

SHAREHOLDER

| Mission |

Be responsible for shareholders: providing appreciation in asset value and stable returns

| Progress |

In 2017, we became one of the top 40 companies across the world with the market cap ranking No.1 among financial groups. We maintained our first place among the insurance groups all over the world. In terms of investor communication, we have made a transition from passive response to active communication, obtained the recognition from the capital market, nearly doubled our market cap, and gradually realized the return of value. At the same time, our dividends have grown significantly, bringing substantial returns to shareholders. In 2017, we added ESG functions to the Investor Relations Committee under the Group Executive Committee. The new Investor Relations & ESG Management Committee was fully responsible for ESG issues of Ping An, and built the “Ping An Shield” platform to push forward the anti-corruption with the help of innovative technologies.



Robust business performance



Dividend per share

RMB1.5

up

100%

year-on-year

Total assets

RMB6.49 trillion

In 2017, China's GDP exceeded RMB80 trillion, and its economic growth accelerated for the first time in the past seven years. In the context of the economic prosperity, we also rewarded our shareholders with outstanding performance. As at the end of 2017, our total assets reached RMB6.49 trillion, an increase of 16.4% compared to the end of 2016. The basic earnings per share was RMB4.49 in 2017, and dividends of RMB1.5 per share were distributed, a year-on-year increase of 100%. The dividend growth rate significantly exceeded the profit growth rate, reflecting the Group's strong solvency and cash flow. The total market cap of the Group reached RMB1.2 trillion. We ranked No.16th on the Forbes Global 2000 list, and No.1 among global listed insurance companies.



Market cap reached

RMB1.2 trillion



Global

16th

on the Forbes
Global 2000 list

1st

among listed
insurance
companies



Life insurance
new business
value increased

32.6%



Property & Casualty
premium increased

21.4%



Bank retail
business increased

41.7%





Ping An 2017 Investor Day

Proactive investor communication

In 2017, we strengthened communication with the capital market in the aspects of “finance + technology” strategy, customer development, technology layout, and company’s main businesses. Through the public briefings, video and teleconferences and roadshows, we presented the Company’s annual, semi-annual and quarterly results, and exchanged with investors on sina.com and xueqiu.com, which is the first of its kind in the industry, deepened our understanding of the capital market, and made the communication more convenient. While maintaining good communication with institutional investors, we also communicated with small and medium-sized investors via different channels including but not limited to online roadshows, the E-interaction platform of the Shanghai Stock Exchange, the Company’s website, email boxes and hotlines so as to provide better services to the small and medium-sized investors and protect their rights and interests.

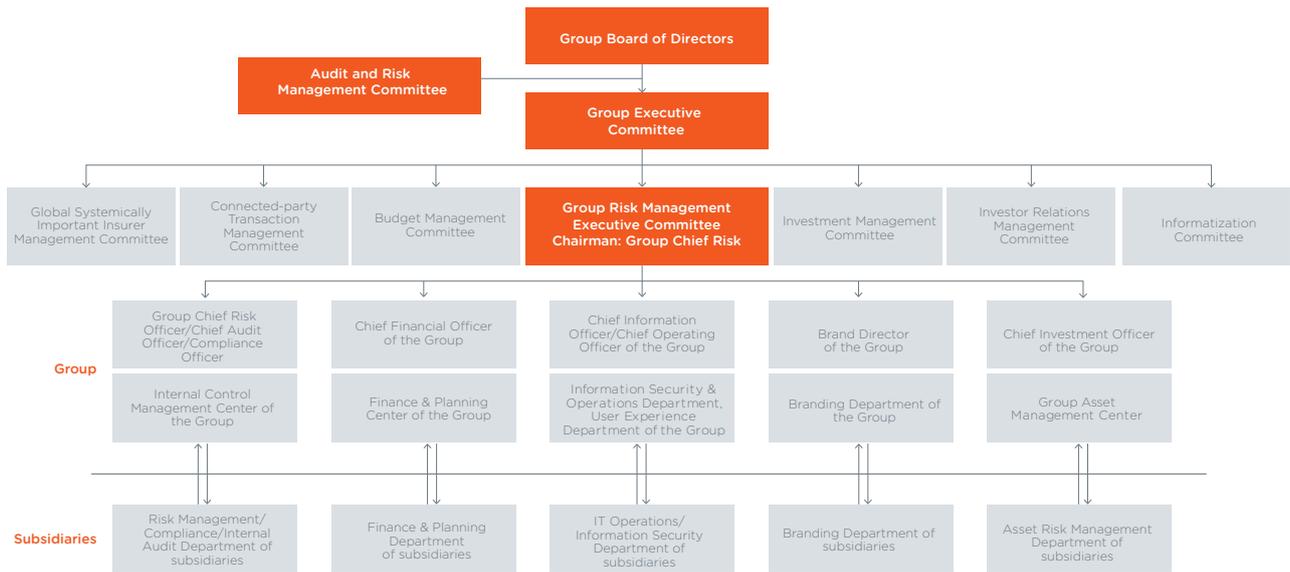
Moreover, the Company has proactively collected capital market analysis reports and information of shareholders, attached great importance to investors’ concerns and advice, further enhanced the Company’s management and corporate governance, and improved its internal processes and procedures so as to provide investors with more efficient and convenient services.

	Institutional investors	Small and medium-sized investors
Communication channels	Public briefings, video and teleconferences, roadshows, sina.com and xueqiu.com	Online roadshows, the E-interaction platform of the Shanghai Stock Exchange, the Company’s website, email boxes and hotlines
Communication frequency	In 2017, the Company organized two onsite results releases, two telephone-based results releases, two “Investor Day” events, 53 roadshows in China and abroad and two online roadshows. The Company attended about 204 conferences of investment banks and securities brokers in China and abroad, and received about 130 visits by investors/analysts from China and abroad. The meetings with investors increased by nearly 3 times from the previous year.	

