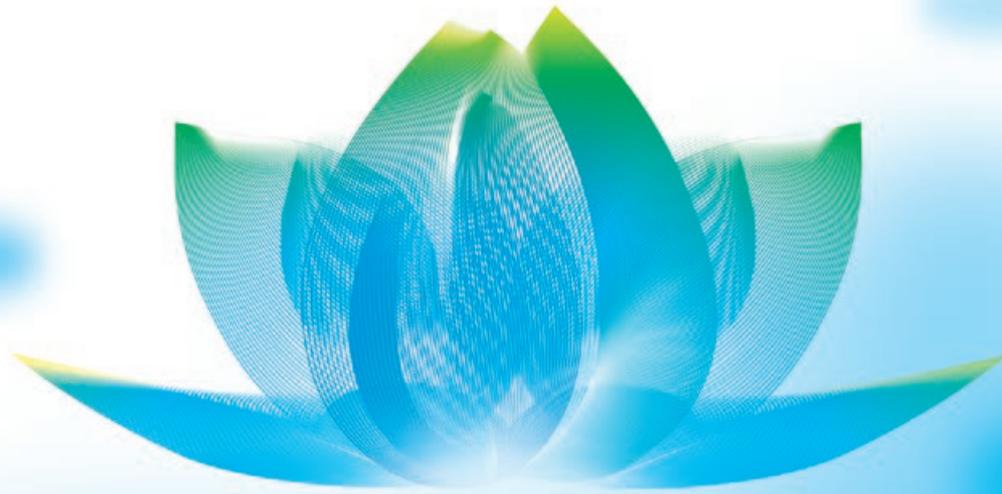
In 2019, NCI organised a large-scale organizational development activity themed "To be a Winner at NCI", and attracted talent from different background into insurance business. This activity was well supported by various modules of science and technology, relevant systems, policies, and training, to launch a new wave of human resource development. NCI plans two career paths for each agent: personal development and team development. Agents can choose according to their own development needs to achieve their dreams. As at the end of 2019, the number of NCI agents reached 507,000, an increase of 37% over the previous year. Nearly 350,000 new agents participated throughout the year, an increase of 23% over the previous year. NCI provided a great deal of employment opportunities for the society. NCI provides all-round vocational training for agents, cultivating talent to strongly support the development of the industry.



507,000

The number of NCI agents reached 507,000.





Implementing Green Operation

The Company strictly abides by relevant laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Conserving Energy, always adheres to low-carbon and environmentally-friendly operation methods, actively responds to climate change, and promotes the construction of ecological civilisation.

Low-carbon and Environmentally-friendly Office Space

In order to minimise the negative impact on the environment and natural resources in daily operations, NCI has formulated management systems such as the Administrative Measures for the Renovation of Public Office and the Interim Administrative Measures of Real Estate Construction Projects to strengthen low-carbon and environmental-friendly management for the offices.

In the decoration of the office, NCI follows the principles of reasonable allocation, environmental protection and energy conservation, and optimizes the design scheme and strictly controls engineering technology and materials to achieve the goal of energy conservation, high efficiency and low consumption. Energy-saving LED lights, sensor faucets, sensor urinals, and sensor toilets are used in the decoration of the offices. Glass partitions are used between corridors to make the most of natural light. The operating parameters of lighting and air conditioning equipment are adjusted in a timely manner according to changes in season, time and weather to effectively save electricity and water resources. NCI hired a professional organization to carry out air quality testing at offices after renovation. Employees can enter only after the air quality meets standards to ensure their occupational health and safety. In 2019, NCI renovated gas boilers in Yizhuang Park, and expected to save 600,000 kWh to 700,000 kWh of electricity each year.



LED Lights



Voice-activated switch



Sensor faucets

NCI pays attention to the environmental education of employees in the daily office process. We encourage employees to turn off lights when leaving, call for water conservation to prevent "water running for a long time", and set the temperature of the air conditioners under 26 degrees Celsius in summer. The Company has also set up regulations on the use of company vehicles and the recycling of electronic consumables.

