

BUILDING SUCCESSFUL BUSINESS IN CHINA

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THE REAL PROBLEM #1

BAU GROWTH

VERSUS

**EXPONENTIAL
GROWTH**



THE REAL PROBLEM #2

**CUSTOMER
SATISFACTION**

VERSUS

**CUSTOMER
ENGAGEMENT**



THE REAL PROBLEM #3

PRICE

VERSUS

VALUE



THE REAL PROBLEM #4

**REACTIVE RISK
MANAGEMENT**

VERSUS

**PROACTIVE RISK
MANAGEMENT**

DRIVERS OF DISRUPTION

BUILDING INTELLIGENCE

BIG DATA

**ARTIFICIAL
INTELLIGENCE**

DRONES

**DATA &
ANALYTICS**

TELEMATICS

**COGNITIVE
COMPUTING**

**SMART CARS &
THINGS**

CLOUD

APPS

SOCIAL MIDIA

**ROBOTICS &
WORKFLOWS**

**MOBILE
INTERNET OF
THINGS**

**COLABORATIVE
ECONOMY**

**EMPOWERED
CUSTOMERS**

**...to Achieve our Profitable
Growth ambitions**

TARGET OPERATING MODEL THE STRATEGIC DILEMA

**Our foot print demands clear Target Operating
Model to win in the Market**



5 Digital Factories

COE of Analytics

Strategic Partnerships

... we are developing a 3 layer architecture

1

**Customer Centric & Intelligent
Omni-Channel**
Services layer

2

Customer & Business Intelligence
Services layer

3

Business Process Excellence
Services layer

Surrounding

Country IT operations

Core

Core

Core

Core

Core

Core

...x10

DIGITAL ECOSYSTEM - TOM & ARCHITECTUE

THE STRATEGIC DILEMA



Branches



ATM



External Sales Force



Internet & Mobile



Contact Centre

Customer Interface & Distribution

Product & Proposition Configuration Services

Quotation & Proposal Services

Policy Management Services

Claims & Customer Services

Credit & Collection Services

Sales Campaign Management & Customer Relationship Management Services

Integrated Customer Account Services

Single Integrated Digital Distribution Services Ecosystem

Customer & Business Intelligence

Customer Insight Services

Customer Propensity Modeling Services

Dynamic Pricing Services

Underwriting & Claims Intelligence Services

Business Portfolio Intelligence Services

Single Customer Information File Services

Single Integrated Customer & Business Intelligence Services Ecosystem

Business Operations

Business Process Workflow Services

Strategic Partner _ Integrated Insurance Ops System

Finance & Risk Management Services

Bank Distribution Capability

Bank Analytics & Data Management Capability

Single Integrated Business Operational Management Services Ecosystem

A decorative graphic on the left side of the slide, consisting of three parallel, wavy vertical lines. The outermost line is white, the middle line is yellow, and the innermost line is dark brown, matching the background color.

PING AN CASE

| Technology-powered business transformation

One of the largest big data platforms among Chinese financial institutions

In financial services: Ping An has over **40 million** auto insurance customers and over **1,000 million** claim photos.
In health care: Ping An provides social health insurance services for **800 million** people in over **200** cities.

Ping An has established a 24/7 actively perceiving security system

Ping An has built a robust information security governance and management framework.
Ping An protects customers and itself by effectively preventing malicious attacks and frauds.

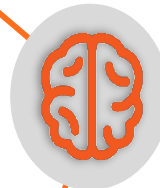
Ping An has successfully applied blockchain to actual financial and health care scenarios

Ping An has built over **17,000** blockchain nodes for SMEs.

Big data



Artificial intelligence



Cloud computing



Security



Blockchain



中国平安
PING AN

Comprehensive scenarios of AI applications

Our face recognition technology has an accuracy rate of 99.8%.
Our voiceprint recognition technology has a text-dependent accuracy rate of 99.7%.
Ping An has achieved precision rates of over 90% and 92% in prediction of influenza and chronic obstructive pulmonary disease respectively.

