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Executive's Oration

2019 is the 70th year after the founding of the People's Republic of China, and the key year to achieve the first century-long goal of building a well-off society in an all-round way. Facing the complex economic situation, we closely follow the national strategy to serve the entity economy and the people as the foundation and combine our own characteristics and advantages, unswervingly promoting retail transformation, continuing to vigorously promote financial poverty alleviation, and striving to build "the most outstanding world-leading intelligent retail bank in China".

Support national strategies to build a better life. We resolutely implement national macroeconomic policies, connect with national strategies, serve for regional development, and customize financial support programs for each region to support their steady and long-term development. In 2019, we fully supported the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, coordinated the creation of a "Finance Blockchain Platform for Trade in Bay Area", established a Hong Kong branch, and promoted the innovation of cross-border financial product, providing a force of Ping An for the subsequent development of the Greater Bay Area. Meanwhile, we focus on the improvement of people's livelihood, provide financial assistance for infrastructure construction in multiple provinces, provide deeper and wider financial services in rural areas, and continuously strengthen the service of the entity economy, promoting the growth of private, small and micro enterprises, and letting the public enjoy a more intelligent and more convenient financial life.

Benefit the public and share the results of development. Adhering to the original intention of "customer-oriented", we are committed to creating "SAFE intelligent anti-fraud system" to guard information and fund security for customers, and optimize customer service through technology empowerment, so that customers can enjoy a smarter and more convenient financial life. We focus on the protection of consumer rights, launch a number of technological innovation projects to protect consumer rights, and provide targeted financial knowledge popularization activities to youth, college students, and the elderly in the community. At the same time, we focus on rural rejuvenation, give play to the advantages of our professionalism, and provide financial support for poor areas. We have vigorously carried out the "Village Official Project" and innovated a closed-loop model of poverty alleviation with "intelligence-boosting training, realizing self-support by developing industry, one product specific to one village, utilizing production and marketing". We have invested 12.554 billion yuan in Yunnan, Guangxi, Guizhou, Sichuan, Hainan, Chongqing, Hunan, Ningxia and other places in poverty alleviation, benefiting 520,000 poor people and came up with solutions with characteristics of Ping An to building a beautiful countryside in the new era.

Develop green finance and boost the green industries. We thoroughly implement the "13th Five-Year Plan" of the State and the Green Credit Guidelines of the China Banking and Insurance Regulatory Commission, increase support for green credit, and lead innovation in green financial products. We continue to promote financial support for a low-carbon economy, circular economy, energy-saving and emission-reducing green industries, and promote the development of the low-carbon economy. As of the end of 2019, Ping An Bank's total green credit granting was 57.2 billion yuan, and the loan balance was 25.2 billion yuan. At the same time, we have integrated the concept of green and low-carbon into the entire process of financial services, and the public can use the "Over-the-air Counter" of Ping An Pocket Bank APP to do business without leaving the home. In addition, we vigorously promote electronic reconciliation means, strive to reduce the impact on the environment, provide customers with a green and environmentally friendly service experience, practice green operations, and build a green bank.
At the beginning of the New Year, everything is renewed. 2020 is an important milestone in building a well-off society in an all-round way and achieving the first century-long goal. Ping An Bank will not forget its original intention. It will forge ahead, serve the country's overall development with high-quality financial support, promote social development and progress with science and technology, return customers with high-quality services, and help poverty-aid strategies through financial poverty alleviation. We will work with stakeholders to jointly promote sustainable economic, social and environmental development, and write a new chapter for a better society.
I. Corporate Governance

1. Bank Introduction

A national joint-stock commercial bank (SZSE: 000001) headquartered in Shenzhen, Ping An Bank Co., Ltd. is committed to providing customers with one-stop comprehensive financial services. Formerly known as Shenzhen Development Bank, it is the first publicly listed national joint-stock bank in Mainland China. Ping An Insurance (Group) Co., Ltd. and its holding subsidiaries are the Bank's controlling shareholders that collectively have 58% of the Bank's shares. As of the end of 2019, the Bank owned 91 branches (including the branch in Hong Kong) and 1,058 business institutions.

Adhering to the national strategy and transformation to retail business, Ping An Bank proceeds with the policy of "being technology-driven, pursuing breakthroughs in retail banking, and reinventing its corporate banking" and has built the "3+2+1" strategy to handle retail and corporate business respectively, comprehensively promotes establishment of the "AI Bank" system and escalates its prevention against financial risk, continues to increase its support to private enterprises, small and micro enterprises, the entity economy, and promote financial poverty alleviation, in order to become the "China's best and world-leading intelligent retail bank."

<table>
<thead>
<tr>
<th>Being technology-driven</th>
<th>Pursuing breakthroughs in retail banking</th>
<th>Reinventing its corporate banking</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Reinvent the bank with technology, lead the business development, and build a fintech &quot;moat&quot;</td>
<td>• Gather the strengths across the bank, integrate technological wisdom, and build a leading intelligent retail bank</td>
<td>• Adhere to the concept of &quot;industrialization, specialization, investment banking, light capital, and light assets&quot;, and strive to build a quality company bank with an attitude of excellence and intensive cultivation</td>
</tr>
</tbody>
</table>
## 2. Performance in 2019

### 2.1 Responsibility & Performance

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economic performance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets (100 million yuan)</td>
<td>39,390.70</td>
<td>34,185.92</td>
<td>32,484.74</td>
</tr>
<tr>
<td>Total deposits (100 million yuan)</td>
<td>24,369.35</td>
<td>21,285.57</td>
<td>20,004.20</td>
</tr>
<tr>
<td>Total loans (including discount) (100 million yuan)</td>
<td>23,232.05</td>
<td>19,975.29</td>
<td>17,042.30</td>
</tr>
<tr>
<td>Operating revenue (100 million yuan)</td>
<td>1,379.58</td>
<td>1,167.16</td>
<td>1,057.86</td>
</tr>
<tr>
<td>Net profit (100 million yuan)</td>
<td>281.95</td>
<td>248.18</td>
<td>231.89</td>
</tr>
<tr>
<td>Earnings per share (yuan)</td>
<td>1.54</td>
<td>1.39</td>
<td>1.30</td>
</tr>
<tr>
<td>Loan balance in excess capacity industry (100 million yuan)</td>
<td>489.46</td>
<td>527.26</td>
<td>710.35</td>
</tr>
<tr>
<td>Loan proportion in excess capacity industry</td>
<td>2.11%</td>
<td>2.64%</td>
<td>4.17%</td>
</tr>
<tr>
<td>Total green credit extension (100 million yuan)</td>
<td>572</td>
<td>626.93</td>
<td>808.39</td>
</tr>
<tr>
<td>Number of video conferences</td>
<td>36,736</td>
<td>31,811</td>
<td>29,005</td>
</tr>
<tr>
<td>Satisfaction of credit card customer</td>
<td>87.4%</td>
<td>87%</td>
<td>84.1%</td>
</tr>
<tr>
<td>Total staff</td>
<td>34,253</td>
<td>34,626</td>
<td>32,502</td>
</tr>
<tr>
<td>Social insurance coverage</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Total tax paid (100 million yuan)</td>
<td>227.49</td>
<td>230.94</td>
<td>239.00</td>
</tr>
<tr>
<td>Total donations (10,000 yuan)</td>
<td>748.62</td>
<td>489.83</td>
<td>552</td>
</tr>
<tr>
<td>Cumulative investment in poverty alleviation (100 million yuan)</td>
<td>125.54</td>
<td>44.58</td>
<td>—</td>
</tr>
<tr>
<td>Number of helping households of the fund for poverty alleviation</td>
<td>16,083</td>
<td>1,917</td>
<td>—</td>
</tr>
</tbody>
</table>

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PING AN BANK'S SUSTAINABILITY REPORT IN 2019
## 2.2 Honors

<table>
<thead>
<tr>
<th>Main Awards</th>
<th>Received from</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pioneer of Outstanding Financial Poverty Alleviation</td>
<td>China Internet News Center</td>
</tr>
<tr>
<td>Best Precision Poverty Alleviation Contribution Award</td>
<td>China Banking Association</td>
</tr>
<tr>
<td>Prominent Commercial Bank of Asia in 2019</td>
<td>21st Century Media</td>
</tr>
<tr>
<td>China's Outstanding Cases of Precision Poverty Alleviation in 2019</td>
<td></td>
</tr>
<tr>
<td>2019 Product Innovation Bank</td>
<td></td>
</tr>
<tr>
<td>Best Financial Innovation Award</td>
<td>The Banker</td>
</tr>
<tr>
<td>Best Management Bank Award in the Asia Pacific Region and China</td>
<td>The Asian Banker</td>
</tr>
<tr>
<td>China's Best Joint Stock Finance Bank</td>
<td></td>
</tr>
<tr>
<td>Excellence Award for &quot;Gold Finance&quot; Annual Asset Management</td>
<td>Shanghai Securities News</td>
</tr>
<tr>
<td>Team Award for the 1st Financial Security Golden Shield</td>
<td>Nanfang Metropolis Daily</td>
</tr>
<tr>
<td>Best Mobile Banking Award</td>
<td>CFCA</td>
</tr>
<tr>
<td>Most Competitive Bank of the Year</td>
<td>Financial News</td>
</tr>
<tr>
<td>Second Prize of Bank Technology Development Award 2018</td>
<td>The People's Bank of China</td>
</tr>
</tbody>
</table>
3. Sustainability Management

3.1 Development Philosophy

Ping An Bank closely adheres to the national strategy to serve the entity economy and the people. Focusing on customer needs, technology applications, and risk management, Ping An Bank continuously improves the Bank's overall management capabilities, and focuses on seven aspects, including development strategy, comprehensive finance, innovation culture, execution capabilities, FinTech, retail banking and corporate banking, in order to create distinctive core competitiveness.

Insisting on the unity of economic, social and environmental benefits is the core strategy of Ping An Bank to achieve sustainable development. In order to build a "China's best and world-leading intelligent retail bank", Ping An Bank adheres to the sustainability concept of "Responsibly create value and sincerely contribute to the society". We strive to frame ourselves into a valuable, branded, humanistic, green and caring bank to promote responsible finance which could enhance the economic, social, and environmental improvement.

Based on our development strategy, Ping An Bank uses advanced technology platforms to facilitate the innovation of different financial services through our philosophy of "being technology-driven". We also try our best to meet the increasing financial needs of people and help the promotion of inclusive finance through "pursuing breakthroughs in retail banking". We insist on serving key industries and strategic emerging industries related to a national economy and people's livelihood, positively supporting the development of the entity economy through "reinventing its corporate banking". In accordance with Ping An Bank's Three-Year Development Strategic Plan (2019-2021), the Bank is committed to comprehensively improving the ability of serving entity economy to support national strategies; further promoting green finance to achieve a low-carbon economy; launching public welfare and poverty alleviation campaign to integrate finance with poverty alleviation; improving both internal and external services to contribute to the society.

We constantly improve our Corporate Social Responsibility (CSR) system and form a CSR management structure. The CSR management is directly led by the board of directors and senior management, the headquarters coordinated with all departments and branches to implement the strategies on the working levels. All employees have to participate so as to ensure the effectiveness of CSR management approach in daily operation.
3.2 Material Issues

There were no major changes in Ping An Bank's operating business and sustainability management this year. Therefore, in the preparation of this year's sustainability report, we designed a web-based questionnaire about material issues of Bank and sent it to our stakeholders for solicitation of suggestions and opinions. We treated this questionnaire as a very important reference for the preparation of the 2019 sustainability report and our future work.

---

**Establish a issues pool**
- By peer benchmarking, reviewing major businesses in 2019 and material issues in 2018, we have established a pool of sustainability issues for 2019.

**Distribute questionnaire**
- We have sent online surveys to stakeholders on sustainability issues in 2019 via email or WeChat.

**Data sorting & analysis**
- We have retrieved the results of the surveys to conduct effectiveness screening and analysis and draw a materiality matrix.

**Evaluation review**
- We have submitted the survey results and the materiality matrix to the management for review, and passed the suggestions and opinions from stakeholders to the management.

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Matrix of Material Issues for Ping An Bank’s Sustainable Development for the Year of 2019

[Diagram showing the matrix of material issues with various stakeholders' perspectives and their relevance to corporate development and sustainability.]
### 3.3 Responsible Communication

We have established a regular communication mechanism with stakeholders. Through multi-channel and multi-form communication activities, we aim to figure out the expectations and needs of stakeholders, proactively respond to their concerns, and build harmonious and stable relationships with stakeholders.

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Expectations</th>
<th>Response Measures</th>
<th>Form of Communication</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Government</strong></td>
<td>• Lawful and compliance-based operation&lt;br&gt;• Paying tax as the law requires&lt;br&gt;• Environmental protection&lt;br&gt;• Promoting employment&lt;br&gt;• Facilitating local development&lt;br&gt;• Facilitating industrial development</td>
<td>• Obeying national and local regulations&lt;br&gt;• Paying tax in full and on time&lt;br&gt;• Developing green credit&lt;br&gt;• Providing more job opportunities&lt;br&gt;• Involving in local construction and procurement&lt;br&gt;• Giving proposals and suggestions for industry development</td>
<td>• Project approval&lt;br&gt;• Participating in the related meetings&lt;br&gt;• Report on daily work&lt;br&gt;• Information disclosure&lt;br&gt;• Participating in industry association activities (China Banking Association, China Payment and Clearing Association, etc.)</td>
</tr>
<tr>
<td><strong>Stockholders</strong></td>
<td>• Steady development&lt;br&gt;• Maintaining and increasing the company value</td>
<td>• Improving corporate governance&lt;br&gt;• Improving product competitiveness&lt;br&gt;• Improving product profitability&lt;br&gt;• Improving brand image and reputation</td>
<td>• Information disclosure&lt;br&gt;• General meeting of stockholders&lt;br&gt;• Written notification&lt;br&gt;• Performance conference</td>
</tr>
<tr>
<td><strong>Customer</strong></td>
<td>• Launching inclusive finance&lt;br&gt;• Quality service&lt;br&gt;• Respect privacy</td>
<td>• Strengthening financial products and services led by technology&lt;br&gt;• Setting up service hotline and complaint channel</td>
<td>• Customer service hotline&lt;br&gt;• Customer service activities&lt;br&gt;• Survey on customer satisfaction&lt;br&gt;• Daily contact with customer manager&lt;br&gt;• Labour union&lt;br&gt;• Forum and training&lt;br&gt;• Internal publication platforms such as internal journals and intranets</td>
</tr>
<tr>
<td><strong>Staff</strong></td>
<td>• Protection of rights and interests&lt;br&gt;• Promising career prospect&lt;br&gt;• Comfortable and safe working environment</td>
<td>• Strict implementation of relevant laws and regulations&lt;br&gt;• Designing a fair evaluation and promotion mechanism&lt;br&gt;• Organizing a diversity of cultural and physical activities&lt;br&gt;• Constantly improving the working environment</td>
<td>• Labour union&lt;br&gt;• Forum and training&lt;br&gt;• Internal publication platforms such as internal journals and intranets</td>
</tr>
<tr>
<td><strong>Community</strong></td>
<td>• Advocating community construction&lt;br&gt;• Carrying out charity activities&lt;br&gt;• Involving in</td>
<td>• Promoting targeted poverty alleviation&lt;br&gt;• Developing financial poverty alleviation&lt;br&gt;• Regularly</td>
<td>• Charity activities&lt;br&gt;• Volunteer service&lt;br&gt;• Information disclosure</td>
</tr>
<tr>
<td>Partners</td>
<td>Media</td>
<td></td>
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<td>------------------------------</td>
<td>--------------------------------------------</td>
<td></td>
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<tr>
<td>community activities</td>
<td>communicating with the community</td>
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<td></td>
<td>• Participating in local construction</td>
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<td></td>
<td>• Public procurement information</td>
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<td></td>
<td>• Timely payment</td>
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<td></td>
<td>• Help suppliers grow</td>
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<td></td>
<td>• Project cooperation</td>
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<td>• Work conference</td>
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<td></td>
<td>• Daily communication</td>
<td></td>
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<tr>
<td>Fair procurement</td>
<td>Organize media interviews</td>
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<tr>
<td>Good-faith</td>
<td>Releasing information to media</td>
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<tr>
<td>Mutual benefit and collaboration</td>
<td>Media open day</td>
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<tr>
<td>Mutual growth</td>
<td>• Different press conferences</td>
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<tr>
<td>Get news clues</td>
<td>• Media interviews</td>
<td></td>
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<tr>
<td>Regular reporting and interviewing</td>
<td>Media interviews</td>
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</tbody>
</table>

**CASE STUDY: Ping An Bank Actively Communicates with Stakeholders through the Open Days**

**AI Retail Open Day.** Ping An Bank held Retail Open Day on March 7, 2019. Over 200 participants, including domestic and foreign investors, analysts and media representatives had a direct discussion with our senior management team on our retail strategy.