Emissions ¹	
Indicator	2019
Exhaust emission (tonnes) ²	0.34
Total SO ₂ emissions (tonnes)	0.33
Total NO _x emissions (tonnes)	0.01
Total GHG emissions (Scopes 1 and 2) (tonnes) ³	14,602.20
Direct GHG emissions (Scope 1) (tonnes)	1,627.75
Natural gas (tonnes)	380.04
Gas (tonnes)	0.31
Gasoline (tonnes)	1,247.40
Indirect GHG emissions (Scope 2) (tonnes)	12,974.44
Purchased electricity (tonnes)	12,974.44
GHG emissions per square metre in office area (tonnes per square meter)	0.042

Emissions ¹ (Continued)	
Indicator	2019
Hazardous waste (tonnes) ⁴	7.89
Hazardous waste per capita (tonnes per employee)	0.00093
Non-hazardous waste (tonnes) ⁵	717.43
Non-hazardous waste per capita (tonnes per employee)	0.085

Use of resources ¹	
Indicator	2019
Total energy consumption (MWh) ⁶	25,965.48
Direct energy (MWh)	7,041.56
Natural gas (MWh)	1,943.58
Gas (MWh)	2.32
Gasoline (MWh)	5,095.66
Indirect energy (MWh)	18,923.92
Purchase electricity (MWh)	18,923.92
Energy consumption per square metre in office area (MWh per square meter)	0.080
Water consumption (tonnes) ⁷	165,806.36
Water consumption per capital (tonnes per employee)	19.60
Paper consumption (tonnes)	166.25
Paper consumption per capital (tonnes per employee)	0.020

Note:

1. Data in the table above covers the headquarter, Yizhuang Park, including NCI Yizhuang data centre, and 35 branches of NCI.
2. Due to its business nature, the air pollutants of NCI mainly come from the fuel consumption of automobiles, mainly including NOX emissions and SO2 emissions. The air pollutant emissions are measured in accordance with the Technical Guide for the Preparation of Air Pollutant Emission Inventories for Road Vehicles (Trial) issued by the Ministry of Environmental Protection of the PRC.
3. Due to its business nature, GHG emissions mainly come from purchased electricity and combustion of fossil fuel. GHG inventories include carbon dioxide, methane and nitrous oxide. GHG emissions are measured in carbon dioxide equivalents and calculated based on the 2017 Baseline Emission Factors for Regional Power Grids in China issued by the Ministry of Ecological Environment of the People's Republic of China and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC).
4. The types of hazardous waste generated in NCI's operations mainly include waste lead-acid batteries, discarded cartridges from office printing equipment and waste fluorescent tubes. Waste lead-acid batteries are dealt with by a qualified third party, discarded cartridges are recycled by the supplier of printing equipment, and waste fluorescent tubes are replaced by the property management company and handed over to a qualified recycler for recycling or disposal.
5. The types of non-hazardous waste generated in NCI's operation mainly include discarded electronic equipment and domestic garbage, which are recycled by the recycler.
6. The comprehensive energy consumption is calculated based on the electricity and gasoline consumption and the conversion factors provided under the General Principles of Calculation for Comprehensive Energy Consumption (GB/T 2589-2008), the National Standard of the People's Republic of China.
7. NCI mainly uses municipal tap water, and has no issue in obtaining suitable water sources.
8. Packaging materials are not applicable to NCI.

Mobile Business Development Services



386,000

The number of subscribers to the platform reached 386,000.

4,940,000

Saving over 4,940,000 pieces of paper.

23.5

23.5 tonnes of carbon dioxide equivalents reduction.

In 2019, NCI developed a "New Era Sales Platform" for insurance sales personnel. As an agent-specific service platform for mobile business development, it realizes customer and order management on mobile terminals, thereby reducing paper consumption as compared to traditional business development and contributing to green and low-carbon development. The number of subscribers to the platform reached 386,000. 1,885,000 proposals were delivered through the platform, saving over 4,940,000 pieces of paper, which is equivalent to 23.5 tonnes of carbon dioxide equivalents reduction.

In addition, in 2019, the Company began to replace PC desktop computers with the deployment of self-service terminals, virtual desktops, new slimmer pad terminals for sales personnel and field staff of all branches. These measures are expected to achieve significant energy saving as the power consumption of a new slimmer terminal is only 15 watts per hour, that is, less than 1 kWh per 24 hours. Compared with traditional PCs, this can help achieve a reduction of power consumption by 860 kWh every year.



Mobile Business Development Services

Data center is a key element of energy consumption in operations of financial services industry, and we strive to adopt concept of green data center. The data center based in Yizhuang has incorporated the concept of energy-saving and environmental protection ("ESEP") from its initial design to implementation.