Ping An Cloud hosts the trillion-yuan core business of Ping An

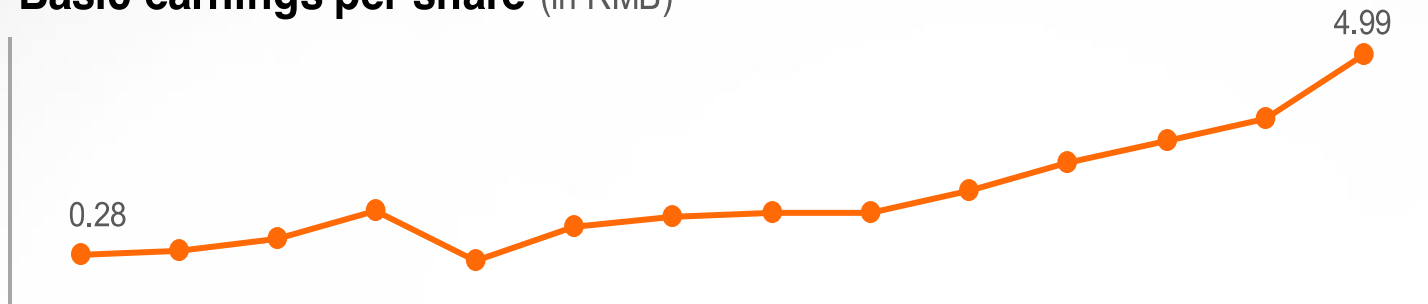
Business systems can be deployed **within minutes**.
Ping An Cloud is serving **415** banks and **14** insurance companies.
Ping An Cloud has received **eight** authoritative certifications.

22,000+ R&D staff members

3,030 patent applications

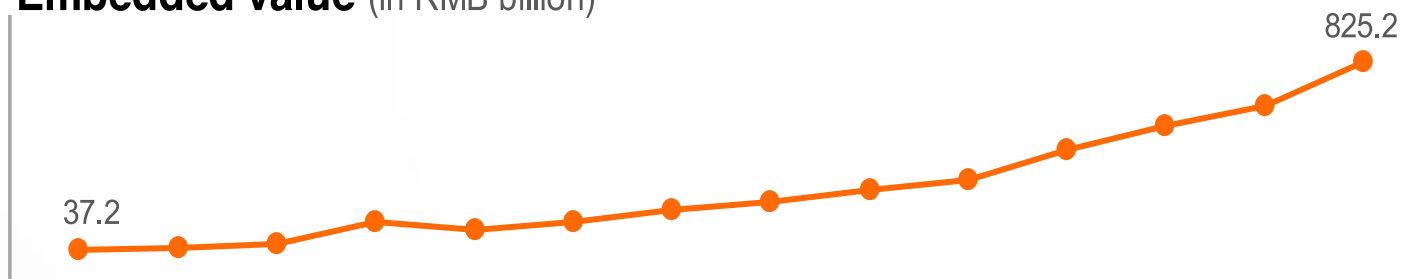
Strong track record since 2004 IPO

Basic earnings per share (in RMB)



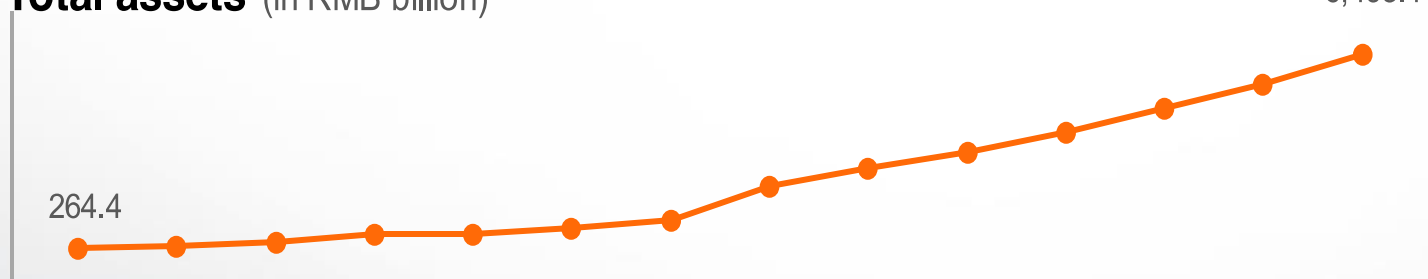
CAGR: **24.8%**

Embedded value (in RMB billion)



CAGR: **26.9%**

Total assets (in RMB billion)