**Public Open Day.** Ping An Bank held the Public Open Day to communicate with investors and the public on August 9, 2019, and published an Open Day report on the official website. The report covered topics regarding asset risk management, technological innovation, business development, customer service, etc. It provided a channel for us to deliver key performance and corporate development information to investors in a timely and effective manner.
4. Party-led Development

Insisting on Party-led development, Ping An Bank thoroughly implements the Party Central Committee's new deployments and new requirements for comprehensive and strict governance of the Party, actively explores a new model of integrating party building with bank management, gives full play to the Party's leadership and political core role, and incorporates the overall Party building requirements into the Articles of Association, further enhances the effectiveness of the Party building work, so as to guarantee the concerted efforts across the Bank to ensure the mutual development.

Establish the core leadership position of the Party, with the Party committee secretary serving as the chairman, deputy secretaries as the president, chief supervisor and secretary of the discipline inspection committee, so as to regulate the number of positions and the structures, ensuring the implementation of Party’s policies.

Ensure the party’s core leadership role in decision-making, management, and supervision. Any matter about the Three Major Issues & One Large Sum must be reported to the Party Committee for approval before implementing relevant corporate governance procedures to continuously improve democratic supervision, mass supervision, and risk supervision under the Party leadership. (Three Major Issues & One Large Sum: major cadres’ appointment & removal, major projects investment and large sum allotment.)

Continue to promote the Party discipline and integrity education. Carry out the inspection which integrated “Party, Discipline, Supervision” and patrol and a series of Party building activities including going to Jinggangshan, Xibaipo and Yan’an for Party building, moral education and development. Holding special democratic life meetings to conduct democratic evaluation of Party members. Carry out work report review and evaluation across different levels to ensure that all work of Party building at the grassroots level is implemented. Holding the July 1st Party celebration conference and advanced commendation activities to give full play to the role of grass-roots Party organizations as a fortress and vanguard.
By incorporating the Party building with our operation, it provided chemistry to our bank-wide strategies, tactics and execution plans. Under the unified deployment of the Party Central Committee, Ping An Bank has carried out the educational activity with the theme "Stay True to the Mission" in 2019. By carrying out a series of activities such as Party building, integrity education, enforcing discipline actions, and the "Thunder Action" for rectifying employees' violations, the Bank has further deepened the integrity culture.

**CASE STUDY: Party Committee of Ping An Bank Headquarter Holds Democratic Life Meeting**

On September 3, 2019, the Party committee of Ping An Bank Headquarter held a public and truth-based democratic life (expansion) meeting themed on "Stay True to the Mission". Focusing on Xi Jinping's thoughts on socialism with Chinese characteristics in the new era. In light of the current economic and financial situation, the participants discussed how Ping An Bank serves the entity economy, how it prevents financial risks, and how it promotes the sustainable and healthy development.
5. Steady Operation

5.1 Corporate Governance

Ping An Bank works on further improving the company's governance system and structure in accordance with the Company Law, the Securities Law, the Commercial Bank Law and the requirements from the China Securities Regulatory Commission and China Banking Regulatory Commission. We have established a comprehensive corporate governance system, the shareholder, board of directors, board of supervisors and senior management effectively carried out their duties respectively to ensure the Bank's positive transformation and stable development.

In 2019, Ping An Bank held 2 shareholder meetings, in which 14 proposals were approved and 4 reports were heard. In order to effectively protect the legitimate rights and interests of investors, the shareholder meeting adopts both on-site and online channel to ensure that all investors can participate in the meeting on an equal and effective basis. We also set up a Q&A section, in which key leaders such as the chairman and bank president would respond directly to investors' concerns. On November 7, the Eleventh Board of Directors was elected at the first extraordinary shareholder meeting, and the reelection process of the Board of Directors was completed.

In 2019, the Board of Directors convened 14 meetings, and the committees held 30 meetings in total; the Board of Supervisors held 6 meetings, and its committees held 6 meetings. The Board of Directors, the Board of Supervisors, and their special committees held meetings and perform duties in strict accordance with the company's Articles of Association, Rule of Procedure, and other working rules of each committee. They put forward opinions and suggestions on related work and play an important role in the scientific decision-making of the Board of Directors and lawful supervision of the Board of Supervisors.

To ensure that investors can accurately, completely, timely and fairly obtain the company's dynamic information, we strictly follow the principle of fair information disclosure, share our development strategy and
business performance with all institutions according to the Information Disclosure Management System and Investor Relations Work System by performance briefings, investment bank meetings, field roadshows, and the establishment of investor relations column on the company's website. We also serve individual investors through hotlines, emails and websites. In 2019, Ping An Bank released 136 regular reports and interim announcements, and was rated Grade A (the highest level) in the SZSE's information disclosure assessment for 8 consecutive years.

5.2 Internal Control & Compliance

Ping An Bank strictly abides by business ethics and puts extra effort into developing a culture of compliance. We have established a compliance management framework in charge of the Board of Directors, under which, the Compliance & Internal Control and Risk Prevention Committees of the headquarter are responsible for planning, decision making, coordinating and supervising; the management of all branches are responsible for implementing compliance management. Meanwhile, Ping An Bank has established a complete policy management system based on a legal & compliant, policy-first, pragmatic & effective, simple & standard, holistic & coherent principle. We continuously improve the level of compliance and internal control, to strengthen the effective implementation of the system and promote the compliance culture.

5.2.1 Prevention against Financial Risks

In the financial market, risk management capability is a touchstone to test the management effectiveness of a bank. To improve Ping An Bank's capability in managing the risks, including credit risk, market risk, liquidity risk, operational risk, strategic risk and legal compliance risk, we adhere to the principle of "coordination of risk and development, balance of risk and returns, adaptation of risk and capital", and have established a centralized, vertical, and independent management framework against all risks and a risk management model of "accredited risk management and matrix dual-line reporting".

The Board of Directors of Ping An Bank takes the ultimate responsibility for risk management. The Risk Management Committee provides professional advice to the Board of Directors or makes decisions on professional matters as authorized by the Board of Directors. The Committee is responsible for supervising the risk control of senior management, regularly assessing the Bank's risk policy, management status and risk tolerance, and putting forward opinions to improve risk management and internal control. There should be at least one independent board member in the Risk Management Committee. The Risk Management Department, Asset and Liability Management Department and other professional departments are responsible for the corresponding risk management works. The Board of Supervisors regularly supervises and evaluates the performance of the Board of Directors and senior management in risk management. The Audit & Supervision Department is responsible for the internal audit of risk management. Furthermore, in order to better prevent financial risks and avoid inappropriate incentives, Ping An Bank decides to defer the payment of senior managers to align incentives with long-term risk-adjusted performance. The deferred period is three years, matching the exposure period of financial risks. We will determine whether to pay and payment ratio according to some indicators like the execution of risk management, risk exposure level, etc.

We have established a risk management system that covers basic systems, general management approaches, and operational processes in accordance with the requirements of the China Banking Insurance Regulatory Commission and other regulatory authorities. The system covers risk identification, measurement, monitoring,
reporting, and control. All systems and management approaches are regularly reviewed and evaluated, which are constantly optimized according to the business development situation. In 2019, we ensured that all types of risks are under control by constantly optimizing asset structure across the Bank, enhancing the centralized risk management level, strengthening the mechanism of asset quality control and the disposal of troubled assets, formulating effective risk supervision programs, regularly carrying out risk pressure tests, optimizing risk management tools, conducting risk training publicity and promoting intelligent risk management.

**CASE STUDY: Intelligent Risk Management**

In 2019, Ping An Bank has optimized the "AI + Risk Control" project and rolled out a new generation of the intelligent risk management system. We built AI risk control robots to handle the services before, during and after loan. This has opened up the risk management system for personal loans, auto financing and credit card products, enhanced the AI-oriented management to manage the risk of our customers for different stages.

### 5.2.2 Creating an Atmosphere of Compliance

After analyzing our compliance culture, the Bank released *the Ping An Bank's Compliance Culture Construction Guidelines (Trial)* and established the core value of "Everyone Complies to Create Value". We also prepared large-scale compliance promotion activities across the Bank and carried out training on the responsible person of department, compliance personnel and new employees to enhance the concept of "Compliance is Everyone’s Responsibility" and create an atmosphere of compliance.

#### 5.2.2.1 Fighting against Corruption

In response to the call from the Party Central Committee and Central Commission for Discipline Inspection for "strict governance to fight against corruption", Ping An Bank takes strict measures to strengthen the supervision and accountability mechanism and create a corruption-free work environment through daily inspections, special inspections, petition letters, publicity and training.

- **Solid institutional foundation.** We have formulated and implemented a number of internal management systems, updated and revised *the Registration Procedures for Gifts and Gift Money Submission to Ping An Bank* and *the Regulations on Discipline Inspection Work in Ping An Bank*, requiring discipline inspection committees at all levels to strictly implement them and formulate implementation rules for the inspection work based on their own actual conditions.

- **Active self-inspection and self-correction.** Ping An Bank promoted all departments and branches to formulate inspection plans and carry out special work on comprehensive self-examination and self-correction. We identify key personnel to be investigated, pay attention to key areas, use different investigation approaches and finally form a normalization mechanism. The investigation methods include model monitoring, system platform, inquiry of industrial and commercial information, credit report, customer return visit, employee home visit, surprise inspection and other means to continuously carry out
self-examination and self-correction.

- **Holistic review and inspection.** Leading by the headquarters' audit, compliance, risk, human resources, office and other departments, the Bank conducts 100% full coverage review and inspection, reviewing the implementation of special actions of each department, tracking the rectification of violations, and inspecting all issues and hidden risks that are not found by the departments in their self-inspection. The evaluation results are directly linked to the department's KPI.

- **Accept the Group's field inspections:** Cooperate with the work of the inspection team of Ping An Group to timely communicate and correct problems found during the field inspections.

- **In-depth training and learning.** We actively organize warning educations, including organizing training and workshops, visiting integrity education bases and prisons. More than 100 warning educations have been organized, which covered 100% employees of the Bank, so as to strengthen the culture of integrity and compliance.

- **Extensive publicity and education.** In cooperation with the special project of "rectifying the atmosphere and strictly observing the discipline" and the "Thunder Action", we have conducted online education and publicity of 20 case studies of employee behaviours through "e Integrity". Articles regarding the integrity education have been published online through the "e Integrity" column under "Zicheng E Family", with 131 articles published and 161,017 times read.

### 5.2.2.2 Anti-money Laundering

Adhering to "Prevention First" and "Risk-based" as the principle for anti-money laundering (AML), Ping An Bank continuously improves internal control system management and actively conducts anti-money laundering publicity and personnel training. Ping An Bank uses multiple measures to effectively prevent money laundering risks, terrorist-related financing risks and international sanctions.

- **Sound management policy.** We have formulated 13 anti-money laundering internal control management policies including *Ping An Bank's Anti-Money Laundering Work Management Measures, Management Measures on Ping An Bank's Large-sum Transactions and Suspicious Transactions Report and Business Compliance Handling Guidelines on Ping An Bank's Anti-terrorist Financing "Blacklist"*, covering key areas such as anti-money laundering management, large and suspicious transaction reports, customer identification and transaction record keeping, blacklist screening, and terrorist-related asset freezes.

- **New technology integration.** Actively exploring the integration of technology and anti-money laundering, we have made positive progress in the areas of smart KYC (Know Your Customer) model, intelligent monitoring model of suspicious transactions, and money laundering risk. We have successfully established suspicious transaction intelligence models, using intelligent algorithms to comprehensively analyze the amount of customer funds transactions, number of transactions, account characteristics, and transaction-related areas. With the help of technology, it significantly improved the effectiveness of monitoring.

- **Extensive publicity and training.** In 2019, we continued with the bank-wide anti-money laundering publicity and training and conducted more than 200 different kinds of training through online courses, on-site lectures by anti-money laundering experts and international sanctions experts, ACAMS exams, and
animations. Those training covered more than 60,000 people, raising their anti-money laundering awareness and creating an atmosphere of compliance.

- **Positive information reporting.** We actively identify and report key suspicious transactions, providing valuable intelligence clues to combat money laundering crimes. Our efforts are recognized and praised by Jiangsu Provincial National Security Department, Xiamen Municipal Commission for Discipline Inspection, and the Joint Office of Anti-Money Laundering in Shandong Province and other authorities.

### 5.2.2.3 Report on Misconduct

Ping An Bank is convinced that good reporting management is a powerful guarantee for rectifying the atmosphere and strictly observing the discipline. In 2019, we formulated the *Rules for the Conduct of Audit and Supervision Personnel, Measures for the Management of Points for Employees' Violation and Measures for the Internal Accountability of Supervision and Administrative Penalties* to regulate the performance of audit supervisors and guide and urge employees across the Bank to abide by the regulations and discipline, standardize accountability processes and ensure that penalties are imposed legitimately.

The Headquarter Office is responsible for managing the petition letters addressed to Ping An Bank, supervising and handling the investigation and implementation of all matters related to petition letters throughout the process. The Audit & Supervision Department of the Headquarter is responsible for investigating and handling petition letters regarding violation of regulations and disciplines, maintaining close communication with the Office, and providing timely feedback on the progress of investigation and processing. The petition letter management of each branch and Industrial BU is performed by the branch office and the general management department of each Industrial BU. A full-time or part-time person is designated to be responsible for the daily petition letter management in his/her unit and to maintain close communication with the Office.

Ping An Bank discloses its reporting channels to the public and a comprehensive whistleblower protection mechanism. We strictly protect the personal information of the whistleblowers. We also prohibit repression, discrimination, and harassment of the whistleblowers, the accusers and their relatives, and will investigate and punish any infringement against the rights of the whistleblowers and accusers.

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**Paper Petition Letter**

Addresses of Headquarter and branches

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**Physical Box for Informants**

Office buildings of Headquarter and branches' floor

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**Email Address for Informants**

 xfjb@pingan.com.cn, and emails addresses of branches

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**Informants' Hotline**

Headquarter: 0755-25878110, and telephones of branches
**CASE STUDY: Thunder Action to tackle misconduct behaviours**

In 2019, Ping An Bank launched the "Thunder Action" to tackle employee violations. All employees (including outsourcing staff) have signed the compliance commitment letter and declaration form to show that they have complied with our standards. The Bank not only promoted each unit to conduct self-examination and self-correction, but also carried out a series of investigations including model monitoring, system platform, employees’ submission of the credit report, inquiring industrial and commercial information (doing business), customer return visit, employee home visit and surprise inspection. The Legal Compliance Department and the Audit & Supervision Department of the Headquarter inspected and reported the results of the implementation of Thunder Action by all units, based on self-inspection and self-correction and risk monitoring. Several issues have been identified through the Action, such as asking the intermedia party for the commission, recruiting relatives to join the company, taking attendance for someone else, and illegal lending of personal accounts. Direct and relevant responsible persons were held accountable and punished after the investigation of each case. In order to verify the effectiveness of the "Thunder Action", we organized 100% coverage of 84 first-level units to review the inspection and report the results according to the self-inspection, self-correction and risk screening. Through this action, the employee of the Bank has an in-depth understanding and awareness of our "red line". At the same time, through the use of risk screening, we have completed the three lines of defence inspection, and continued to promote the formation of a concise and pragmatic atmosphere.
II. Economic Responsibility

6. Serving the Real Economy to Boost Economic Development

2019 is the 70th anniversary of the People's Republic of China. In the past 70 years, we have made brilliant achievements in national economic development. Ping An Bank is both a beneficiary of the country's economic boom and a builder of a better China. Ping An Bank keeps pace with the national strategy, resonates with the entire social system at the same frequency and makes contributions to the nation's ongoing development.