The Yizhuang Data Center was constructed in 2017 and was officially put into use in early 2018. The air conditioning and refrigeration ("ACR") system is of vital importance to the overall energy efficiency accounting for nearly one-third of the centers' total power consumption. The natural cooling technology is utilized in the ACR system. For transitional seasons, a "compressor + natural air" cooling mode will be executed. In winters, natural wind cooling will be used for heat exchange. The natural cooling technology is exploited as much as possible throughout the year to reduce the use time of compressors and maximize the effect of energy saving. In addition, the computer room is arranged tactically to achieve a tight insulation between hot and cold aisles matching the best optimal air supply, enable and assist reducing energy consumption to adjust temperature and humidity through the air conditioners. Air conditioners in the computer room are interconnected to realize intelligent temperature control online and air ducts are properly arranged with optimal wind speed and air volume, so as to maintain the most efficient utilization rate of air conditioners. Besides, an energy consumption control system was established to realize statistics and analysis of energy consumption data and calculation of energy efficiency indicators, thus achieving targeted management, control and implementation of energy saving measures.



Adjust the valve flow of the chilled water circulation pump to reduce the running current of the pump



The upper limit of the speed of precision air conditioner is uniformly set to 85% to reduce the operating current.



VRV temperature is set to 26 °C in summer and 22 °C in winter



Turn off the electric heat tracing of the pipeline to reduce power loss

Promotion of Ecological Civilization

Based on strict management of its own operation to control the impact on the environment, NCI actively responds to the national government's call to help promote ecological civilization by requiring relevant teams to put the focus of business development on industries such as ESEP, high-tech and new energy. For example, the Company has provided packaged insurance such as personal accident insurance, critical illness insurance, hospital & medical insurance, etc. for employees of enterprises in these industries, including China Energy-saving Emission Reduction Co., Ltd, Beijing SPC Environment Protection Tech Co., Ltd., etc.. The Company has set ESEP standards as a key indicator and prefers environmental friendly buildings for investments in real estate.

Case

"Breathing Building" - Shanxi International Finance Center

Shanxi International Finance Center is a real estate project invested by NCI, and an urban complex developed and constructed by Shanxi International Electricity Group Co., Ltd. The overall planning and design of the Center was done by GMP, a well-known German architectural design firm, which adopted an intelligent curtain wall of a double-layer breathing structure for the Center to achieve direct supply of fresh air into the room without the windowed ventilation layer. The building is granted with the US LEED Green Certification.



Additionally, the headquarter and branches of the Company organize tree planting activities every year on the Tree-planting Day to promote a green and low-carbon lifestyle and contribute more to the development of beautiful cities.

Case

Voluntary tree planting by NCI Shandong Branch

In 2019, hundreds of volunteers from NCI Shandong Branch and 12 center branches went into the wild to carry out tree planting activities in various forms to play their part in ecological civilization. Thousands of saplings were planted in these activities.

Case

Voluntary tree planting by NCI Nan'an Branch of Quanzhou Center Branch

On 16 March 2019, NCI Nan'an Branch of Quanzhou Center Branch launched a tree planting activity with a theme of "Embracing spring, planting greenness". 350 volunteers (including children) from 100 happy families participated in the activity and planted more than a hundred saplings of coral tree as a contribution to the construction of beautiful cities.



Building a Harmonious Society



NCI always regards giving back to the society equally important as business development. It is committed to protecting and improving people's wellbeing and promoting social harmony and stability by effectively integrating community investment and public welfare practices with its own business. In 2016, NCI officially initiated and founded the Public Welfare Foundation of New China Life Insurance Company Ltd. (the "Public Welfare Foundation"), which aims to achieve more regular and customized social welfare undertakings, and continues to actively perform social responsibilities. In 2017, the Foundation established the NCI Volunteer Alliance for the implementation of the project, to achieve a featured, in-depth and continuous operation of public welfare actions and contribute to the improvement of people's livelihood and the creation of a harmonious society with practical actions.

Topic

Large-scale Public Welfare Action --Caring for Sanitation Workers across the Country

"NCI walks with you to create a beautiful city - Large-scale public welfare action: Caring for sanitation workers across the country" is a special long-term project implemented by the NCI Public Welfare Foundation, which aims to provide personal accident insurance for sanitation workers engaged in high-intensity and high-risk jobs. The project was first launched in Taiyuan, Shanxi Province on 22 August 2017, and moved on to cover multiple regions, extending to Sanya, Hainan province in the south, Qitaihe, Heilongjiang province in the north, Weihai, Shandong province in the east, and Aksu, Xinjiang province in the west. Among all the public welfare projects targeting sanitation workers, this project is the most far-reaching one, covering the highest number of cities and benefiting the largest number of people with the largest sum insured and at the fastest speed.