CAGR: **27.9%**

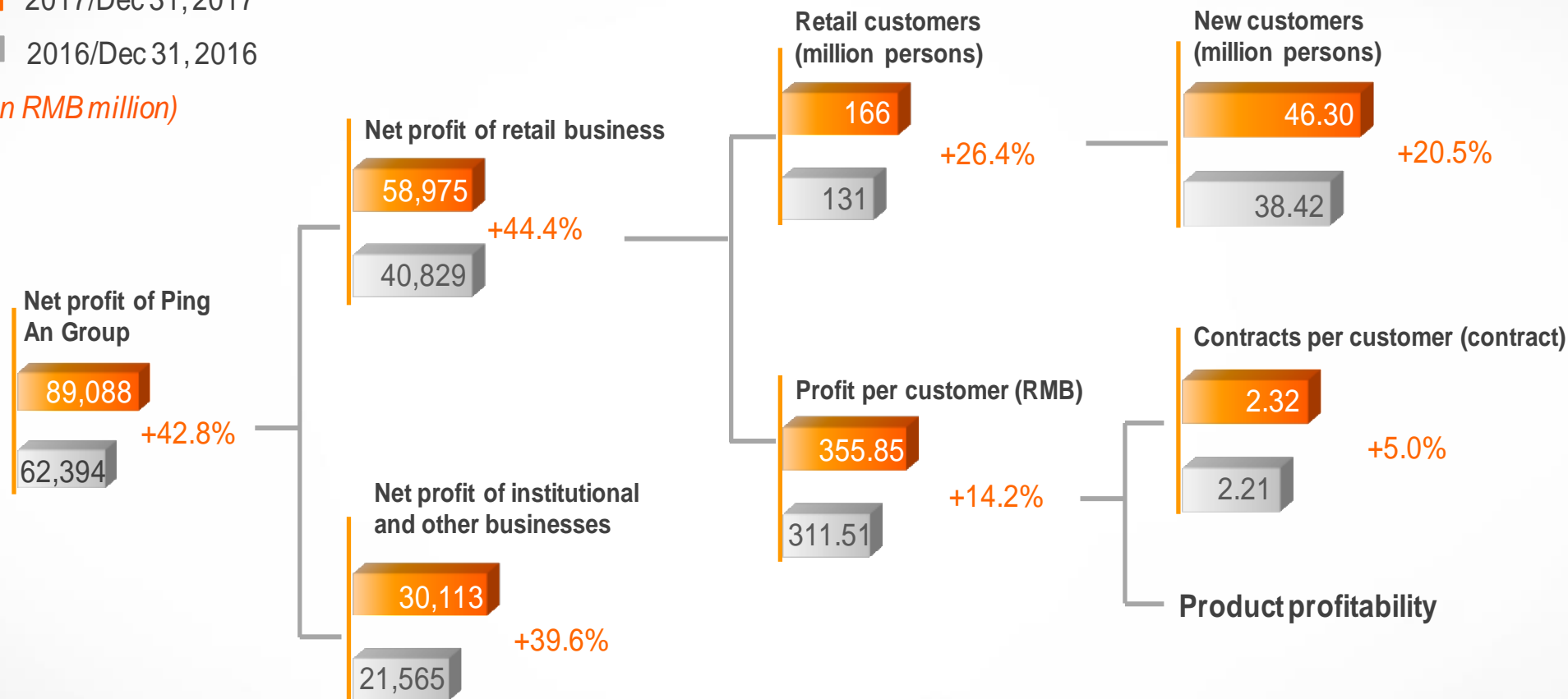
2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017

Core drivers of Ping An's profit growth

■ 2017/Dec 31, 2017

■ 2016/Dec 31, 2016

(in RMB million)