6.1 A Driver of Regional Economy Development

An effective development mechanism cannot be formed without the help of the financial sector, Ping An Bank brings regional coordinated development to a higher level. We have always been oriented to serve national strategies and support the needs of national and regional development. We actively conducted in-depth communication and cooperation with local government and companies to customize financial support schemes for each region and providing financial support for the stable and long-term development of each region.

CASE STUDY: Supporting the Development of the Guangdong Hong Kong Macao Greater Bay Area

On February 18, 2019, the "Outline of Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area" was formally released. To support the economic development of the Greater Bay Area, Ping An Bank has undertaken the "Trade Finance Blockchain Platform of the People's Bank of China" initiated by the People’s Bank of China Shenzhen Branch and planned by the Digital Currency Institute of the People's Bank of China to build a full-function blockchain trade finance business service platform with "both primary and secondary markets, domestic and foreign connectivity, commercial and regulatory integration, online and offline connection". At the same time, we continue to improve cross-border e-finance platforms, functions such as real-time interactive online settlement, capital transactions, online financing and order management, transportation management, and commodity management provide enterprises in the Bay Area with a better experience in cross-border transaction banking and foreign trade value-added services.

CASE STUDY: Driving the Economic Development of Chongqing Pilot Free Trade Zone

The Chongqing Pilot Free Trade Zone is one of the seven Pilot Free Trade Zones established by the State, which is of great significance for the country to step up the opening of gateway cities in the western region and to drive the in-depth implementation of the western development strategy. Ping An Bank officially established Chongqing Free Trade Pilot Branch in August 2019, serving as a basis for providing personalized financial services for enterprises and providing high-quality financial products and services for customers by taking advantage of comprehensive finance, thus driving the rapid economic development of Chongqing Free Trade Zone.

CASE STUDY: Joining Hands with Enterprises to Build Wuhan Airport Economic Zone

Wuhan Airport Development Group Co., Ltd. (hereinafter referred to as "Hangfa Group") was established by the Municipal Party Committee and the municipal government of Wuhan to accelerate the construction of Wuhan Airport Economic Zone. Hangfa Group makes full use of and integrates the effective resources of the Airport Economic Zone to help Wuhan Linkong Economic Zone become Wuhan's new economic growth pole.
In December 2019, Wuhan Branch of Ping An Bank and Hangfa Group signed a strategic cooperation agreement, which will give greater support to Hangfa Group in the following five key areas - investment and loan linkage for major projects, industrial investment, comprehensive credit, debt issuance business and debt replacement, helping to become a large-scale airport development group involving in the construction of infrastructure and investment in airport physical industries in Wuhan Airport Economic Zone.

6.2 Our Presence in Key Industries

Guided by customer demand and with the help of Ping An Group's business resources and technological advantages, we provide customized comprehensive financial solutions for strategic customers by offering service in the entire ecosystem and industrial chain in a systematic, industrialized, professional and group-based approach.

- **Ecosystem of the auto industry**

We integrated the internal and external resources of the Ping An Group, gave play to the professional capabilities of industry research, forming a synergy between the company and retail. By utilizing technologies, we built the most sophisticated database of the auto industry. Focusing on the travelling platform, we linked the three scenarios including car-making, car use and car maintenance together, and provide one-stop solutions to the needs of the travelling platform.

- **Car Making - Upgrading and Development of Auto Industry:**
  - Established an industry-financed alliance in the auto ecosystem by joining hands with the mainstream auto main engine plants to embed banking services into various scenarios and aspects in the ecological industry chain; assisted in the layout of factory capacity and expansion of industrial parks, and carried out in-depth comprehensive financial development of core auto main engine plants;
  - Assisted the mergers and acquisitions of head component companies, used complex and comprehensive financial services such as mergers and acquisitions, refinancing to examine the value of high-quality head enterprises and achieve full-coverage development of the industry chain.

- **Car Travel - Development of Travel Ecology:**
  - Completed the connection between the car owner loan and the Didi system, with a cumulative loan of about 35.8696 million yuan;
  - Launched financial products on Didi platform and provided wallet balance wealth management solutions;
  - Phase II small-flow Ping An Intelligent Loan was launched on the Didi platform.

- **Car Dealership - Network Financing Project of Auto Dealer Loan:**
  - Completed model incubation together with Ping An Property & Casualty Insurance, relying on the cooperation data of over 29,000 dealers and 14,000 front-line insurance salespeople of Ping
An Property & Casualty Insurance, we can cross-verify the risks and extend to the financing services for second-hand car business.

- **Medical care and health industry**

Utilizing our ability to control medical insurance costs, direct claim settlement for health insurance, Ping An Good Doctor in chronic disease management and online diagnosis and treatment, and remote detection of Ping An Healthcare Technology under Ping An Group, Ping An Bank launched some unique models like "E-Enterprise Management of Medical Service" and "E-Enterprise Profit of Medicine Distribution" in further exploration of comprehensive health industry to provide an omni-directional service of "finance + technology + industry" for customers.

**CASE STUDY: Smart Medical Care Helps the Upgrading of the Chest Hospital**

The smart hospitalization project was launched in the Tianjin Chest Hospital, a public third-level first-class hospital. Referring to the needs of the chest hospital, Tianjin Branch of Ping An Bank formulated an integrated hospital service plan for the hospital with smart healthcare as its core and one-stop solution for the hospital. The smart services include smart hospitalization, corporate settlement, credit granting, retail finance, comprehensive insurance and smart parking.

**CASE STUDY: Implementation of "Non-recourse Factoring Online Financing of Pharmaceutical Supply Chain"**

In 2019, Shenzhen Branch assisted Accord Pharmaceutical Co., Ltd. of Sinopharm Group in the successful launching of "Non-recourse Factoring Online Financing of Pharmaceutical Supply Chain". Shenzhen Branch utilizes technology to empower finance, fully solves the key problems of the large volume, high frequency and trivial receivables of the customers, improves the service efficiency, and realizes the re-engineering of online information system processes. The annual investment made in this project is expected to exceed 1 billion yuan in the future.

6.3 **Supporting the Construction of Infrastructure**

Infrastructure is the cornerstone of social and economic development and an important task to improve people's livelihood and well-being. Ping An Bank uses finance as a useful tool to fully assist key infrastructure projects to provide stable financial assistance for the high-quality infrastructure system.

**CASE STUDY: Assisted in "Double Hundred Project" Construction in the Western Part of Hunan**

"The project shouldered by Hunan Province in the second line of Meijiang-Huaihua section of Yuhuai Railway and the demolition PPP project" and "the project shouldered by Hunan Province in Zhangjihua Railway and Land Acquisition and Demolition PPP Project" are located in the concentrated contiguous impoverished areas of Wuling Mountain in Hunan Province. They belong to the "Double Hundred Projects" of transportation poverty alleviation during the "13th Five-Year Plan" by the Ministry of Communications, and also the key projects of the poverty alleviation plan in Wuling Mountain Area. Ping An Bank provides the syndicated loan amount of 1.575 billion yuan for Hunan Railway Investment and Development Co., Ltd. to support the implementation of this project, effectively promote the level of transportation infrastructure in the western part of Hunan and drive the development of economy in the areas along the route. By the end of 2019, 200 million yuan were lent.
CASE STUDY: Assisting Guizhou in the Construction of Water Conservancy Facilities

Guizhou Water Conservancy Investment Co., Ltd. takes the lead in implementing water conservancy construction at the request of the Guizhou Provincial Government. Guizhou Province will spend 8 years, invest 143.1 billion yuan, and construct 10,699 water source projects. The project aims to supply water for urban and rural areas, irrigation and providing hydropower. It can provide 2.8 million people with clean water. Ping An Bank has solved three major problems for Water Investment Group by means of integrated finance, and the problems are large scale investment, long construction period and low-interest rate requirement. We provided the customer with a comprehensive package of financial services in the form of "insurance bond plan + poverty alleviation loan + comprehensive finance", it greatly reduced the financing cost of the customer.

6.4 Development of Cross-border Finance

In recent years, there has been a trend of global economic integration. Following the “Go Global” strategy, China accelerates the pace in implementing national strategies such as the "Belt and Road" initiative, internationalization of RMB, and the construction of free trade zones. As a result, the financial sector has deepened its openness and the cross-border economic activities of enterprises are increasingly active. Faced with the new cross-border financial needs of Chinese companies in their move of "Go Global", Ping An Bank has promoted the level of cross-border financial services in an all-around way by keeping up with the national strategies in order to provide professional and efficient butler-style cross-border financial services for Chinese companies to meet their diversified needs in cross-border financial service.

- Personal cross-border services

For personal outbound travel, we launched a one-stop cross-border financial service that can realize online self-service printing of bank bills and support for visa processing in most countries. It provides global overseas travel insurance, covering travel inconvenience protection, personal property protection, and accidental personal injury and medical protection, rescue service protection, etc. ; we launched the "Overseas Travel Management" service in the Pocket Bank APP Credit Card area, customers can register travel plans before leaving the country to provide security protection for overseas transactions; we can provide customers with real-time "Smart Quota Promotion" service for their temporary large-scale consumption, guaranteeing the convenience and security of personal outbound travel in an omni-directional way.

- Cross-border e-commerce payment
In response to the national call for facilitation of trade in goods, we revised the Ping An Bank's Cross-Border Third-Party Payment Management Method in 2019, creating a whole cross-border payment system, improving the monitoring level for the conformity of Big Data and supporting the development of cross-border e-commerce payment. The amount of the annual cross-border e-commerce payment exceeded 90 billion yuan.

- **Cross-border financial services**

Ping An Bank's cross-border finance focuses on the needs of the internationalization of Chinese enterprises' operation, investment and financing. It integrates five major cross-border financial service systems (onshore, offshore, free trade zone, NRA, and overseas branches) with offshore finance as its characteristics, gives full play to the advantage of the domestic-foreign linkage, local-foreign currency linkage, and onshore-offshore linkage. We also continue to cultivate five major products, including “cross-border investment and financing”, “cross-border capital management”, “cross-border trade finance”, “cross-border industry finance” and “cross-border e-finance”, to fully meet the diversified cross-border financial needs of enterprises and help the development of entity economy.

**CASE STUDY: Hong Kong Branch of Ping An Bank was Established**

On December 16, 2019, Hong Kong Branch of Ping An Bank, our first overseas branch, was established. It became the first Chinese bank put into operation in Hong Kong in 2019. Hong Kong Branch will utilize the advantage of the Group's first overseas commercial bank and fully implement strategic positioning in three aspects:

- Being fully in line with the international market and convenience of financing arrangements, it has become an overseas fund collection centre and cross-border investment and financing service platform for all customers.
- Strengthening global market transactions by exporting our financial products and services.
- Building an overseas foreign investment management product centre and service platform serving Ping An Group and Ping An Bank, providing customized overseas assets allocation services.

Hong Kong Branch will contribute to the advantage of Ping An Group's financial ecology, integrate internal service resources, and provide corporate customers with more convenient and efficient one-stop financial service, thus becoming a world-class comprehensive financial service leader.

**CASE STUDY: Contribute to Paperless Cross-border Transactions**

The Shenzhen Branch proposed to the regulators the idea of the co-chaining of information on the tax payment form for external payments. The idea was approved and we were assigned to be the first pilot commercial bank. We participated in proposal design, system development, testing, launching, and promotion, etc. The project will adopt the blockchain verification of the data from the government, bank and company, and it effectively reduces the requirement for original documents for cross-border foreign exchange payments under service trade-in tax filing. It will boost the abilities of the bank, regulator and taxation bureau in risk control while facilitating the settlements of enterprises.
7. Technological Innovation Leads a Smarter Life

Facing the current complex economy, Ping An Bank always adheres to the strategic orientation of "Finance + Technology", with AI as the internal driving force, we build AI Banker to integrate finance with technology, allowing us to become a smart bank to know your needs.

7.1 Retail Financial Services

Excellent retail financial services will effectively improve the quality of the public's financial life. Ping An Bank has launched new offline retail outlets under the principles of “light, community-based, intelligent, diversified”. On the other hand, we keep improving our online Pocket Bank APP. We integrate the APP with new retail outlets through the intelligent OMO (Online-Merge-Offline) to offer our customers with better retail financial services.

7.1.1 Create Pocket Bank

Pocket Bank integrates business functions such as loan, wealth management, credit card, and payment, and aims to create a "big pocket" that carries Ping An Bank's full retail product line. The intelligent transformation of Pocket Bank also makes customers' lives, consumption and financial scenarios better.

- Personalized recommendation

We give a personalized recommendation to our customers based on their real-time behaviours, customer portraits, social graphs and similar products. It applies to our services such as intelligent customer service, commodity recommendation, insurance and wealth management, card management, and event notifications so as to provide personalized recommendations. In the meantime, sensitive personal data has been protected and secured.

- Over-the-air counter

Relying on the mobile banking platform, Ping An Bank expands our retail financial services through establishing the "over-the-air counter" function in the Pocket Bank, which breaks the physical limits of traditional banks so that customers can enjoy the same banking services as at the counter anytime and anywhere through mobile banking. The over-the-air counter project at mobile banking terminal enabling customers to apply for bank cards online and modify identity information at home. Face recognition and OCR technology are used to assist bank staff in identifying customers' identity, which greatly improves the timeliness and accuracy of manual customer identity verification. We also use big data to analyze and understand our customers' needs to optimize customers' experience.

7.1.2 Intelligent Service System

The new retail outlet stores have adopted the OMO service system, which seamlessly connects online outlets with offline outlets, it greatly improves service level and efficiency, which provides customers with a more convenient experience.

- Online outlets: build a one-stop integrated financial service platform

The online outlet provides an entry in various channels such as Gaode Map, Pocket Bank, WeChat Public Account, WeChat Mini Program, Ping An Bank's mobile site, and Alipay Mini Program. Customers can go to
the online outlet in advance for appointment, pre-processing or direct processing of banking business. Customers who make appointments to the outlets will be provided with a series of services called "know you better", like providing free refreshments, children's books/toys, health check-ups and other special services. Customers can handle the business before going to the outlets and are provided with banking services anytime, anywhere.

- **Offline outlets**: build new retail outlets that "know you better"

Adhering to the service concept of "excellent service and know you better" and relying on cutting-edge technologies such as AI, biometrics, big data, blockchain and cloud computing, Ping An Bank constantly optimizes business processes and service experience. The Bank transmits customer information to the offline bank in real-time after the customer makes an appointment, and the outlet can prepare for customer service in advance and provide personalized recommendations to our customers.

### 7.2 Upgrading Consumption Services

The rapid economic development boosted national consumption, which provides positive feedback to economic development. In order to provide customers with more convenient and comprehensive consumption services, Ping An Bank provides diversified products to meet new consumption needs that cannot be met by traditional financial services, to ensure the convenience and accessibility of customer consumption.

#### 7.2.1 One-touch to Enjoy Consumption

Ping An Bank has an in-depth insight into consumer consumption scenarios, empowering various products with artificial intelligence to meet customers' needs in a timely manner.
One-touch application for a credit card

• “Technology makes life better” is our strategy. In our customers’ perspectives, we realized the importance of real-time process of “card issue - activation - payment - enjoy discount” through technology, so as to create a "one-touch to enjoy consumption" mode that captures the consumption impulse of customers. Our new mode integrates sales, marketing and payment functions, so as to improve the customer experiences.