The design of the project features "three specialties": the first is dedicated products specially tailored for sanitation workers with no limits on age, health, region and other factors. The second is a focus on occupational risks of sanitation workers by assuming insurance liabilities upon personal accident, casualty and disability; and the third is professional services, including setting up service teams and access channels to show multi-dimensional care. Since the launch of the project, NCI has donated personal accident insurance for every sanitation worker nationwide with an insured amount up to RMB 100,000. As of the end of the reporting period, the project had been implemented in 102 large and medium-sized cities across the

country, benefiting more than 735,000 sanitation workers. The accumulative insured amount donated was more than RMB 73.5 billion, with RMB 11 million claims settlement for 123 claims.

Furthermore, the NCI Volunteer Alliance organized a series of public welfare activities to contribute society and demonstrate care for sanitation workers. These included "I deliver coolness for sanitation workers", "Breakfast for sanitation workers" "No garbage on the ground, public welfare activities for environmental protection", a photo contest of "The Most Beautiful City Angel in My Eyes", and various special symphony concert performances. On 26 October 2019, the NCI Volunteer Alliance in 25 branches sent festival greetings to various groups of sanitation workers across the country to celebrate the Sanitation Workers' Day, by giving warm greetings, daily necessities as gift, caring breakfast, etc., and carried out a total of 94 celebration activities.



Implementing Targeted Poverty Alleviation



Targeted Poverty Alleviation Projects

18

Covering 18 cities in 7 provinces

20,000

Benefiting over 20,000 people in poverty

In exercise of the spirit of the 19th National Congress of the Communist Party of China, and in response to the call of the Central Committee of the CPC for poverty alleviation, NCI actively integrated the national strategy in its daily operation by setting the direction of its targeted poverty alleviation ("TPA") projects. NCI launched the campaign of "NCI Walks with You along the Road to Comprehensive Well-off: NCI large-scale public welfare action for TPA". Supporting schemes, in particular poverty alleviation projects closely related to insurance protection were carried out with a focus on old revolutionary base areas, minority ethnic autonomous areas, border regions and poverty-stricken areas, such as the "Three Regions and Three Prefectures".

In 2019, NCI's TPA projects included 4 insurance poverty alleviation projects, 1 infrastructure project, 1 industrial poverty alleviation project and 2 educational poverty alleviation projects, covering 18 regions in 7 provinces and benefiting more than 20,000 officially registered poverty-stricken people. The insured amount donated in the insurance poverty alleviation projects was over RMB1.8 billion in 2019. By focusing on specific groups of poverty-stricken people and creating multi-dimensional guarantee, these projects played an active role in lifting poverty-stricken areas out of poverty while promoting brand image of the Company.

Case

Promoting Beijing-Mongolia collaboration and helping Huangyang town get rid of poverty

Huangyang town, Chayouzhongqi, Inner Mongolia, is a designated recipient of TPA assistance from NCI. NCI has been exploring the way to sustainable poverty alleviation through the implementation of a comprehensive multi-level mode of assistance and coordination, under which industrial assistance and insurance donation are given.

As of the end of 2019, NCI had completed the allocation of RMB1.2 million for the project of feed processing line in Huangyang town. To prevent poverty or returning to poverty due to illness, NCI provided insurance guarantee for local residents. The premium and insured amount donated accumulated to nearly RMB400,000 and RMB430 million respectively. It also organized books, toys, clothing and other fundraising activities within the company, and donated 30 computers to the local government to improve their office conditions.



Enthusiastic Voluntary Services



30,780

The NCI Volunteer Alliance had recruited 30,780 volunteers.



54,480.2

Throughout the year, we organized 1,318 voluntary service activities with 31,678 volunteer participants, a total service time of 54,480.2 hours and total beneficiaries of 758,056.

NCI always adheres to core values of fulfilling social responsibility in its business, and demonstrates its spirit of public welfare actively participating in various public welfare activities, contributing to the promotion of the Chinese tradition culture.

As of the end of 2019, the NCI Volunteer Alliance had established 35 branches across the country and recruited 30,780 volunteers. Throughout the year, these branches organized 1,318 voluntary service activities with 31,678 volunteer participants and a total service time of 54,480.2 hours, benefiting 758,056 people in total. Moreover, in 2019, the NCI Volunteer Alliance organized the appraisal and selection of "Annual Public Welfare Ambassadors", "Excellent Branches" and "Outstanding Projects", aiming to ignite volunteers' passion about volunteering and inspire the vitality of volunteering teams.