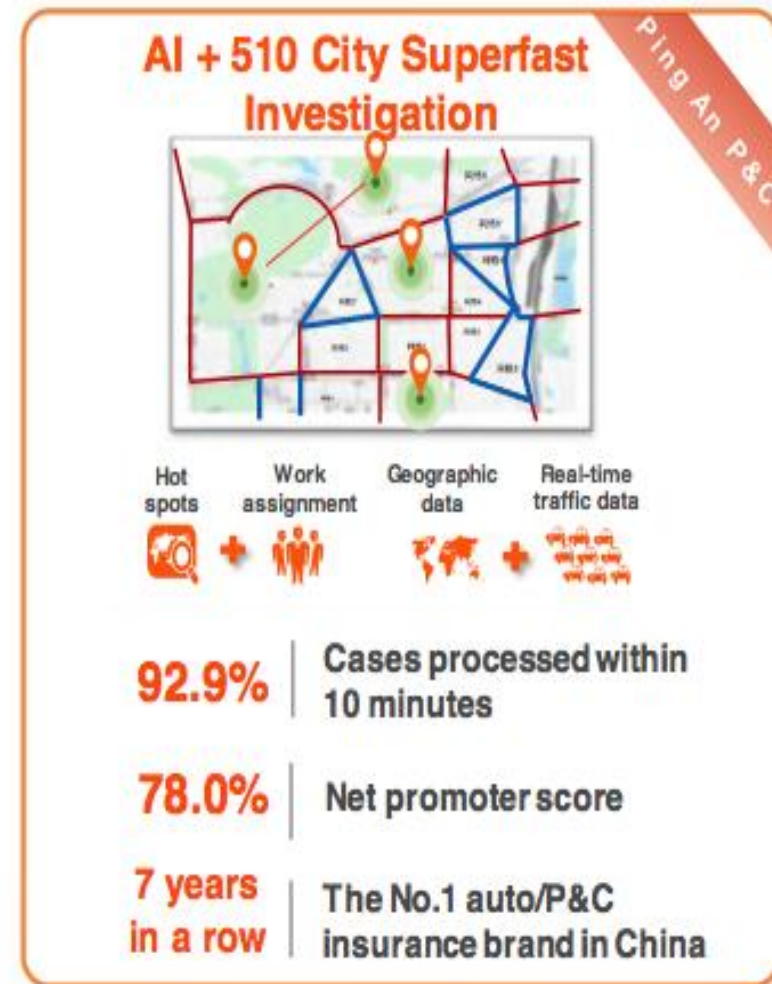
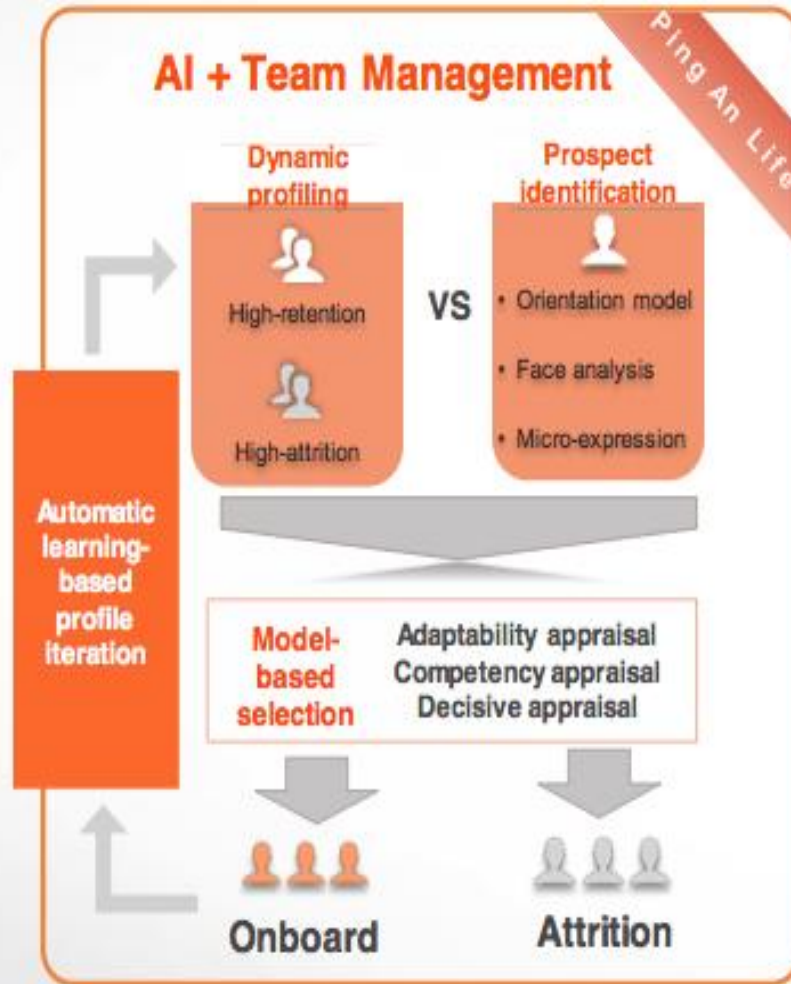


Notes: (1) The net profit of Ping An Group is the net profit attributable to shareholders of the parent company.