New credit granting mode of credit card

• We broke the constraint of long waiting time for temporary application for increasing credit limit. We adopt tailored services for different customers and millisecond-class credit decision to meet the customers’ demands for credit limit; 7 × 24 hours of automatic calculation and auto update of credit granting to customers. We also adopt intelligent forecast of customers’ potential credit product demand, to provide customers with the best credit products and services in a timely manner.

Smart settlement by debit card

• Customers generally use diversified product portfolio such as wealth management, funds, deposits, gold, and loans for wealth management. The dispersion of products limits the funds flexibility and costs time and effort in payment. When there are multiple products under one account, smart settlement by debit card allows for combined payment, that is, when the customer’s current balance of consumption is insufficient, the product’s assets (shares/limit) are automatically redeemed / withdrawn to the current account for payment.

Reengineering the New Generation Loan

• The New Generation Loan is an unsecured RMB loan for personal consumption issued by Ping An Bank specifically for people with stable and continuous wage income, with their monthly wage income as the basis for determining the loan amount. Through the New Generation Loan whole-process integration and the use of new technologies (Location Based Service, intelligent voice, voice print, etc.), customers’ loans can be approved online through the "video call" anytime anywhere, truly experiencing zero waiting time.
7.2.2 Convenient Income and Expenditure Analysis

The customers' income and expenditure analysis service provides a complete query service and closed-loop experience for customers' necessities, wealth management, and repayment through the application of big data.

**Break through the restriction of traditional transaction query with the help of big data**

- At present, the industry-standard query screening period is restricted within 1 year and the query of historical data is restricted within 3 years. This service supports the screening period of more than 3 years and the query of historical data within more than 5 years. It breaks through the traditional separate query mode of debit card and credit card bills, integrates debit and credit data, and unifies the entry, allowing users to make more comprehensive and convenient query.

**Support for intelligent search service**

- In addition to the traditional search by time, transaction type or payee, customers can search for transactions directly by merchant name, brand name or purpose (clothing, food, accommodation, and transportation).

**Establish an income and expenditure analysis service**

- The customer's monthly / annual income and expenditure of various transactions is presented in a chart form, so that the customers can clearly understand their expenditure, income, investment and finance, and repayment transactions.

**Preventing transaction risk**

- It provides one-touch stop-loss service entry for users with high-risk transactions or denied transactions to help customers stop losses in a timely manner, sorts out the signed bank card agreements for integration and operation, and provides security lock service to protect customer account security anytime anywhere and reduce fund loss.

**Closed loop of information flow and capital flow from a customer perspective**

- It sorts out wealth management in transit, loan in transit, and credit card in transit (for example: redeemed but not credited into account, approved but undisbursed, to be repaid, etc.) to allow customers to clearly understand the whereabouts of fund and status of transfer into the account, and realize the closed loop of each transaction scenario, allowing our customers have more confidence with their wealth management.
7.3 Thoughtful Service Experience

Ping An Bank has put forward specific intelligent service solutions to make customers get a more convenient and efficient experience to meet user needs. We embed AI into customer identification, product transactions, investment advisory services, asset screening, post-investment management and other practical scenarios. We integrate the capabilities of top private bank consulting services into the technology platform through artificial intelligence technology, empowering the entire service team to meet the diversified needs of customers.

**AI private placement pass-through platform**
- When customers trade products, they can clearly understand the products, and realize online products transaction and assets certification.

**AI intelligent video**
- Use AI intelligent video to replace manual video conversation, it reduces the waiting time up to 10 minutes, which solves the problem of queue congestion during peak hours, and greatly improves the efficiency of risk assessment and transaction.

**Automatic investment of private placement**
- After successfully subscribing to private placement products, customers can open automatic investment of private placement with one touch through the Ping An Pocket Bank APP, it does not require the additional subscription process, so as to improve the investment experience.

**Consultative approach**
- In response to the asset allocation needs of high-net-worth individuals, private banks have introduced consultative approach and launched a new wealth management system. The wealth management system can automatically generate a customer account report in 3 seconds and an investment planning proposal in 60 seconds, providing customers with a comprehensive and personalized asset allocation plan.

**Family inheritance service**
- A family heritage service system and a professional family office team have been established, we also rolled out an online insurance trust and family trust service, which provides customers with one-stop family inheritance service.

**CASE STUDY: "Charity Zone" Provides Greater Charity Experiences to Customers**

The private bank service in Ping An Pocket Bank APP has launched the “Charity Zone”. With the concept of “Little Kindness, Great Love, Easy Charity”, it has brought great experiences to customers through different initiatives, such as agricultural products poverty alleviation experience camp, "thumbs-up" for village official wealth creation camp, tourism poverty alleviation, exclusive public financial products, and interactive Q&A, etc. In 2019, more than 150,000 customers followed, and nearly 2,300 agricultural products were distributed to Ulanqab, Inner Mongolia, Tiandong, Guangxi, Tongchuan, Shaanxi and other places for poverty alleviation, which boosted the economic growth of these places. The sales of public financial products exceeded RMB 5 billion yuan.
7.4 Integrating Smart Scenarios

With the development of information technology, smart cities are no longer far away. Ping An Bank uses financial technology to innovate its products and services, and focuses on smart medical treatment, smart justice, smart finance, smart housing, smart campus and other fields in terms of urban governance, corporate and personal services, and comprehensively deploys smart city construction to make cities more livable.

7.4.1 Smart Medical Treatment

Ping An Bank builds a chain service based on the information flow and capital flow of various customers in the medical ecosystem to effectively connect all participants in medical services and promote the smart transformation of medical services.

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<th>Cooperation with the Medical Insurance Bureau</th>
<th>Cooperation with the Health and Family Planning Commission</th>
<th>Hospital Service</th>
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<tr>
<td>• Provide payment and settlement platform, fund clearing management and other services based on the demands of the Medical Insurance Bureau's coordinated reforms in medical treatment, medical insurance and medicine, volume purchase and medical insurance risk control management</td>
<td>• Assist the Health and Family Planning Commissions at all levels in building an integrated service platform, to provide a one-stop settlement platform and account management system for citizens' smart medical treatment and health management and other services</td>
<td>• Assist in the construction of smart hospital to build whole-process medical services, and use the group advantage to carry out the business of combining production, and conduct research with the hospital.</td>
</tr>
</tbody>
</table>

7.4.2 Smart Justice

Following the policy direction of the Supreme People's Court, Ping An Bank has promoted smart justice through smart applications, helping courts at all levels to optimize the business environment. We integrate the Group's smart law, bank's smart bankruptcy management platform, easy lawsuit and other products to provide customers with comprehensive services, which reduces the workload of the court.

Ping An Bank's smart bankruptcy management platform uses artificial intelligence, big data, blockchain and other financial technology measures to establish a three-party ("court - bankruptcy association - bank") collaborative supervision system. The whole “Justice + Finance + Internet” bankruptcy liquidation business process on the platform is an online service that integrates fund management and online creditor video conferencing functions and provides services such as node-based dynamic supervision and manager performance evaluation to achieve visualization of the whole process of bankruptcy case trial. It reduces the workload of the judges and bankruptcy administrators and increases efficiency, and protects the legitimate rights and interests of creditors. At present, the platform has been applied and promoted in 21 cities, including Nanjing, Foshan, Dongguan, Kunming and Xi'an. The product has also won the "Top Ten Blockchain Application Efficiency Award" in China's Financial Innovation Forum in 2019.
7.4.3 Smart Finance

Ping An Bank comprehensively promotes the "smart finance" service in financial non-tax collection, state treasury's concentrated payment, electronic tax payment, government-related enterprises' fund supervision, and other business. It demonstrates a clear, controllable and good management effect by the adoption of smart finance.

- **Smart payment:** We take the initiative to expand the non-tax payment channel, and provides one-stop intelligent, safe and convenient online payment service. It actively responds to national and local tax reform policies, applies the social insurance non-tax-bank model in an innovative way, which demonstrates diversified, multi-scenario, and seamless tax payment entry, providing a convenient tax payment channel.

- **Smart supervision:** Ping An Bank utilizes technologies to create a three-tier account system to penetratingly supervise the expenditure of each financial fund, which makes the fund information more transparent, and helps government departments to achieve mobile working and efficient approval.

**CASE STUDY: Horizontal Full Coverage of "Foshan Non-Tax Revenue Management System"

Foshan Branch assists the “Foshan Non-Tax Revenue Management System” to cover the entire process of non-tax revenue operations such as tax levying, reduction and exemption, receivable income, actual income, entering the warehouse, etc. We effectively connect multiple information platforms such as national treasury, bank and finance platform, and unit business system in order to effectively improve the fiscal revenue management and standardize municipal non-tax revenue collection, reduction and exemption procedures.

7.4.4 Smart Housing

Ping An Bank, focusing on land storage, auction, development, construction, sales and operations in the entire life cycle of real estate, provides land auction, pre-selling housing fund management, stocking house transaction, project capital management, constructional engineering fund management, maintenance fund management, accumulation fund collection and withdrawal and other services for governments at all levels in more than 100 cities across the country.

In terms of housing fund supervision, we are fully committed to creating a “Housing Cloud” of Ping An Bank, which has been used in more than 70 cities across the country. In the field of smart housing and construction, we provide digitized and intellectualized services such as real estate information management, construction site information management, contract employees real-name management, and wage payment information management, to achieve integration of business and information data.

**CASE STUDY: Provide Smart Housing Services for Zhuhai City**

Zhuhai Branch provides the “finance + technology” services for Zhuhai city in terms of the land auction, development, construction and sales in the entire life cycle of real estate. It provides governments at all levels in Zhuhai city and relevant enterprises with land auction fund management, commercial house transaction fund supervision, housing provident fund loan bank service, which makes living and funds management more convenient, safer and more efficient.
7.4.5 Smart Campus

Ping An Bank integrates teaching, management and campus life to build a "digitized campus", which includes banking & financial services, campus identity authentication and application and other services. We take the campus card as the centre of the system to promote the campus' advanced information management construction, and achieve "one card in hand, you can go everywhere on the campus". In terms of school payment management, we showcase our technological strength by providing payment services such as tuition, online billing of party membership dues, and other payments in a one-stop solution. At present, the "smart campus" has been widely applied and promoted in 10 cities, including Shenzhen, Shijiazhuang and Huizhou.

CASE STUDY: Assisting in the Construction of "Campus Card of Shenzhen MSU-BIT University " Project

Shenzhen Branch has launched the “Campus Card of Shenzhen MSU-BIT University” project, and established a featured APP supported by Chinese\English\Russian language according to the campus’ special requirements such as canteen dining, supermarket consumption, book lending, smart canteen, service hall, data analysis, mobile application, situation monitoring, charging platform, WeChat campus, etc., which includes the functions such as automatic save & load, payment, lost & found, card replacement and transaction query, and completes more services through WEB, mobile and self-service terminals. In particular, a QR code is developed to support online/offline authentication and payment to create a cardless campus environment; face recognition has been used in the library and dormitory building; at the same time, a bank service zone has been set up in WeChat campus to provide new and convenient financial services for teachers and students.
8. Benefiting the People

Ping An Bank is committed to providing high-quality and efficient financial services for the society, regards "benefiting the people" as an important support for business development, and focuses on finance to continuously enrich and improve financial services for small and micro enterprises and agriculture, rural areas, and rural residents, truly serving and benefiting the people.

8.1 Support the Development of Small and Medium-sized Enterprises

Aiming at being an “intelligent and superior bank”, Ping An Bank is committed to providing middle and small-sized enterprises with comprehensive financial services based on real transaction scenarios with the help of cutting-edge financial technology means. Ping An Bank focuses on enterprises aided by the central government, implements the "finance + technology“ strategy, customizes differentiated and precise solutions for them, and effectively supports the healthy and sustainable development of middle and small-sized enterprises.

- **"Know Your Business (KYB)“**: Based on the payment and transaction data of invoices and taxes of small and medium-sized enterprises and industry scenario data, a data platform or program covering all-round feature information of small and medium-sized enterprises is built, and a service model featuring mortgage-free, warranty-free, online application and fast approval is built to achieve high approval efficiency, fast receipt and low financing cost. This KYB platform or program greatly helps customers, especially small and medium-seized enterprises, to solve their financial difficulties currently. As of the end of 2019, KYB had issued RMB 32.23 billion yuan of digital financial products for small enterprises, with a loan balance of RMB 12.8 billion yuan, serving 34,000 customers.

- **Supply Chain Finance Accounts Receivable Service Platform**: We can better identify risks by comprehensively mastering the capital flow, information flow and logistics of small and medium suppliers, based on the commercial bills or accounts receivable of the core enterprises and effectively help customers who face financial difficulties. Shenzhen Branch builds a "Cloud Chain Platform for Middle and Small Enterprises and Suppliers" to support small and medium and micro suppliers of core enterprises. As of the end of 2019, 16 core enterprises and 109 suppliers used the platform, of which 6 core enterprises signed the bills, with a total transaction volume of RMB 1.383 billion yuan, and 34 suppliers underwent financing, with a financing volume of RMB 660 million yuan.

- **Pocket Finance**: It builds an intelligent one-stop service platform to provide customers with purchase-sell-deposit bookkeeping and express delivery payment day services through mobile terminal, online fixed-current link account, electronic bills, 7 × 24 bank transfer services and whole-process mobile processing of the smart collection. The public-private account is established based on the operational characteristics of middle and small-sized enterprises customer group to facilitate the settlement of small enterprises.

- **Digital Finance for Small Enterprises**: Digital Finance for Small Enterprises utilizes the online real-time features, monitoring after loan by quantitative model, revealing and judging of the credit information

By the end of 2019, Ping An Bank has served 693,464 small and micro enterprises, with total investment and financing of 377.754 billion yuan.
of small and medium-sized enterprises, to provide comprehensive financial services for small, medium and micro enterprises, effectively solving the financing problems of middle and small-sized enterprises, especially private privately-owned small and medium enterprise.

**CASE STUDY: "Ping An Pay" Integrated Service Platform Helps Management of Small and Medium-sized Enterprises to Enter a Smart Era**

On December 20, 2019, Ping An Bank released the "Ping An Pay" integrated service platform. "Ping An Pay" is an integrated service platform for our corporate customers and their employees, which provides not only basic service of wages paying, but also provides other value-added services such as HRX attendance, salary calculation, Zhiniao training, Caiku travel, mall welfare, health service provided by Ping An Good Doctor, etc.

- For enterprise's B-terminal: A "Ping An Pay Enterprise Zone" is created to provide enterprises with traditional financial services such as wealth management, insurance, financing, etc. In addition, it provides human resource services such as enterprise staff management, attendance, salary calculation, wages paying, staff training, etc., and it provides value-added services such as reimbursement of travelling cost, employees' medical treatment, welfare procurement and distribution, etc.

- For retail C-terminal: A "Ping An Pay Staff Zone" is created to provide employees of the enterprises with attendance services such as mobile clock-in and field sign-in, payroll services such as payroll payment and electronic salary sheet, travel services such as air tickets, hotel reservation and reimbursement, training and learning services such as 2,000 courses about management and office skills for free, financial services such as wealth management, insurance, credit cards, consumption loans, medical and health services such as 24-hour online consultation provided by Ping An Good Doctor and bringing medicine to the home, and consumption service in the welfare mall, etc.

**CASE STUDY: Providing Tax Credit for Small and Micro Enterprises in Hainan Province**

In August 2019, Haikou Branch completed the integration with the Hainan Provincial Taxation Bureau's Bank-Tax Interactive System to provide high-quality, small, medium and micro enterprises that pay tax by credibility with mortgage-free and guarantee-free credit products, provide convenient financing services for small and micro-enterprises. Taxpayers can scan a QR Code with their phones to apply online, and complete loan applications. The bank accepts applications online in real-time, grants credit in time, completes approval within 60 seconds at the soonest, and makes loans within 10 seconds. The loan can be borrowed and repaid at any time, and the loan term is at least one day, to meet the temporary turnover demand of the enterprises. This service mode effectively alleviates the "difficult financing" and "expensive financing" problems for small, medium and micro enterprises, and showcases the bank-tax integration services.