Public welfare activities for Guang'ai School

Guang'ai School, a non-profit non-government educational charity, is dedicated to hosting homeless children, orphaned and disabled children and extremely poor children across the country. It implements an all-free boarding system. NCI Beijing Branch has provided public welfare support to Guang'ai School for 9 consecutive years since 2012, and has conducted 19 public welfare condolence activities.

The school has an "NCI Love Classroom" donated by NCI. On the eve of the Spring Festival, Mid-Autumn Festival, Children's Day and other meaningful festivals, the Company provides the teachers and students with living materials such as rice, noodle and cooking oil, and donates TV sets, children's bicycles, books, pens, exercise books and other school supplies and entertainment supplies to the school. In addition, the Company also organizes employees and customers to do face-to-face communication with the children, and arranges a series of classes in different interactive activities and forms such as game competitions for popularizing traditional culture and promoting patriotism education, and classroom decoration activities, etc. The Company holds a special event of "NCI Cup" children's painting and calligraphy competition every year.

The Company is committed to providing welfare supports to more than 100 children in Guang'ai School, and actively responds to the call of the industry association to participate "Insurance education into primary and secondary schools". The long-term public welfare caring actions of NCI have also been highly recognized by the industry association.



Devoting Ourselves to the Undertaking of "Insurance + Public Welfare"

The Public Welfare Foundation has been committed to the undertaking of public welfare and charity since its establishment. It has widely engaged in public welfare and charitable programs such as donation to help poor students, poverty alleviation, healthcare, environmental protection and sports promotion. A unique public welfare mode featuring "insurance products + public welfare platform + volunteer services", is adopted to implement a distinctive path to social responsibility.

Case

"Soothing Program" -- Caring for families losing their only child

The "Soothing Program" is funded by the government and insured by NCI. It provides families in Beijing, which lost their only child with comprehensive support services including endowment insurance, die-of-illness insurance, personal accident insurance and insurance targeting critical illnesses of women, to help these families resist external risks and guarantee them higher accessibility to elderly care and medical care.

NCI adopts a zero-profit strategy for the "Soothing Program". It expands the coverage of the insurance, increases the insured amount, and opens special "access channel" to simplify and optimize the procedures of claims settlement, product training, and value-added services and so on. Since the program started, the premium has accumulated to RMB11,162, with 14,532 people covered under the program. As of the end of 2019, the amount of pension paid by NCI had accumulated to RMB99,420,000, benefiting 12,298 people in total.

Case

Critical illness insurance for children in rural areas in China

The critical illness insurance ("CII") program for children in rural areas in China is launched in cooperation with the China Rural Kids Care Project Team of Chinese Children Charity Aid Foundation. Adhering to the concept of "allowing every child to receive medical care with dignity", the program seeks medical funding and medical access for children in pilot areas by means of raising funds for charity and purchasing commercial insurance as supplementary to the New Rural Cooperative Medical System ("NCMS") and the existing social security system, so as to help families protect their children from the impacts of critical illnesses.

In 2012, NCI Beijing Branch started to underwrite the first pilot area in Hefeng, Hubei province. Children aged 0-16 were allowed to get reimbursement for expenses not covered by medical insurances/NCMS. The insured amount for each child every year was up to RMB200,000. In view of the ideal operation of the program in Hefeng, 7 more pilot areas were covered, including Guzhang, Hunan province, Yangbi, Yunnan province, Hanyuan, Sichuan province, Keyouqianqi, Inner Mongolia, Badong, Hubei province and Zhongyang, Shanxi province, benefiting nearly 300,000 rural children. The program alleviated the financial burdens on families having critically ill child and guaranteed these children more accessible to better medical treatment. As of the end of 2019, the accumulative amount of premium under the project reached RMB46.85 million, with RMB27.42 million paid for the settlement of 5,594 claims. This is the first operating model combining public welfare with commercial insurance, truly demonstrating the undeniable relationship between public welfare and inclusive finance.

Case

"Worry-free grey hairs": Personal accident insurance for the elderly

In response to the public welfare call for "Filial Piety First in Micro-age", NCI launched a love project of "Worry-free grey hairs" jointly with Shanghai Municipal Committee for Aging People Services to give elderly people better protection against personal accidents, contributing to close the national gaps in personal accident insurance for retired elderly people in China. The project is exclusively designed for people over 50 years old in Shanghai to cultivate cares for the elderly and contribute to the building of a harmonious society. In the past 15 years, the number of people insured under the project has accumulated to 9.59 million, with 84,106 claims settled.