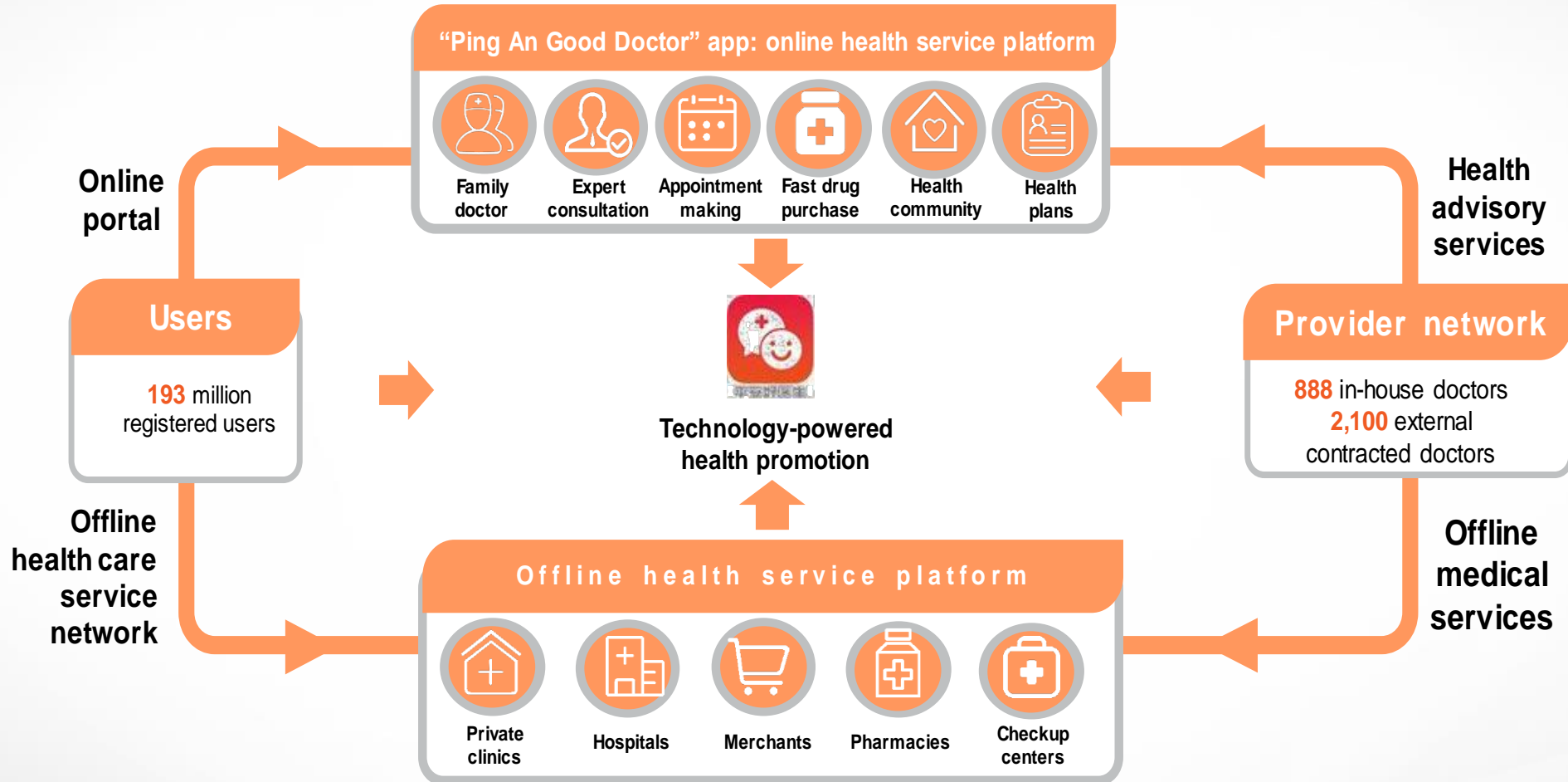
(2) The number of customers as at December 31, 2017 is not equal to the number of customers as at December 31, 2016 plus new customers acquired in the reporting period due to customer attrition.