Sound risk governance structure

The Board of Directors is the highest decision-making authority for the Company's risk management and takes responsibility for the effectiveness of the enterprise risk management. The Audit and Risk Management Committee under the Board of Directors should have a thorough understanding of major risks and the Company's management of these risks, and monitor the effectiveness of the risk management framework.

Risk governance structure



Group management



From left to right: Ms. CAI Fangfang, Mr. YAO Jason Bo, Ms. IP So Lan, Mr. REN Huichuan, Mr. CHEN Kexiang, Mr. MA Mingzhe, Mr. LEE Yuansiong, Mr. SUN Jianyi, Mr. CAO Shifan, Ms. TAN Sin Yin, Mr. XIE Yonglin

Note: Refer to our 2017 annual report for positions

Strengthening the anti-corruption and business integrity



In 2017, under the Group's coordination, the subsidiaries and audit & monitoring regions held over

1,700

education activities on business integrity with a coverage rate of

100%

We have always attached great importance to anti-fraud, anti-corruption, and anti-commercial bribery, and continuously intensified our efforts in day-to-day operations and anti-corruption education. We pushed forward anti-corruption by organizing education activities for all employees and Ping An Life's agents via bulk emails, morning briefings, and "Pocket E" app and relying on innovative technology application and systematic management.

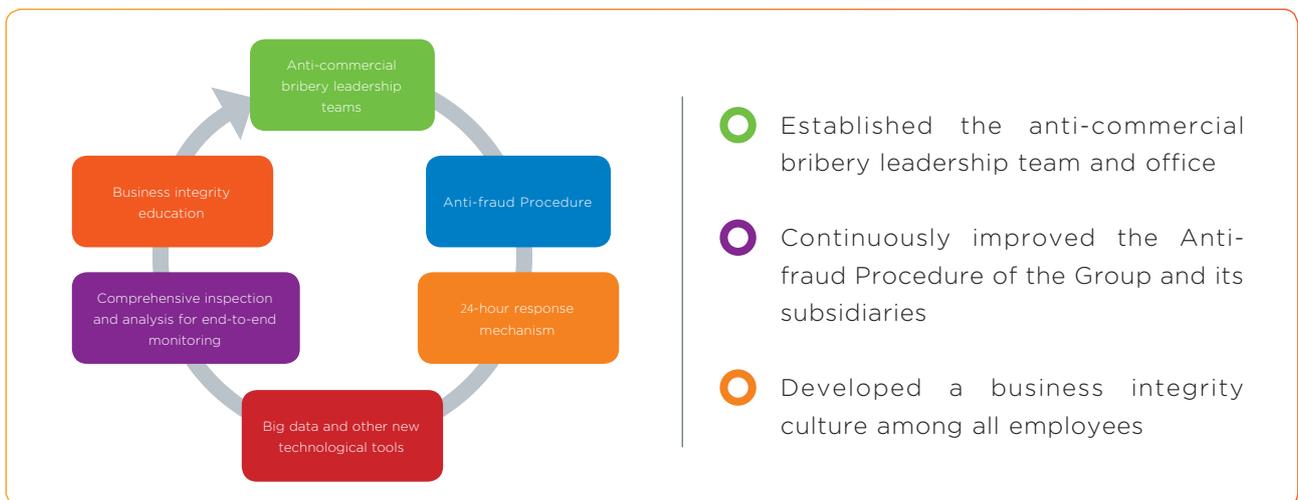
Improving mechanisms to push forward anti-corruption

The Company has established the anti-commercial bribery leadership team and office, which deploys the anti-commercial bribery tasks, sets the anti-commercial bribery targets, and specifies the principles for anti-commercial bribery efforts. The subsidiaries carried out their anti-commercial bribery tasks under the leadership of the Group, worked closely with the sister companies, required the coordination of departments and business lines and broad participation of managers and employees, and effectively promoted the anti-commercial bribery efforts.

On this basis, we strictly implemented the Anti-fraud Procedure to guard against fraud risks, enhanced the 24-hour response mechanisms, used big data, new technological tools, and improved the comprehensive inspection and analysis methods for end-to-end monitoring, so as to mitigate the risks.

In addition, we continued to improve the long-term mechanism for ensuring business integrity, helped all the employees establish the values of integrity and self-discipline, and enhanced the atmosphere in which "everyone takes pride in being clean and wants to remain clean". In 2017, under the Group's coordination, the subsidiaries and audit & monitoring regions held over 1,700 education activities on business integrity with a coverage rate of 100%, and developed a business integrity culture of honesty, lawfulness and compliance.

Anti-corruption and business integrity mechanism



Building the “Ping An Shield” platform with innovative technologies

In 2017, in order to establish a smart risk monitoring system featuring “centralized monitoring and multi-level prevention”, we created the “Ping An Shield” platform which can help us achieve the goal of “ex-ante risk warning, in-the-process monitoring, and ex-post smart review”, and effectively crack down on corruption and fraud in the fight against corruption. Specifically, we developed the general rules for data governance and model library management by Internal Control Center, improved data management and sharing mechanism, and laid a good data foundation for the development and innovation of big data models. Based on a large amount of data resources, our “Ping An Shield” platform covers three modular functions. With the help of the smart risk monitoring system, the model can be managed online through the entire life cycle. An optimal decision plan can be generated through the smart decision engine based on the model risk data. The smart remote auditing platform is used to remotely and efficiently mitigate the risks.