**CASE STUDY: Optimizing the Approval Process and Service Timelines**

On the basis of Ping An Bank's inclusive finance loan risk management system, Kunming Branch made every effort to improve the approval process and service timeliness of inclusive finance loan business, and open up the "last mile" of inclusive finance:

- The whole application process is online, which is totally different from traditional offline loan application, it enables customers to apply for authorization online, complete online pre-approval operation, query the status of loans, draw loans, return loans and conduct annual audit of loan limit, etc., which greatly improves the efficiency and inclusiveness of loans;
“Bank-Tax Interaction” is further promoted to actively connect tax and invoice data, provides more and more complete loan access basis for small and micro customers, thereby effectively solving the problem of complex front-end application procedures, tedious information and long waiting for customers. The Branch can complete the review of small and micro mortgage loans within 1 working day, and the review and conclusion of small and micro KYB business within T+2 if all documents are available, which significantly increases the effectiveness of the inclusive finance loan approval service.

### 8.2 Exploration of Rural Finance

Economic development in poor areas is inseparable from financial support. Ping An Bank has continuously improved its financial service system, carried out financial service innovation according to local conditions, put the vital interests of rural people first, and follow up the development of rural areas.

Ping An Bank has signed strategic cooperation agreements with 17 provincial-level rural credit cooperatives across the country, and 1,327 rural commercial banks and rural credit cooperatives under its jurisdiction conduct the Bank's business. As of the end of 2019, Ping An Bank's "Bank E-Connection" Platform had connected and served 2,237 interbank corporate bodies, covering all provinces in China. Ping An Bank had cooperated with 511 banking institutions in 21 provinces, cities and autonomous regions in respect of third-party custody business.

**CASE STUDY: County-level Rural Bank Outlets were Established**

Ping An Bank implements the spirit of regulatory policies: "large and medium-sized commercial banks should stabilize and optimize county-level grass-roots outlets, keep the basic stability of existing outlets in poor areas, and strive to increase the number of outlets.” In 2019, 35 new county-level sub-branches were established, covering 75 counties (and county-level cities) in total. In 2019, the county-level sub-branches provided a total of about RMB 13 billion yuan of personal loans for county-level customers, which actively supported the local business development and customer needs.

**CASE STUDY: Construction of "Farmers' Loan Service Outlets"**

In accordance with the Opinions About Implementing Financial Aid to Poverty Alleviation" of the People's Bank of China, Ping An Bank established “Farmers' Loan Service Outlets” in rural areas. As of the end of 2019, the Bank had established about 330 "Farmers' Loan Service Outlets", serving about 30,000 customers, providing basic financial services such as account opening, query, transfer, and cross-bank withdrawal for rural customers.

**CASE STUDY: “Photovoltaic Loans” Help Farmers Increase Income**

Ping An Bank actively responds to national energy development and environmental protection policies, designing "photovoltaic loans" product, and granting farmers in East China, Central China, and North China
the credits to purchase and install distributed photovoltaic equipment. The income received from the power generation is the first returned as payment to the Bank, and the surplus amount will become the farmers’ income. This product supports the expansion of the capacity of the core photovoltaic enterprises, relieves the inventory turnover and capital pressure of dealers of small and micro enterprises in villages and small towns. It also brings additional income to the farmers. Since the project was run, the financial support has totalled RMB 37.57 million yuan, with an average loan amount of RMB 53,000 yuan per family. The current loan balance is RMB 34.53 million yuan.
III. Social Responsibility

Special Topic: Ping An Bank is in Action to Fight the Coronavirus Outbreak

In the Chinese New Year of 2020, the battle against the COVID-19 touched the hearts of every person of Ping An. While everyone was staying at a safe place, doctors, nurses and other healthcare workers were fighting the epidemic at the frontline. We did everything possible to protect them and provided support to fight the outbreak.

- **Donations to fight the outbreak.** On January 26, 2020, we announced that RMB 30 million yuan would be donated to the Hubei Charity Association, for Hubei Province to purchase epidemic prevention materials, family pensions due to the outbreak, volunteer insurance, protective gear and living facilities, as well as community public health facilities supplement. We aimed to support Hubei Province to fight against the COVID-19.

- **Online consultation to eliminate virus panic.** Jointly with Ping An Good Doctor, Ping An Bank has launched a 24-hour free online consultation service in Ping An Pocket Bank APP. We also opened the telephone consultation line 400-1819191. Users in the Ping An Pocket Bank APP who search for "coronavirus", and click on "online consultation" can directly reach to the doctor for scientific prevention and consultation.

- **Pocket Finance assists with flexible working arrangements.** In order to fully cooperate with the prevention and control of the outbreak of the COVID-19, while meeting the needs of enterprises, Ping An Bank Pocket Finance helped enterprise customers to facilitate flexible working arrangements, and reduced a number of banking fees. In this special period, we work together with enterprises to overcome all difficulties.

- **Data loans to help online financing.** Ping An Bank has long-term supported for the physical enterprises in the healthcare industry, deep cultivation of small and micro businesses, fully aware of the financial pressure of the small and medium-sized pharmacies at this time. In order to support a large number of small and medium-sized pharmacies to overcome the challenge, we provided integrated, online and comprehensive industry financial services for them. Ping An Bank Wuhan branch upgraded exclusive KYB data financing services for pharmacies through the "industry-based data + online operation + intelligent risk management" to solve their urgent needs.

In this critical moment, Ping An Bank showcases how a responsible company should be, and we are obliged to be the best “financial defender” in this battle with the epidemic.
9. Customer Focused Services

The boost in consumption and the increase of wealth reflect the people's pursuit for a better life. Ping An Bank put all efforts in benefiting the people, respond to what people need, continuously improves the availability and convenience of financial services, and utilizes technology to improve the ability to protect the rights of consumers and the wealth of people.

9.1 Serve Customers with Heart

Ping An Bank adheres to the "being technology-driven" development strategy. On the road of technological innovation-driven transformation, we focus on the origin of product research & development, adheres to our "customer-oriented" intention, and promotes service innovation and development through organizational transformation and reform, deepening the fusion between industry and technology and serves customers with heart.

9.1.1 Protect Customer Benefits

Ping An Bank actively uses technology to empower customer services, focuses on creating many technological innovation projects, launches technology-empowered consumer protection projects and activates many new customer service functions such as "Smart Dual Recording", "Smart Consultation and Complaint", pocket bank login abnormality monitoring, anti-fraud management platform, bank SMS verification platform, interactive approval platform, etc., enabling effective and safe management and control of security risks in relation to customer accounts and funds.

- **Strengthening sales compliance and risk monitoring:** Ping An Bank develops a "smart dual recording system" (through audio-visual and other technical means to collect audio-visual materials, electronic data to record and preserve the key link of the insurance sales process), and uses intelligent voice broadcasting in the dual recording to improve the standardization of the dual recording. Through the use of technologies such as "real-time face recognition" and "customer voice recognition", etc., we carry out quality inspection during recording to improve the quality of dual recording. Through cloud storage, AI and other technologies, we carry out real-time access, smart quality inspection and unified management of the head office and branches, thus ensuring the risks are monitored in the entire process.

- **Establishing a long-term mechanism for consumer protection:** Ping An Bank carry out promotional activities regarding customer protection every month for different groups. By entering the community, campus, merchants, and enterprises, the financial literacy of people has been improved, so more people are equipped with better financial knowledge and understand how the Bank protect their benefits.

9.1.2 Optimize Customer Services

In 2019, Ping An Bank launched the "Every CHENG, Know You Better" campaign. It focuses on "Smile, Listening, Professionalism, Intelligence" to promote finance accessibility, make customers feel more comfortable and have a better customer experience.

- **"Smile" is a sincere welcome.** The 1-min Service in AI Hall” of Ping An Bank fully optimizes the business handling process, adopts advance booking or pre-handling of most
businesses, reducing customer waiting time. In order to improve our depth of reaching point services such as branches, self-service and community services, the pocket mall OMO convenience service pilots have been launched in new retail outlets in Beijing, Shanghai, Guangzhou, Shenzhen, etc. Based on the shopping habits of customers in the communities around outlets, personalized products are provided to meet customer needs.

- **"Listening" means to listen to what customers need.** AI Customer Service 2.0 has been newly launched, listening to customers' voices 24h × 7d. Every day, about one million customers use the AI Customer Service for problem consultation. 80% of the consultations do not require manual intervention, leaving more time for senior customer service executives to respond to complex inquiries for customers. The Group of Confidants is composed of experienced psychologists, customer service experts, product experts, etc. The Heart group launched the "Voice of customers is foolproof" action, inviting the head office executives to answer customer questions, and continuously enhance the product service experience.

- **"Professionalism" is to simplify complexity and make life easier.** Ping An Bank focuses on innovating in mobile or online distribution channels to break geographical restrictions and provides remote consulting services for customers with complex investment needs and underserved customers. In collaboration with smart dual recording, it manages the product sales and transaction process completely to protect the rights and interests of customers and secure their funds. "Ping An Smart Lending" makes full use of intelligent approval and intelligent risk control technologies to provide customers with microfinance services such as full-line operation, on-demand loan and quick loan.

- **"Intelligence" is to understand what you say and what you don't say.** The online store "My Bank 2.0" integrates multiple functions such as "Over-the-air Counter", "Ping An Saloon", etc. Customers can make appointments and complete pre-handling for most businesses before going to outlets through the "Over-the-air Counter", so that they can complete the business quickly after arriving at outlets. The "Easy to Scan" feature allows customers to handle multiple services without a card.

### 9.1.3 Improve Customer Satisfaction

Under the concept of "Utilizing Technologies and Innovating Services", Ping An Bank has formulated such rules and regulations as the *Measures of Ping An Bank for the Management of Retail Customer Complaints*, the *Implementation Rules of Ping An Bank for the Management of Credit Card Business Complaints*, the
Measures of Ping An Bank for the Management of Corporate Customer Complaints, etc. to regulate personnel service standards, define the customer complaint handling process, in order to respond to customer complaints and suggestions in a timely manner, and solve problems for customers properly.

We have set up a variety of convenient complaint channels such as the official website of Ping An Bank, a mobile banking APP, a WeChat public account, etc. and clearly publicize the methods and channels for complaint acceptance in a prominent place in the business premises to ensure that all acceptance channels are smooth. Business departments at all levels throughout the bank to establish complaint pre-judgment and handling mechanisms for products and services before, during, and after sales. For products and services that are newly created by a licensed institution, the Head Office Consumer Protection Center authorizes the corresponding institutions to provide advice, formulate a complaint handling plan in advance, and reduce complaints due to business changes. The content of each complaint strictly complies with the complaint classification criteria as set forth in the Statistics, Classification, and Coding of Commercial Consumer Complaints: Banking Financial Institutions jointly issued by the People's Bank of China and China Banking Regulatory Commission, and all complaint work orders shall be recorded in the consultation system. From January 1, 2020, Ping An Bank will report complaint classification data to the head office of the People's Bank of China in real-time.

In 2019, we built the "Customer Voice Feedback Mechanism" with the NPS (Net Promoter Score) survey platform to integrate each customer survey into the platform. We sent survey invitations to customers through the platform, presenting customers' opinions and suggestions on banking products and services in real-time. As at the end of 2019, the survey and platform have fully covered multiple customer experience contact channels such as outlets, online banking, mobile banking, call centres, and wealth management services.

- By the end of 2019, the NPS value of the business outlets of Ping An Bank was 82.1%, increased by 3% over 2018, and 2.1% higher than the target value.
- By the end of 2019, the NPS value of the mobile banking was 68.4% and increased by 18.2% over 2018.

9.2 Information and Funds Security

Ping An Bank attaches great importance to information security and asset safety. In order to manage regulatory risks, Ping An Bank strictly abides by the Implementation Measures for the Protection of Financial Consumers' Rights and Interests and has internally formulated the Measures of Ping An Bank for the Management of Information Technology Risks (Version 2.0, 2019) and the Implementation Rules of Ping An Bank for the Management of Information Technology Risks (Version 1.0, 2019), to regulate their behaviours in providing financial products and services, and effectively protect the legitimate rights and interests of consumers. At the same time, it utilizes technology to protect consumer rights and interests (hereinafter referred to as "Consumer Protection") to expand the breadth and depth of consumer protection.

9.2.1 Protect Data Security
In March 2019, Ping An Bank revised and issued the *Measures of Ping An Bank's for the Management of Individual Customer Information*, which clearly states that the collection and use of information must be performed with the written authorization of customers; the use of individual customer information shall comply with the corresponding scope authorized by customers in written format. It is prohibited to solicit individual customer information use authorizations or consents that are not related to financial products and services using general authorization, etc., to protect the privacy and interest of customers. Through these measures, Ping An Bank has increased the strength of privacy policy. By the end of 2019, Ping An Bank has not identified any major risk issues related to data security, avoiding unexpected cost or reputational damage.

- **Collection of Personal Information**
  - We follow the "minimum information" principle, collect personal financial information following legal and regulatory requirements and business needs, prohibit the collection of information that is not related to the business or by improper means, and minimize the collection and retention of personal information.

- **Transmission of Personal Information**
  - The application system implements the processing of minimizing the display mask of sensitive information, strictly restricts the batch download of sensitive data, and encrypts the data transmission. It installs the data leakage prevention DLP monitoring software to intelligently monitor the outgoing data, strictly manage the copy and transmission of file information, etc. to avoid information leakage.

- **Storage of Personal Information**
  - Terminal office equipment installs terminal file encryption software to establish secure access and use boundaries; the data platform is provided with encryption and desensitization technology so that the data can be operated in a closed manner on the virtual platform; sensitive data downloads are controlled through the virtual platform, etc.; IP users are bound to the data platform to prevent data leakage from the source.

- **Leakage Prevention Mechanism**
  - We develop a response plan for data breach incidents. When personal financial information is lost, damaged, leaked or tampered with, immediate remedial measures will be taken and reported promptly.

- **Use of the Personal Information**
  - During the use of personal financial information, Ping An Bank and its employees follow strictly the approval procedures for authorization and data download. We strictly prohibit the risk of improper retention of customer information in the partner's model in the mode requiring the input of personal information at the partner (third party).
The organizational structure of Ping An Bank's data governance adopts a "strategic level, decision level, management level, and execution level" structure. The strategic level includes the Board of Directors and the Board of Supervisors. The Board of Directors, as the highest leading position of the Bank, has the ownership of data and product safety, which mean it is responsible for data and privacy security. The Board of Supervisors is responsible for the supervision and evaluation of the performance of data governance. And it also reports to the Board of Directors of data and product safety evaluation. The Information Technology Management Committee is authorized by the Executive Committee to assume the daily decision-making functions of data governance.