Supporting National Strategies



RMB **73.141** billion

A total of RMB 73.141 billion was invested for supporting the real economy.

Supporting Local People's Livelihood

As a major financial institution in the capital market, NCI resolutely implements the strategy to support the development of local people's livelihood, leveraging our advantages in insurance and asset management products and availability of funds. We strive to support national strategies that focus on real economy, economic and infrastructure developments of certain provinces for better living of people. We invest in local government bonds and non-standardized financial products, and launch various insurance and asset management products. In 2019, NCI supported the real economy in the forms of infrastructure debt investment plans, equity investment plans, project based investment plans, trust plans, investment funds, etc. The amount invested totalled RMB73.141 billion, which covered sectors that support the real economy including energy, transportation, utilities, information technology, etc., in more than 10 provinces.

NCI also wholeheartedly supports the development of small, medium and micro enterprises (UMKM), which account for a vast majority of all the group insurance customers we serve. We provide our corporate customers with a package of insurances and relevant services for their employees, including personal accident insurance, medical insurance, critical illness insurance, etc., to help them transfer risks, guarantee financial stability and enhance welfare. The products and services we provide are sufficient to meet the needs of enterprises in an all-around manner. We also continuously improve our ability to serve UMKM, and truly explore their various needs about insurance, so that we can tailor exclusive health insurances for their employees and help UMKM go further and fly higher.

Responding to the "Belt and Road" initiative

With the launch of the "Belt and Road" initiative since 2017, NCI actively responded to the national policy by organizing dedicated team to study the Guiding Opinions of the China Insurance Regulatory Commission on Services of the Insurance Industry for the Building of the "Belt and Road" (now renamed the China Banking and Insurance Regulatory Commission ("CBIRC")). We also encourage our team to conduct business for SOS insurance products (overseas rescue insurance) with a focus on corporates operating in countries along the "Belt and Road" initiative, and provide their employees and migrant workers engaged in the "Belt and Road" initiative with personal accident insurance, medical insurance, etc. NCI has contributed to the "Belt and Road" initiative by engaging in the provision of insurance protection for employees of many "Belt and Road" corporates.



Special Topics: NCI Fought against with COVID-19

The Spring Festival of 2020 in China is definitely unforgettable, with the unexpected outbreak of coronavirus (COVID-19). Since the COVID-19 outbreak, the Central Committee of the Communist Party of China (CPC) and the State Council made a series of important arrangements. NCI also set up a special emergency task force for fighting against the COVID-19. On January 21st, 2020, with Chinese government initiated the major emergency management level I and released The Emergency Plan about COVID-19, all employees of NCI are devoted into battling against COVID-19.



During the epidemic period:

17

The liability of 17 existing insurance products expanded.

66,000

Around 66,000 cases of claim settlement were closed.

RMB 200 million

Total payment amount reached over RMB 200 million.

It is priority of NCI to safeguard our employees' health and safety. We have collected and monitored our employees' situation and strictly implemented tracking and reporting process on COVID-19 in active cooperation with the government at various levels. Furthermore, we have vigorously disinfected the offices, provided epidemic prevention resources to our employees, and actively carried out working from home to reduce spread in the society. Additionally, we have provided COVID-19 Caring Plans – insurance protection for our employees to encourage cohesion and team spirit in combating COVID-19.

NCI has also expanded insurance liability coverage of COVID-19 for our 17 existing insurance products without adjusting premium rate or insured sum protection. NCI has launched "The Eight Customer Service Practices" to facilitate ensure continuous quality service to our clients during the difficult period. We fully leverage the use of technology empowerment, to provide 7 × 24 hours self-claim service by Wechat. Regarding the liability extension and claims process, we formulated a series of guidelines, such as "Zero Contacts Guideline for All Time and multiple platforms" and other specific Q&A guides, to help clients to understand claims



compensation policies during the epidemic period. From January 22, to February 21, 2020, NCI has dealt with compensation claims cases around 66 thousands accumulatively, and has settled indemnity amount of over RMB200 million.



RMB **6.071** million

A total of RMB 6.071 million was donated to relevant institutions in various places

RMB **966,000**

We donated goods worth of RMB 966,000 for combating epidemic.