In 2019, Ping An Bank's information technology supported the business transformation and technological innovation, and we utilized the data and technology to drive the Bank's smart operations. We promote the formation of a top-level financial ecosystem through embedding advanced information and data into our services. We established three lines of defence for IT risks featuring a clear division of labour, relative independence, mutual constraint, and clear responsibility. We implement comprehensive information technology risk management in the areas of information system development, testing and maintenance, information technology operation, information security, business continuity, outsourcing, auditing, etc. These initiatives have led to the establishment of a better security management system. In 2019, Ping An Bank conducted 6 system audits including information security, 29 security risks were found while 20 of them have been corrected.
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<th>Clarify Managerial Responsibilities</th>
<th>Identify Risks Regularly</th>
<th>Standardize Management Workflow</th>
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<td>• Ping An Bank clarifies the responsibilities of IT risk management of each unit, continuously improves the IT risk management organizational structure and risk management operation mechanism. Optimizes risk management tools and implementation methods. The three lines of defense for information technology risks mainly depending on the IT Department, the Risk Management Department and the Audit and Supervision Department, are engaged in the management and control of IT risks in three dimensions, i.e. before, during, and after incidents.</td>
<td>• Ping An Bank regularly carries out IT risk identification, assessment, analysis, monitoring, reporting, and auditing. We comprehensively builds an IT risk heat map, promptly issues IT risk warnings, handles risks, and effectively enhances IT risk prevention capabilities.</td>
<td>• Ping An Bank actively standardizes the development of management processes, builds and improves management platforms and automated monitoring platforms, strengthen risk reviews of key links such as information security, system production changes, incident emergency handling, and disaster recovery drills. We strictly control development quality risks, information security risks, system change risks and system operation risks.</td>
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Ping An Bank has established a mature "training + test" system for information security training. Through the perspectives of management, technology, production, and consciousness, the Bank arranged a series of customer product safety training courses for different audiences. We continued to carry out information security education in order to improve staff awareness of information security. We issued and implemented the *Detailed Implementation Rules of Ping An Bank for the Management of IT Staff Internal Punishments (Tentative)* which is our information security policy to strengthen the warning of daily violations of IT service lines, prevent potential risk incidents due to non-compliance during R&D and production operations to improve risk control regulatory awareness and prevent and contain major violations.

### 9.2.2 Guarantee Funds Security

With the popularization of the Internet and the improvement of personal income, there are increasing cases of financial fraud emerged. Ping An Bank regards the safety of financial products as an important part of the protection of consumer rights and interests, and we incorporate consumer protection into the Bank's business development strategy. We carry out effective supervision and evaluation of the protection of consumer rights to control and management their data, ensuring the safety of every fund of consumers. Therefore, we set up a Committee on Strategic Development and Consumer Protection on the Board of Directors to provide professional advice to the Board of Directors. In addition, the Committee can make decisions on professional matters under the authority of the Board of Directors, and are responsible for formulating strategies, policies and objectives for the Bank's consumer protection issues. We are able to use technology to combat various types of operational risk incidents throughout the year, with a total amount of RMB 995 million Yuan protected against fraud.

• By the end of 2019, Ping An Bank has found and blocked 1,807 various types of operational risk incidents throughout the year, with a total amount of RMB 995 million yuan protected against fraud.
financial fraud, ensuring the security of customer funds by technical means, through the business personnel anti-fraud training to protect customer product safety. We also proactively explore potential risks, in order to achieve a full range of protection of customer funds security.

Ping An Bank has established new business processes and risk control models in the application of the mobile Internet, biometrics, big data, and AI technology. We actively integrate data protection technologies into product and service development. For example, we continue to promote the combination of cutting-edge technologies and financial application scenarios to make risk control smarter and more stable to achieve effective and safe management and control over customers’ accounts and funds security risks.

### CASE STUDY: Build the SAFE Intelligent Anti-fraud System

Ping An Bank relies on financial technology to establish a customer-level anti-fraud management model, the SAFE intelligent anti-fraud system, which is different from the monitoring method of the single product dimension for debit or credit cards. The SAFE intelligent anti-fraud system uses big data and models, applies in-depth AI technology to achieve full-process control before, during, and after the event, so that frauds can be effectively avoided.

- **Pre-warning:** By setting up multi-dimensional risk monitoring indicators, a complete risk pre-warning system and a comprehensive response mechanism are established.

- **Monitoring:** Real-time monitoring and non-perceptible identity authentication. When customers conduct transactions, they rely on "big data + technology" to carry out strict and accurate monitoring and identification, real-time risk monitoring of bank card transactions so as to achieve interception of high-risk transactions. When customers conduct identity authentication interactions, we adopt AI technology to establish a non-perceptible identity authentication system. We implement customer insensitive authentication for low-risk operations, which significantly improves customer experience.

- **After incident:** while adopting the intelligent interaction system equipped with scientific and
technological means, the paperless claim settlement method is used to avoid tedious documenting and filing process.

Ping An Bank conducts annual training on business personnel to ensure the security of funds, including training on fund risk identification, account abnormality identification, typical and latest fraud methods, and case sharing, etc. Through training, we continuously improve the financial security capabilities of business personnel and apply anti-fraud knowledge in their work to help our customers to avoid financial frauds.

**CASE STUDY: Helping Customers Avoid the Loss from Cyber Frauds**

In November 2019, when handling the business for a customer, an employee of the Xi’an Branch discovered that the customer had concealed the reason for the purchase of foreign exchange, and there might be a risk of fraud. After unremitting communication and explanation, we learned that the customer had joined the investment WeChat group, and the group sent a link to the overseas platform "Bitcoin Investment", then there would be a special person online to guide him, and he only needed to pay the membership fee of $5,000 USD to get a guaranteed profit. The employee of Xi’an Branch immediately realized that this might be a cyber fraud and explained the cyber fraud routines and harm to the customer with the cases reported in recent news. After communication and explanation for 1 hour, the customer realized that he had encountered cyber fraud and finally gave up the transfer.

### 9.3 Spread Financial Knowledge

Ping An Bank actively popularizes all kinds of financial knowledge to consumers, enhances consumer awareness of the risk prevention of financial fraud, and fundamentally enhances the ability to resist financial fraud. We fully realize the characteristics and needs of different consumer groups, we develop different strategies for different consumer groups, so as to improve the effectiveness of financial literacy.

**CASE STUDY: Financial Knowledge Promotion Covering Different Groups of People**

- All branches carry out extensive financial knowledge popularization, and actively take the initiative to focus on young people, college students, the general public, the poor, the aged in the community, etc. to convey targeted financial knowledge and fulfill social responsibility.

- Pay attention to special groups and publicize and educate them in customized manner.

- Replace traditional paper media and carry out environmental protection education.

- Relying on electronic leaflets and posters, each branch adopts an online method to spread consumer protection knowledge, while transmitting the concept of green finance.

- We combine the traditional festivals and special events with education activities. The festive atmosphere combined with the promotion of consumer protection knowledge can effectively improve the effectiveness of knowledge promotion.

- Combined publicity and education with hot issues.
Ping An Bank Guangzhou Branch has entered colleges and universities to conduct a special lecture under the title of "Anti-money Laundering Financial Knowledge Publicity Lecture", covering nearly 1,000 students. Shanghai Branch has hosted community charity activities and launched a series of lectures on consumer rights and interest protection knowledge. Moreover, the Ping An consumer protection knowledge Q&A of Dongguan Branch, the prevention of illegal fundraising of Guangzhou Branch, the concentrated publicity and education in university town of Chongqing Branch, the anti-counterfeit class of Nanjing Branch, the youth publicity "Little Banker" of Dadukou Sub-branch, help different groups of people to increase their awareness of risk prevention and financial literacy by appropriate means and with proper cases.
10. People-oriented and Care for Employees

In an enterprise, talents are not only the fundamental constituents at present, but they are also the momentum who drive the business development in the future. We believe that employees are an important driving force for achieving sustainable development. As a financial leader, Ping An Bank does not forget its original intention. We regard employees as an important asset for sustainable development of the enterprise. We care about employees' growth, protect their rights, and improve the promotion mechanism for them.

10.1 Diversified Talent Recruitment

We adhere to the principle of equal opportunity and diversified employment and provide equal job opportunities for each talent. We are responsible for the society and each employee in order to build a comprehensive talent supply chain.

10.1.1 Equal Diversified Employment

We strictly abide by the national laws and regulations on talent recruitment, such as the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and the recruitment management system is established internally. We insist on equal employment, promoting workforce diversity, ensuring that opportunities are fully open to all, and achieving a fair selection of the employees who meet job requirements and are competent.

- **Equal Opportunity:** We guarantee equal opportunity in all aspects of talent recruitment, training, promotion, performance appraisal, welfare and labour contract termination. We strictly ensure everyone is treated equally, regardless the age, gender, disability, political belief, marital status, the background of birth and other characteristics of employees.

- **Diversified Employment:** As a differentiated configuration of human resources at a higher level, diversified employment includes balancing gender ratio, hiring international talents and strengthening ethnic integration and means providing a harmonious working environment for the employees with different genders, nationalities and ethnic backgrounds to enhance the comprehensiveness of Ping An Bank's talent teams, and reduce the risk of internal changes.
Ping An Bank's employee by gender in 2019

- Male: 19,009 in 2019, 19,044 in 2018
- Female: 15,582 in 2019, 19,009 in 2018

Ping An Bank's employee by ethnicity in 2019

- Minority: 1,472 in 2019, 1,316 in 2018
- Han: 32,781 in 2019, 33,310 in 2018

Ping An Bank's employee by age in 2019

- <=25: 2,318 in 2019, 2,885 in 2018
- 26-35: 20,772 in 2019, 21,545 in 2018
- 36-45: 8,278 in 2019, 7,392 in 2018
- >=46: 2,854 in 2019, 2,645 in 2018

Ping An Bank's employee by education background in 2019

- High school and below: 499 in 2019, 572 in 2018
- Associate College: 4,737 in 2019, 5,958 in 2018
- Undergraduate: 23,059 in 2019, 23,122 in 2018
- Graduate and above: 5,319 in 2019, 5,613 in 2018
10.1.2 Employee Rights and Interests Protection

Ping An Bank is committed to protecting employees' rights and interests in healthcare, security, and welfare. Ping An Bank complies with national laws and regulations on labour right protection. Through corporate autonomy and in combination with the Measures of Ping An Bank for Welfare Management (Version 3.0, 2018) formulated internally, we provide diversified welfare benefits for all employees. In addition to the full payment of the five insurances and one fund on time, we also provide employees with a corporate annuity plan, supplementary commercial insurance, annual employee medical examination and festival benefit.

We follow the Measures of Ping An Bank for Remuneration Management (Version 3.0, 2018) formulated internally. Upholding the principles of fair and equitable pay management, gender equality and equal pay for equal work, we actively optimize the compensation planning mechanism to ensure that employees can fully share the results of bank operations and pay attention to the matching of employee remuneration with their performance.

10.2 Grow with Our Employee

We establish a "four-dimension" (useful, effective, fun and loving) training principles and continue to improve the talent training system, increase investment in salary management, development and promotion, and talent training, and create opportunities for the career development of the employees.

10.2.1 Smooth Development and Promotion

We have established the corresponding organization structure to advance the progress of the promotion system. Our relevant personnel understand the needs of employees through in-depth interviews and communication and optimize the performance and promotion systems to meet their needs.

- **Promotion system:** Based on the promotion channel of the traditional management sequence, we have established a "6 + 1" position management system, which specifically includes management sequence, professional sequence, business sequence, technical sequence, functional sequence and operation sequence to further expand the employee development channels.

- **Support for strategic transformation:** In order to support the effective implementation of the Company's transformation strategy of "leading technology, retail breakthrough, fine work for the corporate banking", the Head Office has carefully crafted a "Brighten You" talent training plan. This plan combines routine training with innovative training, pay equal attention to talent cultivation and key business innovation, and establish a system for training innovative talents with outstanding performance. After nearly one year of training, 18 trainees have been awarded the title of "Excellent Trainees", and a total of 16.3% of the in-service trainees under the "Brighten You" plan have been promoted in their respective positions.

• By the end of 2019, the coverage rate of employees' participation in corporate annuity plan was up to 80%.
10.2.2 Empower Talent Cultivation

We continue to deepen the implementation of the "three-war" training system, integrate the technology-oriented and youthful model, and combine online and offline diversified tools and methods to comprehensively empower the organization. For the employees with different functions, different needs and different stages of development, we have customized multi-level internal training courses for them such as the War God Series, the War Wolf Series, and the War Hero Series to achieve full training coverage.

- In 2019, Ping An Bank organized a total of 6,360 internal face-to-face training programs and external training programs, with the participation of approximately 325,000 person-times, or 9.5 times per person.
- 754 online programs on Zhi Niao were launched throughout the year, with the participation of 2.99 million person-times.

- We create a three-tier training system from newly appointed officers to senior executive officers. In 2019, we focused on the training in respect of ecological strategy, technological leadership, and organizational capability methodology to expand their horizon and strengthen their synergy. For newly appointed cadres, two face-to-face training programs with the participation of 43 person-times; two programs were held for the in-service officers with outstanding performance with the participation of 101 person-times; and 3 programs were held for senior management cadres, with the participation of 115 person-times.

- Training programs focused on arming the intermediate management cadres with professional and operational capabilities. 33 sessions of War Wolf training were held throughout the year, covering 1,264 person-times.

- Established a potential talent cultivation brand called "Flare You Differently", in order to encourage all business lines and branches to explore the mode of potential talent cultivation for multi-dimensional talent selection and cultivation. In 2019, the number of potential talents participating in training activities was 1,466.

- We deepen the implementation of the post qualification certification system, link employee learning with linear performance appraisal, help employees in key positions with solid basic professional skills, and raise awareness of compliance risks for employees across the Bank. 65 sessions of new employee training were held, covering a total of 2,279 persons. 146 sessions of War Hero promotion training were held, covering a total of 7,460 person-times.
Online: We combine Zhiniao's online learning platform with offline training courses, and utilize curriculum learning, examination, live broadcast, intelligent partnering and learning panorama to conduct multi-dimensional cultivation. Throughout the year, there were 754 Zhiniao professional courses, with the participation of 2.99 million person-times and average monthly activity rate of 95.7%; a total of 774 live learning sessions were held with the participation of 346,000 person-times, and maximum concurrency of one single live broadcast up to 8,394 persons. A total of 1,448 intelligent partnering programs were held with the participation of a total of 241,000 person-times to pass the programs successfully.

Offline: We carried out internal face-to-face training and external training. Throughout the year, a total of 6,360 internal face-to-face training programs and external training programs were organized, with the participation of about 325,000 person-times or about 9.5 times per person, among which there were 86% senior management trained, 91% middle management trained; 86% administrative staff trained, and 96% business staff trained.

CASE STUDY: Holding Offline Reading Salon Activities

Jinan Branch launched the offline reading activities called "Reading gives you power", aimed at encouraging staff to improve physical and mental health concurrently, so as to encourage everyone to read and promote a reading habit.

10.3 Caring for Employees

We adhere to the "people-oriented" philosophy and believe that employees are the foundation of the Company. Ping An Bank strives to build a vertical, efficient and transparent communication system for employee communication, and listens to employees' needs through multiple channels. At the same time, we are committed to creating a home culture and caring for employees with love like their families.

10.3.1 Efficient Employee Communication

Ping An Bank is committed to building a vertical, efficient and transparent communication system, focusing on multi-channel connectivity and integration. We constantly improve the democratic management system, establish multiple channels and methods for employees to speak out, and protect their democratic rights, including their rights to know, participate and monitor.

- **Regular department meetings.** All business and functional departments hold regular meetings. Business leaders regularly communicate with their subordinates in a timely manner, listen to employees' suggestions and ideas, and communicate the policies and various business decisions of the Company to the employees to get their support.

- **Employee satisfaction survey.** We carry out an internal employee satisfaction survey annually to investigate the employee relationship and enhance communication.

- **HR open portal.** HR Department will conduct regular interviews with employees, and some specialists will conduct independent investigations on the information they have learned to understand the employees' feedback, and then reflect the findings to the relevant departments.
Voice of the labour union. The establishment of a labour union guarantees a democratic management system. Employees can deliver their voices through various channels and methods to protect their democratic rights, such as their rights to know, participate and monitor, and to build a harmonious and stable the relationship between labour and the Bank.

10.3.2 Warm Humanistic Care

We always focus on the philosophy of "happy work and healthy life", establish a closer bonding between employees and the Bank by using "technology+" thinking, and carry out a series of employee care activities under the title of "All the Way with You" to create a positive, healthy and harmonious career atmosphere for employees. It allows them to enjoy the love and care from the big family and enhance their cohesion and sense of belonging to the company.

Ping An Bank continues to carry out traditional festivals themed activities, special group caring activities, and "Send Warmth" activities to the employees in need. With the warmth and care of family members, Ping An Bank helps employees overcome difficulties, alleviate their economic burdens and create a united and warm family atmosphere for them.

CASE STUDY: Holding the Science and Technology Innovation Competition "Technology Qi PAi"

Ping An Bank enriched the personal lives of employees through the innovation activity, encouraged employees to make the best use of the latest technology and tools. We carry out reforms, innovations, and upgrades in processes, methods, systems, product interactions or interfaces to enhance their creativity and thinking. From June 1 to November 5, 2019, Ping An Bank held a bank-wide science and technology innovation competition called "Technology Qi PAi". A total of 235 projects from 35 units were registered during the project application period, and the top 8 projects scored the highest entered the final round. Award-winning projects include Flight Inspection Robot, Ping An Lending Treasures, Measuring Robot—Examination and Approval Assistant for Smart Loan Exhibitions, Demon Detector, AI in OPS, and AI-based Intelligent Analysis System for Financial Documents.

CASE STUDY: Holding a Series of Health Theme Activities

Zhongshan Branch revolved the confusion of employees in daily life or work, answered their
questions, and used actual cases to guide them to easily mitigate their workplace pressure. At the same time, the Branch paid attention to female employees, and we held Health Care Day activities, Women's Day activities, etc. By organizing these activities, it shows our care and respect to our employees and let them feel the warmth as if they are at their home.
11. Be Responsible and Committed to Helping the Poor

Ping An Bank pays huge effort in ensuring the benefit of the people. We have taken solid responsibilities to continuously support the sustainable development of economy, humanity, society and environment. With the help of smart finance, we are able to create a better life for people by implementing poverty alleviation and public welfare initiatives to contribute to a harmonious society.

In 2019, Ping An Bank initiated a closed-loop model of poverty alleviation by integrating various models and experiences. The model features "intellectual training, industrial blood-making, one product for one village, and production and marketing empowerment". With our economic capability, scientific strength and intellectual mentality, Ping An Bank revitalized and contributed to the development of the new era of China. Since 2018, Ping An Bank's "Village Official Project" has invested RMB 12.554 billion yuan in poverty alleviation funds in Yunnan, Guangxi, Guizhou, Sichuan, Shaanxi, Hainan, Chongqing, Hunan and Ningxia, benefiting 520,000 poor people.
CASE STUDY: "Closed Loop Model of Poverty Alleviation" Helped Leishan County, Guizhou Province

Ping An Bank has cultivated 100 leaders for poverty alleviation through "intellectual training", who have become the backbone of local poverty alleviation.

Through communication with the local government, enterprises and cooperatives, Ping An Bank has introduced Leishan tea products into Ping An Poverty Alleviation Mall for sale in order to broaden the sales channels of agricultural products for poverty alleviation.

Ping An Bank has innovatively designed Leishan Tourism Poverty Alleviation Project to carry out parent-child activities such as pairing with poor families, love donations, and learning about intangible heritage, creating Leishan's unique poverty alleviation tourism brand.

Ping An Bank has also carried out consumption poverty alleviation, tourism poverty alleviation and other industrial poverty alleviation projects in combination with Guizhou characteristics.

11.1 Continuous Intellectual Training

Ping An Bank believes that the first step of poverty alleviation is to provide the poor with ambition. Under the guidance of the Poverty Alleviation Office of the State Council, Ping An Bank cooperates with the training base for entrepreneurs to organize training courses for the poor and carries out the “dual support” program, i.e. ambition support + mentality support. The training focused on several agricultural skills, such as aquaculture, animal husbandry, vegetable and fruit planting, grain planting, Chinese medicine planting and seedling planting. We also provide industrial incubation and market promotion to the poor. After the training, Ping An Bank will continue to conduct 1 + 11 (1 month intensive training + 11 months follow-up coaching) entrepreneurial incubation. Through the four steps approach of "mental enhancement, nurture, blood making and foundation compaction", Ping An Bank follows up the training results, and continues to train them to become the backbone of poverty alleviation in the village.

By the end of 2019, Ping An Bank had held 12 training courses to cultivate 586 underprivileged for 35 counties in 15 provinces and autonomous regions.
11.2 Supporting Industrial "Blood Making"

Ping An Bank makes full use of its own banking attributes to further our poverty alleviation efforts, such as hydropower loan, breeding loan, planting loan, road construction loan, poverty alleviation bond and other industrial assistance financial tools, providing full support to the enterprises in poor counties via preferential interest rate loan or bond investment. In addition, we actively introduce the modern agricultural industry chain which closely linked the planting, breeding and production with poor households, so as to help the poor to speed up the poverty alleviation and increase their incomes.

Ping An Bank actively participates in underwriting and investing in poverty-relief government bonds, and allocates the funds to projects such as poverty alleviation relocation, road construction, rural public service facility construction. We precisely support the poor areas to improve the basic living conditions and enhance industrial development.

CASE STUDY: Initial Effect of Hydropower Poverty Alleviation Model

In 2016, the National Development and Reform Commission and the Ministry of Water Resources issued the Implementation Plan for Pilot Small Hydropower Poverty Alleviation Projects in Rural Areas, calling for piloting small hydropower poverty alleviation projects in rural areas and exploring the model of poverty alleviation based on the "national guidance, market operation and sustainable benefits for poor households". Ping An Bank responded to the national policies and began exploring hydropower poverty alleviation model in 2018.

Ping An Bank has found that 700 of the 832 impoverished counties in China have rural hydropower resources. Therefore, by virtue of the exclusive operation of the Energy Finance BU of the Bank, we have cooperated with hydropower companies to jointly design a unique “211” assistance model for hydropower poverty alleviation loans (i.e. provide two funds, sign a support agreement, and establish a long-term poverty alleviation mechanism), providing financial "living water" for the development of hydropower in poor areas, and establishing a long-term "blood-making" mechanism. Hydropower, as a renewable energy source, has effectively protected the ecological environment of poor areas while creating economic benefits.

CASE STUDY: Holding Hydropower-based Poverty Alleviation Innovation Forum with International Federation of Small Hydropower

In September 2019, Ping An Bank and International Federation of Small Hydropower jointly held the "Hydropower-based Poverty Alleviation and Financial Support" Innovation Forum and Work Exchange Conference to share the achievements and experiences of enterprises in poverty alleviation in hydropower. Ping An Bank's hydropower poverty alleviation model combines hydropower poverty alleviation with green...
finance to promote the mutual development of environmental protection while solving the problem of poverty alleviation at the same time.

11.3 Building One Product for One Village

Ping An Bank focuses on advantageous industries in poverty-stricken areas, links local governments, cooperatives and poor households, to establish a "finance + technology + production & sale" cooperation model, aiming to build rural agricultural brands, create an integrated supply chain by selecting products or industries with large market potential, regional-specific, and high value-added. It guides the financial capital flow of Ping An Group to the sale of agricultural products, so we can create a positive impact on society and benefit the poor people. Ping An has innovated products such as "Ping An Orange" and "Ping An Apple", we have included these preferred products into the Ping An "3 Villages and 100 Treasures" initiative, which helped the poor households to increase their incomes.

**CASE STUDY: Building "Ping An Apple" Poverty-relief Brand**

Tongchuan apple was not well-known because of its lack of brand strength. To increase its competitiveness, Ping An Bank provided intellectual training to the local farmers and jointly created the "Ping An Apple" brand. We provided strategies to reduce intermediate costs, improve profit margins. We also set up wholesale counters in the South China agriculture market to promote Tongchuan agricultural products in Guangdong and even the whole country.

11.4 Innovation and Marketing Empowerment

Utilizing our strength in technology, Ping An Bank has developed a poverty alleviation agricultural product tracking system and a poverty alleviation fund supervision system. The systems adopted the blockchain technology, which provided traceable and documented data sources for us to provide suitable assistance and ensure accurate fund use.

**CASE STUDY: Ping An Bank Boosts the Sale of Guangxi Tiandong Mangos**

Ping An uses e-commerce platforms to promote the sale of Guangxi Tiandong mangoes and successfully sold more than 100 boxes of mangoes in three weeks. With the aid of technology, consumers can see the poverty alleviation story behind the mangoes, it further enhanced the customer experience and stimulated consumers’ enthusiasm for poverty alleviation.
12. Be Enthusiastic and Build a Harmonious Community

For a long time, Ping An Bank has always practiced the original intention and purpose of "Serving the Society and Giving Back to the Country". While doing our business, we are committed to returning to society by actively supporting the social welfare undertakings and caring for the poor and the disadvantaged. We also fulfill corporate social responsibility through multiple channels and make sure that there was no negative impact on the local community.

• Ping An Bank's public welfare donation expenditures have been up to RMB 7.4862 million yuan.

12.1 Participation in Voluntary Service

Voluntary service is an important sign of social civilization and progress, and it is also an important channel for volunteers to give love. Ping An Bank encourages employees to carry forward the spirit of voluntary service, actively build a voluntary service platform, and make their own contributions to the construction of a beautiful China with their love and good deeds.

CASE STUDY: Poverty Alleviation Online Smart Teaching Platform-"Sancunhui" was launched

By providing special on-site courses, remote training and compulsory lectures, Ping An "Sancunhui" App could improve the teaching and management capabilities of rural primary schools and the education level of poor students. In 2019, "Sancunhui" APP was upgraded to Sancunhui's "Time Bank", launching higher-frequency, more interesting and deeper public welfare activities and projects, creating the smart public welfare Internet mutual assistance platform - "I am for everyone and everyone is for me", attracting more volunteers to participate in the construction of the "3-village Project" for precise poverty alleviation. By the end of 2019, the number of Ping An Bank Volunteers registered in "Sancunhui" APP had reached 31,511.

CASE STUDY: "Shanghai" for Good - Special Public Interest Campaign of Orange Garbage Bags

In August 2019, the Consumer Right and Interest Protection Center of Shanghai Branch launched the "Shanghai" for Good - Special Public Interest Campaign of Orange Garbage Bags under the title of "Little Orange and Great Love". A complete classification guide is clearly printed on the back of the orange garbage bags, so that residents of the community can easily and clearly understand the type of garbage when throwing garbage. At the venue of the Campaign, Shanghai garbage classification experts were also invited to carry out popularization campaign of garbage classification knowledge for residents and share domestic and foreign garbage classification cases to help residents quickly and accurately respond to garbage classification in daily life.
**CASE STUDY: Traffic Hinge Launched the Campaign for Civilized Travel**

In October 2019, Wuhan Branch, in conjunction with China Volunteer Service Federation's theme campaign under the title of "Gift to the Motherland-Volunteers in Action", organized 18 volunteers to guide civilized travel at the transportation hubs for the opening ceremony of the Seventh World Military Games. The volunteers from the Wuhan Branch assisted the local traffic police at major transportation hubs in Wuhan in guiding crowds at intersections with high traffic, dredging the traffic in morning rush hours, and educating the people with civilized traffic behaviour.

**12.2 Caring for Children's Growth**

As the builder of the future, letting every child thrive is a mutual aspiration of the whole society. It is also one of the social responsibilities shouldered by enterprises. We believe that strong youths lead to a strong country, so we continue to pay attention to the growth and health of children, strives to build a platform for knowledge and education, reduces educational inequality, and builds a bright future with love and responsibility.

**CASE STUDY: AI Not Alone: On the Way to Support Education**

In 2019, Science and Technology Daily and Ping An jointly launched a "Science Popularization Lab", including the AI public welfare aid campaign named "AI Not Alone: Science and Technology Literacy Improvement Plan" for 1,000 rural primary schools across China. Ping An Bank actively responds to the Group's call to carry out a love relay education campaign with the theme of "AI Not Alone", taking the popularization of scientific and technological knowledge and the improvement of basic scientific and technological capabilities as the main teaching direction, striving to eliminate the inequality of regional and population education for children, bringing different technology enlightenment and teaching experience for children. By the end of 2019, Wuhan Branch, Jinan Branch, Shanghai Branch and Nanchang Branch of Ping An Bank have selected many support teachers to the primary schools under the "Hope Project" to bring knowledge and joy to the rural children.

**CASE STUDY: Donate Money and Gifts to Schools**

In 2019, Urumqi Branch donated RMB 250,000 yuan to Karibage Elementary School in Togerigazi Township for the bathroom reconstruction and expansion project. At the same time, Urumqi Branch funded the construction of a football field for Wengcun Primary School and donated electronic blackboards for the Chinese classrooms of 9 rural primary schools in Wengcun Village and Yekexianbaibazha Village of
Tawakule Township in one of the 22 deeply impoverished counties in Xinjiang Uygur Autonomous Region, with the poverty alleviation funds of RMB 250,000 yuan donated.

**CASE STUDY: Launch an Education Aid Campaign at Jiaomiao Primary School**

In September 2019, Zhengzhou Branch launched the Education Aid campaign at Jiaomiao Primary School in Lankao County. We donated some sports supplies such as basketball racks, ping-pong tables, basketballs, badminton and table tennis. We also donated some school supplies such as drawing boards and watercolour pens to the school teachers and students to cultivate students' interest, greatly enriching the physical education and extracurricular activities for students.

**12.3 Caring for Social Vulnerable Groups**

Ping An Bank actively carries out a series of public welfare activities that care for the vulnerable groups, and actively contributes love and promotes community harmony for underprivileged workers, elderly and children in need.

**CASE STUDY: Holding the Children's Art Painting Exhibition—“Bright due to Love”**

In May 2019, the retail outlets of Ping An Bank, together with Ping An customers, community charity organizations and related training institutions, held a charity campaign of children art painting exhibition called "Bright due to Love", so that more people could pay attention to children in need and join the charity programs for them. While the public applauded the art exhibition, Ping An Bank donated the love funds for the "Art Healing Class" Project. The charity art exhibition covered 60 Ping An Bank retail outlets across China, with the participation of nearly 100 families, where nearly 1,000 public interest paintings were collected.

**CASE STUDY: Send Cool in Summer, Send Warmth in Winter**

Ping An Bank has carried out the activities to send cool in summer and warmth in winter for many years, bringing condolence and care to frontline workers. In January, Ping An Bank launched a charity campaign called "Strike for the Future with Gratitude and Send Warmth in Winter", sending hot tea and hot water to sanitation workers and courier staff, and invited them to rest and warm up in the business hall. In August, Ping An Bank launched a campaign entitled "Ping An Volunteer Send you a Cool Summer" in many cities across
China to send a series of heatstroke prevention and labour protection supplies for those continuously working under high temperature. Many outlets also spontaneously established "Clean-up Squads" to take the initiative to "Reaching Out" to send cool and love for sanitation workers, taxi drivers, policemen on duty, property security guards, public transport staff, municipal utility repairers, couriers and take-away caterers keeping on their posts in hot summer.

CASE STUDY: Launch the Charity Campaign for the Elderly with Dementia

Since 2014, on Alzheimer’s Day on September 21 every year, Hangzhou Branch has kept holding a charity event for caring for the elderly with dementia. In 2019, Hangzhou Branch and local TV stations jointly launched a series of caring campaigns under the theme of "My Father and Mother" for the elderly with dementia, organized volunteers to serve the elderly, played games with the elderly in the community, and popularized the knowledge of financial and new phishing prevention. Volunteer service booths were also set up on the venue, providing convenience services such as haircuts, knife sharpening and medical health consultation for the elderly for free.
IV. Responsibilities for Environment

13. Green Finance to Promote Sustainable Development

Ping An Bank thoroughly implements the "13th Five-Year Plan" of China and the Green Credit Guidelines of China Banking Regulatory Commission. It upholds the concept of sustainable development, increases support for green industries such as low-carbon economy, circular economy, energy conservation and emission reduction, and promotes green finance for steady and prosperous development. Ping An Bank implements the Bank's green credit development strategy, increases green credit support, leads green financial product innovation, and follows the universal practice of leading international e-banks to implement the "Equator Principle" to effectively allocate credit resources and restrict those that do not comply with national environmental and industrial policies from getting involved. In addition, Ping An Bank has incorporated the relevant contents into Ping An Bank's Three-Year Development Strategic Plan (2019-2021) and has formulated such applicable rules and regulations as Ping An Bank's Green Credit Guidelines and Ping An Bank's Risk Policy Guidelines 2019 to incorporate the concept of green and low carbon into the whole process of financial services.