RMB **72.23** billion

We provided total insurance amount of RMB 72.23 billion.

"The Eight Customer Service Practices"

1. Actively Provide Services	2. Setup Hotline
3. Setup Green Channel	4. Claim without guarantee
5. Setup Prepaid Services	6. Cancel Hospitals Limitations
7. Provide Compassionate Care	8. Educate Hygiene

Additionally, NCI's public welfare foundation has provided insurance protection plan of RMB300 thousand to almost 200 thousand medical staffs who worked in the city of Wuhan, with a total package of around RMB60 billion. As at March 20, 2020, NCI has completed 10 claims, and the accumulated payment amount was 3 million yuan. NCI has donated over RMB6.071 million, including RMB1.015 million donated by Party members, to multiple related local organizations, and have donated epidemic prevention goods and materials with a value of about RMB966,000. We have also provided insurance protection with an aggregated value of RMB72.23 billion to many front line people including medical staff, police officers, community cadres, journalists, and volunteers.



Honours of the Company



NCI 新华保险
关爱人生每一天

Corporate Level

Forbes Global 2000

NCI ranked 336th in the "Forbes Global 2000" list of 2019 published by USA Forbes magazine.

Fortune 500

NCI ranked 64th in the "Fortune 500" list of 2019 released by fortunechina.com. NCI hits the list for 8 years.

Moody's and Fitch Ratings

NCI was rated A2 and A in terms of financial strength of insurance companies by "Moody's" and "Fitch" respectively, which promises a stable outlook.

Top 500 Asian Brands

NCI ranked 226th in the "Top 500 Asian Brands" list of 2019 released by World Brand Lab.

Top 500 Chinese Enterprises

NCI ranked 126th in the "Top 500 Chinese Enterprises" list released by China Enterprise Confederation and China Entrepreneurs Association at the Top 500 Chinese Enterprises Summit Forum.

China's Top 500 Most Valuable Brands

NCI ranked 94 in "2019 China's Top 500 Most Valuable Brands" list released by Brand Finance, a British brand evaluation agency.

Top 100 Most Valuable Chinese Brands

WPP and Kantar jointly released the "BrandZ™ 2019 Top 100 Most Valuable Chinese Brands". With a brand value of 2.23 billion dollars, NCI ranked 60th on the list and has been on the list for six consecutive years.

Public-welfare Level

The Most Social Responsible Happy Enterprise

NCI was listed as "The Most Social Responsible Happy Enterprise of 2019" at the "China Enterprise Competitiveness Annual Meeting" organized by China Business Journal.

Pioneer Award for Targeted Poverty Alleviation

NCI won the "Pioneer Award for Targeted Poverty Alleviation" in the annual appraisal and selection of "Chinanet Outstanding Pioneer in Financial Poverty Alleviation" sponsored by Chinanet News Center.

Annual Top Ten Typical Claims Cases of China Insurance

China Insurance Industry Association and the China Banking Regulatory Commission Consumer Insurance Bureau released "2018 Top Ten Typical Cases of China Insurance Claims", NCI's "Caring for Sanitation Workers across the Country" claim case was successfully listed.

Products Level

Award for Gold Medal Innovative Bank-insurance Products

Our "Huashi Life Annuity Insurance" was granted the "Award for Gold-medal Innovative Bank-insurance Products of 2019" in the appraisal and selection of the "Gold Pixiu Award" at the 2nd Bank-Insurance Cooperation Development (Beijing) Summit 2019 sponsored by Finance magazine and eBay Finance.

Ark Award for Gold Medal Insurance Products

Our "Additional Insurance for Specific Cardio-Cerebrovascular Diseases" was granted the "Ark Award for Gold-medal Insurance Products of 2019" at the "2019 Annual Meeting of China Insurance Industry - Asset and Liability Management" hosted by Securities Times.

Services Level

"3·15 National Excellent Model Enterprise of Quality and Integrity Brand" and "Five-star Service Quality Award"

NCI was granted the awards of "3.15 National Excellent Model Enterprise of Quality and Integrity Brand" and "Five-star Service Quality Award" for the fourth consecutive year at the "3.15 Fifth China Quality and Integrity Brand Forum 2019" hosted by China Association for Quality Promotion ("CAQP") under the guidance of State Administration of Market Supervision and Administration and relevant national ministries and commissions.

Top 100 Financial Service Provider

NCI was awarded the title of the "Top 100 Financial Service Provider of 2019" at the "2019 China Financial Services and Innovation Forum" hosted by China Economic Network.