In addition to financial performance, we also value companies’ environmental performance and potential risks. In order to estimate environmental risks, we continuously strengthen compliance inspections and post-loan management of environmental risk customers and incorporates the implementation of green credit into the scope of internal control compliance inspections and internal audits. In addition, it has been paying close attention to the impact of national policies on customers' operating conditions, and strengthens relevant dynamic analysis, monitoring, adjustment and disposal. At the same time, the green credit special statistics system has been continuously improved. Ping An Bank's green credit statistics calibre has been further clarified. The dynamic monitoring and regular special statistics of the Bank's supporting program of energy conservation, emission reduction and elimination of outdated production capacity credits have been carried out. And the verification of environmental protection information also has been incorporated into the entire credit process management to address environmental concerns.

In terms of its own organizational management and capacity building, Ping An Bank regularly organizes self-assessment of green credit implementation, and regularly conducts green credit self-assessment in respect of bank-wide green credit organization management, policy system and capacity building, process management, internal control management, information disclosure, supervision and inspection. It accelerates the establishment of green credit assessment accountability system and reward and punishment mechanism and implements the incentive and restraint measures. In combination with the off-site supervision and on-site inspection, it comprehensively evaluates the effectiveness of green credit, with the evaluation results as the important basis for credit rating, business admission and personnel performance evaluation to ensure the continuous and effective development of green credit business.

Moreover, we continue to improve the communication and disclosure mechanism of green credit (environmental protection) information, regularly organize and study outstanding green credit cases across the Bank and strengthen the promotion of green credit value orientation to ensure the continuous and effective development of green credit.
CASE STUDY: Providing Funds for Environmental Protection Enterprises for Infrastructure Construction

Nanjing Runke Public Utilities Co., Ltd. is mainly responsible for the water industry within Lishui District, it provides water supply and drainage engineering construction and maintenance. In order to meet the fast-paced development needs of Lishui District, the company vigorously integrates the resources of Zhetang Sewage Plant to carry out planning, construction and renovation of the water conservancy infrastructure within Lishui District. In this regard, Nanjing Branch granted a comprehensive credit line of RMB 100 million yuan and an open credit of RMB 50 million yuan for the turnover of working capital of the enterprise for a period of 12 months. All the credits have been used up to now.

Ping An Bank strictly adheres to the bottom line to comply with the national industrial policy and implements the strict credit catalogue management policy. We will not provide additional credits in any form to projects which fall into the elimination category of the Industrial Structure Adjustment Guidance Catalog, the projects in violation of environmental protection laws and regulations, the State clearly requires eliminating, and other illegal projects with outdated production capacity that do not meet the national energy conservation and emission reduction policies or regulations. For those existing credits, Ping An Bank will take appropriate measures to ensure the safe recovery of creditor's rights and actively withdraw from non-encouraged industries to help optimize and adjust the industrial structure.

CASE STUDY: Supporting Technological Upgrading of Green Environmental Protection Industries

Hangzhou Branch actively supports the technological upgrading of green environmental protection industries and has provided a project loan of RMB 165 million yuan to Fengxin Weiming Environmental Energy Co., Ltd. for construction of the project of generating electricity through refuse incineration in Fengxin County. With the strong support of Hangzhou Branch, this project will play an important role in Fengxin's long-term construction and economic development.

CASE STUDY: Focus on the Development of Solid Waste Treatment Enterprises

Kunming Branch thoroughly implements the transformation strategy of the Head Office and focuses on the enterprises operating clean energy in the green environmental protection industry. Kunming Branch supports the local enterprise Yunnan Water Investment Co., Ltd. by providing it with RMB 174.39 million yuan for the acquisition of 100% of the shares in Harbin Guohuan Medical Solid Waste Harmless Centralized Disposal Center Co., Ltd. held by CECEP (Hong Kong) Investment Co., Ltd. and Hong Kong Nianfeng Investment Co. Ltd.. The merged company belongs to the "solid waste treatment" industry supported by Ping An Bank's credit grant policy. It is one of the few companies in the market that engage in the comprehensive treatment of medical waste and hazardous waste.

• By the end of 2019, Ping An Bank's total green credits was up to RMB 57.2 billion yuan, and the loan balance was up to RMB 25.2 billion yuan.
14. Green Operation for Fulfilling the Environmental Protection Philosophy

Ping An Bank continues to promote the integration of the Internet and IT with financial services, integrates the concept of green and low-carbon into the entire process of financial services. We accelerate the construction of electronic channels, creates a unique service platform, promotes the electronic reconciliation methods, reduces the waste of resources, and reduces the environmental impacts.

14.1 Green Services

While we are committed to green financial services, we are also committed to making our operations greener. By continuously promoting online services, we increased the adoption of a paperless office and electronic billing, we have reduced a large number of business paper consumption significantly. Through online services, clients do not need to reach the business outlets which reduce lots of energy consumption caused by travel, making efforts to reduce greenhouse gas emissions and protect the earth's natural resources.

- **Promotion of online services**
  - **Online applications:** We provide cross-border E financial services, enabling customers to submit applications for financing, payment and settlement, foreign exchange trading and deposit value-added services through online channels such as e-bank and pocket finance APP. We also actively promote the electronic reconciliation between Banks and enterprises, and advocate customers to check accounts through WeChat, e-bank and telephone bank, so as to improve customer experience and reduce the energy consumption of customers’ transportation.
  - **Paperless office:** In 2019, Ping An Bank optimized the due diligence function of the customer manager. The due diligence results can be directly obtained after the due diligence was completed in APP, reducing the paper consumption.

- **Reduce energy consumption**
  - **"Over-the-air Counter": transaction at home:** Ping An Bank customers can use the APP "Over-the-air Counter" module of Ping An Pocket Bank to achieve "transaction at home". After continuous optimization, "Over-the-air Counter" has now supported the transaction of more than 20 business items. At the same time, it provides the outlets allowing the transaction at home of 11 business items including debit card replacement, change of mobile phone number, and sleeping account activation, further enhanced the development philosophy of "online" and "centralized" business processing.
  - **Supply chain receivables on cloud:** Ping An Bank has upgraded its supply chain receivables cloud service platform, has launched the brand of "Good Chain of Ping An", and has utilized technologies such as cloud computing, blockchain and AI to optimize the whole process including registration, approval and accounting, greatly improving the user experience.
14.2  Green Office

Ping An Bank actively advocates a sustainable green office model, adopts various measures such as saving water and electricity, and implementing video conference. It guides and drives all employees to create a good atmosphere of energy conservation and emission reduction, striving to build a low-carbon, environment-friendly green bank. During the reporting period, Ping An Bank continued to carry out the "Low-Carbon 100" campaign. We integrated the concept of low-carbon environmental protection into daily operation. Starting from each link and detail of management, it minimized the impact of management and operation on the environment, and actively explored and worked hard to build a green bank.

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<td>Office water consumption of the property management building of the Head Office (tons)</td>
<td>93,566</td>
<td>85,504</td>
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<td>7,961,956</td>
<td>7,423,048</td>
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**CASE STUDY: Actively Build Low-carbon Energy-saving Intensive Bank**

Jinan Branch vigorously promotes low-carbon office, issued the Notice on the Implementation of Energy Conservation and Consumption Reduction Measures in January 2019, called on the whole bank to eliminate waste and save energy:

- **Daily lighting and electricity saving:** make full use of natural light, be sure to turn off lights when leaving the office, eliminate lights on even in bright daytime and for a long time, and reduce unnecessary lighting in public areas. Computers, printers, copiers, scanners, televisions, water dispensers and other
electrical equipment shall be shut down in a timely manner when not in use. The last person leaving the office after work shall turn off the lights, computers, air conditioners and other equipment.

- **Energy-saving for the use of air-conditioning**: Keep the air-conditioning at energy-saving temperature, which is above 24℃ in summer and below 24℃ in winter. Air-conditioning shall be turned off in time after work in all office workplaces, and security guards on duty shall be arranged to conduct daily inspections.

- **Saving office supplies**: Double-sided paper will be used for copying and printing. Some non-consumable office supplies may be recycled. Participants shall prepare paper and pens themselves for internal meetings. Pencils are recommended for external meetings according to the situation. Envelopes may be recycled multiple times. The uses of paper cups and plastic bottles shall be reduced.

### 14.3 Green Purchasing

We always adhere to the concept of green procurement. During the key procurement process of supplier access, bidding procurement review, standard contract terms, we require clearly in the Supplier Management Measures that suppliers need to provide the information about environmental protection content, including product design, production, packaging, logistics, use, recycling and other aspects of environmental protection measures, access to green products, green raw materials and green services and other environmental certificates and awards. We prefer suppliers with environmental management system certification and environmental protection measures to guide suppliers to take effective environmental protection measures in product design, production, construction, service, etc. to avoid waste and reduce adverse environmental impacts. At the same time, we implement the electronic procurement system throughout the bank, and gradually promote paperless procurement, the implementation of off-site institutions online evaluation of tenders, suppliers through the electronic procurement system paperless submission of registration information, effectively reduce environmental impact and waste of resources.
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### Third-party Assurance
Assurance Statement of Corporate Social Responsibility Report

TUV Asia Pacific Ltd. (‘TUV NORD’) has been commissioned by the management of Ping An Bank Co., Ltd (PING AN BANK † for short) to carry out an independent assurance of the 2019 Sustainability Report (‘report’ for short). PING AN BANK is responsible for the collection, analysis, aggregation and presentation of information within the Report. TUV NORD’s responsibility in performing this work (assurance of the report) is in accordance with terms of reference agreed in the scope of engagement with PING AN BANK. PING AN BANK is the intended users of this statement. This statement is based on the assumption that the data and information provided in the report is complete and true. This report is the eleventh CSR report for PING AN BANK, and PING AN BANK invites the third party to give independent assurance.

Assurance Scope
● The report revealed the accuracy and reliability for key performance, information and management system which happened in 2019.
● We evaluate the collection, analysis, aggregation of the information and data.
● Because the economic data had been audited by the third party, we won’t do double audit this time.
● Assurance of the Report was done on 03-04.02.2020.

Assurance Methodology
Assurance process including following activities:
● Review the document information which provide by PING AN BANK;
● To combat the novel coronavirus pandemic, choose online auditing, check the emails from the person who collected the report information and communicate by immediate communication tools;
● View the related websites and media reports, verify the data and information through sampling method;
● Refer to the GRI Sustainability Reporting Standards (GRI Standards) on balance, comparability, accuracy, timeliness, clarity, reliability, and give the evaluation;
● Refer to AA1000AS (2008) Assurance methodology;
● Assurance activity is based on TUV NORD CSR report assurance management procedure.

Assurance Conclusion
PING AN BANK Sustainability Report provide an appropriate and objective view of the sustainability & social programs and performances in 2019. The data in report is reliable and objective, TUV NORD didn’t find the system error or substantial error, which meets the disclosure requirement of GRI Standards core option.
● The structure of report is complete, the revealed information is clear, easy-understand and available;
benefiting the people”; “Social Responsibility”: “Keep original intention and focus on customer services”, “People-oriented and sincere care for employees”, “Be responsible and Committed to Helping the Poor”, “Be Enthusiastic and Building a Harmonious Community”; “Responsibilities for Environment”; “Green Finance to Promote Sustainable Development”, “Green Operation for Fulfillment of Environmental Protection Philosophy” reveal 2019 PING AN BANK CSR idea, practice, result and typical cases;

- Determining material aspects through stakeholder survey, which feedback stakeholders’ expectation and attention.

**Suggestion for Improvement**
Through assurance and evaluation, we had following improvement suggestion on CSR practice and management:

- It is suggested to increase the comparison of social responsibility performance from the same industry to reflect the horizontal comparability of the report.
- It is suggested to further improve the social responsibility strategic planning and set clear responsibility objectives.

**Special Statement**
This statement excluding:

- The activity outside information reveal;
- The position, idea, faith, object, future developing direction, and promise which stated by PING AN BANK Company.

**Statement of Independence and Competence**

TUV NORD Group is the world’s leader in inspection, testing and verification, operating in more than 70 countries throughout the world and providing services which includes management systems and product certification; quality, environmental, social and ethical auditing and training; environmental; social responsibility and sustainability report assurance.

TUV Asia Pacific Ltd. affirms its’ independence from PING AN BANK and confirms that there is no conflicts of interest with the organization or any of its subsidiaries and stakeholders when performing the assurance of the Report. TUV Asia Pacific Ltd. was not involved in any manner with PING AN BANK, when the latter was preparing the Report.

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The team leader: Xumei (Olina) Li  
Date: 12.02.2020

The Authorized person: Haining Song  
Date: 12.02.2020

Note: in case of conflict between the Chinese and English versions of the declaration, please refer to the Chinese version.
About this Report
This Report is the eleventh annual report on social responsibility issued by Ping An Bank. It discloses the responsibility fulfilment and performance of Ping An Bank for its stakeholders including customers, the public and employees, and demonstrates the good life that Ping An Bank has created for its stakeholders.

Reporting Period
January 1, 2019-December 31, 2019. In order to enhance the comparability and perceptiveness of this Report, some contents have been extended.

Scope of this Report
Headquarter of Ping An Bank and all its branches

Explanation for Appellations
For the convenience of presentation and reading, "Ping An Bank Co., Ltd." is expressed as "Ping An Bank" or "we/us", “the Bank” in this Report; "Ping An Insurance (Group) Company of China, Ltd" is expressed as "Ping An Group".

Data Source
The data used by this Report come from Ping An Bank’s official documents or reports.

Compilation Basis
Global Reporting Initiative Guidelines for Sustainable Development Reports (GRI Standards)
Guidance for Social Responsibilities of Listed Companies of Shenzhen Stock Exchange
Guidance of the General Administration of Quality Supervision, Inspection and Quarantine and the Standardization Administration on Compilation of Social Responsibility Reports (GB/T36001)
Guidelines of the Chinese Academy of Social Sciences on Compilation of Social Responsibility Reports of Chinese Enterprises (CASS-CSR 4.0)

Reliability Guarantee
The Company guarantees that there is no false record, misleading statement or material omission in this Report.
Comment Feedback Form

To our readers:
Thank you very much for reading this Report during your busy schedule. In order to improve the report preparation and enhance the responsibility performance of Ping An Bank, we particularly hope to listen to your comments and suggestions.

1. For Ping An Bank your stakeholder category is:
   ○ Government  ○ Customer  ○ Partner  ○ Employee
   ○ Environmental Protection Related Organization  ○ Community/Public  ○ Media

2. What is your overall evaluation of this Report?
   ○ Excellent  ○ Good  ○ Average  ○ Poor  ○ Very Poor

3. How do you think the quality of social responsibility information disclosed in this Report?
   ○ Very High  ○ High  ○ Average  ○ Low  ○ Very Low

4. What do you think of the structure of this Report?
   ○ Very Reasonable  ○ Reasonable  ○ Average  ○ Bad  ○ Very Bad

5. How do you think of the readability of this Report?
   ○ Excellent  ○ Good  ○ Average  ○ Poor  ○ Very Poor

6. Which part of this Report are you most interested in?
   ○ Serving the real economy  ○ Technology-led development  ○ Promoting green development
   ○ Carry out people-oriented management  ○ Commit to returning society

7. What other valuable suggestions do you have for report preparation or responsibility fulfillment practice?

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Note: Please send your feedback to Ping An Bank Building, No. 5047 Shennan East Road, Shenzhen, 518001; Tel: (0755) 2216 8695; Email: chenxm001@pingan.com.cn.