Note: The above represents just part of NCI's awards.

Appendices

General Disclosures and KPIs in the ESG Reporting Guide of The Stock Exchange of Hong Kong Limited

Subject	Performance indicator	Index
A. Environment		
A1 Emission		
	Information on:(1) the policies; and (2) 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	"Implementing Green Operation"
A1.1	The types of emissions and respective emissions data.	
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	
A1.5	Description of measures to mitigate emissions and results achieved.	
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	
A2 Use of Resources		
	General Disclosure: Policies on the efficient use of resources	"Implementing Green Operation"
A2.1	Direct and/or indirect energy consumption by type (e.g. Electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	
A2.3	Description of energy use efficiency initiatives and results achieved.	
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not Applicable
A3 The Environment and Natural Resources		
	General Disclosure: Policies on minimizing the issuer's significant impact on the environment and natural resources.	"Implementing Green Operation"
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	
B. Society		
B1 Employment		
	General Disclosure Information on: (1) the policies; and (2) 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	"Guaranteeing Employees' Legal Rights and Interests"
B1.1	Total workforce by gender, employment type, age group and geographical region.	
B1.2	Employee turnover rate by gender, age group and geographical region.	
B2 Health and Safety		
	General Disclosure Information on: (1) the policies; and (2) 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	"Attaching Importance to Employee Health and Safety"
B2.1	Number and rate of work-related fatalities.	
B2.2	Lost days due to work injury.	
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	

General Disclosures and KPIs in the ESG Reporting Guide of The Stock Exchange of Hong Kong Limited

Subject	Performance indicator	Index
B3 Development and Training		
	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	"Building a Talent Training System"
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	
B3.2	The average training hours completed per employee by gender and employee category.	
B4 Labour Standards		
	General Disclosure Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	"Guaranteeing Employees' Legal Rights and Interests"
B4.1	Description of measures to review employment practices to avoid child and forced labor.	
B4.2	Description of steps taken to eliminate such practices when discovered.	
B5 Supply Chain Management		
	General Disclosure Policies on managing environmental and social risks of the supply chain.	"Standardizing Procurement Management"
B5.1	Number of suppliers by geographical region.	
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	
B6 Product Responsibility		
	General Disclosure Information on: (1) the policies; and (2) 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.	"Returning to the Essence of Insurance" "Steady and Compliance Operation"
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not Applicable
B6.2	Number of products and service related complaints received and how they are dealt with.	"Protecting Consumer Rights and Interests"
B6.3	Description of practices relating to observing and protecting intellectual property rights.	"Protection of Intellectual Property Rights"
B6.4	Description of quality assurance process and recall procedures.	Not Applicable
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	"Safeguarding Information Security"
B7 Anti-corruption		
	General Disclosure Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	"Promoting Integrity" "Preventing Money Laundering Risks"
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.	
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	
B8 Community Investment		
B8.1	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.	"Building a Harmonious Society"
B8.2	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	
	Resources contributed (e.g. money or time) to the focus area.	

China Security Regulatory Commission ("CSRC") – 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 targeted 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.	
1 Poverty alleviation plan: includes its fundamental strategy, the overall objectives, main tasks, and guarantee measures of poverty alleviation.	"Implementing Targeted Poverty Alleviation"
2 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.	
3 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.	
4 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.	

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.

1 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
2 The construction and operating conditions of pollution control facilities	Not Applicable
3 Environmental impact assessment and other administrative licenses of environmental protection of construction projects	Not Applicable
4 Environmental emergency plan	Not Applicable
5 Environmental self-monitoring program	Not Applicable
6 Other environmental information which shall be disclosed	Not Applicable

Shanghai Stock Exchange – Guidelines on Preparation of Report on Company's Fulfilment of Social Responsibilities

Requirements	Reference pages
Promotion of social sustainability development	
To protect employees' health and safety	"Attaching Importance to Employee Health and Safety"
To protect and support the community	"Building a Harmonious Society"
To check the quality of products	"Returning to the Essence of Insurance"
Promotion of environmental and ecological sustainability development	
How to prevent and reduce pollution	"Implementing Green Operation"
How to protect water resources and energy	"Implementing Green Operation"
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	"Returning to the Essence of Insurance"
How to bring higher economic returns for its shareholders	"Development Strategy"
How to create better job opportunities and future development for employees	"Helping Employees' Growth"

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全国统一客服电话

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NCI Official Account



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