(3) Figures may not match the calculation due to rounding.

Tech-powered team management and customer development



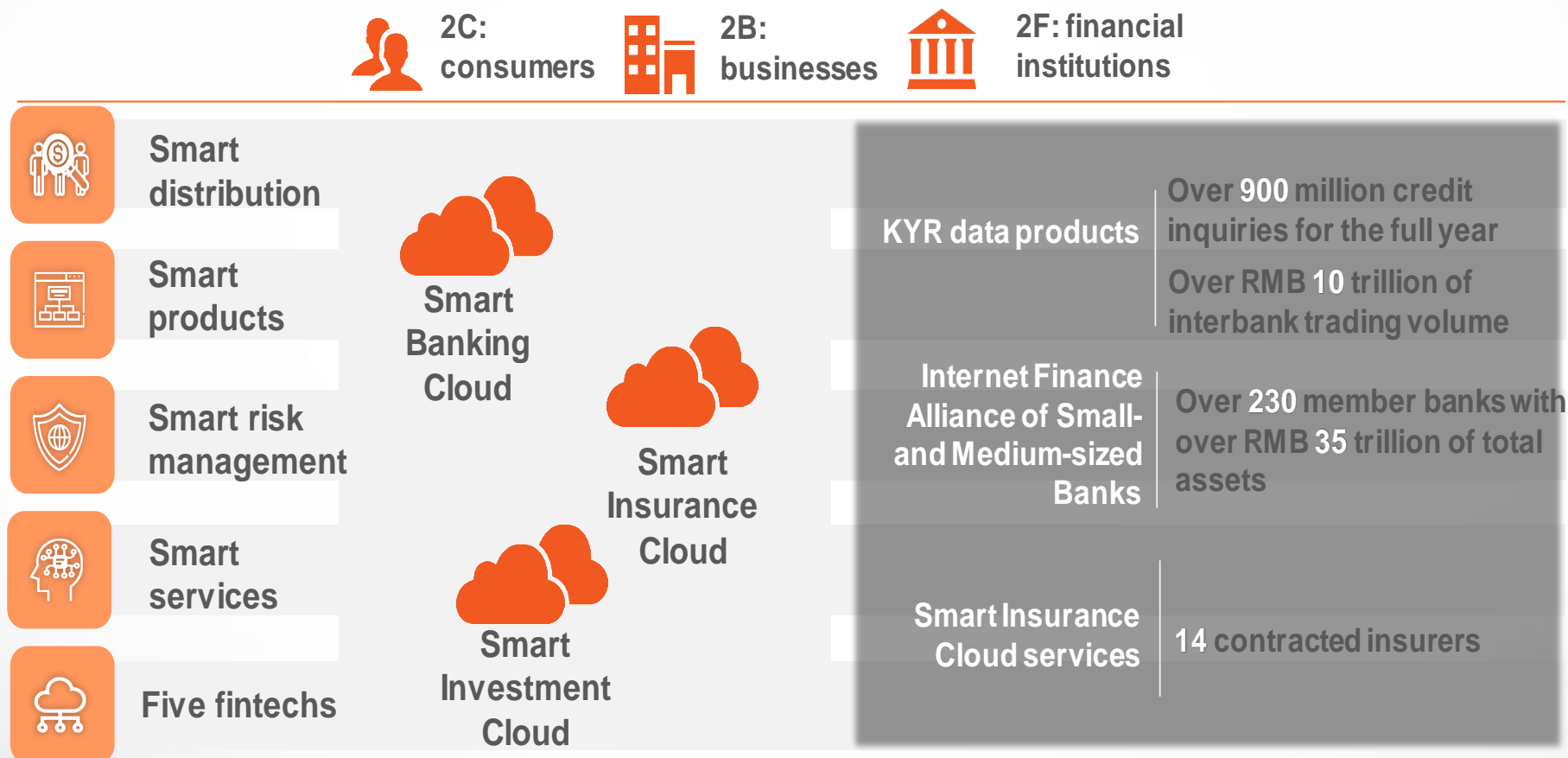
Ping An Good Doctor is committed to building the world's largest health care ecosystem



Ping An Good Doctor raised USD400 million by completing its pre-IPO financing at a post-money valuation of USD 5,400 million, and filed an IPO application with HKEx.

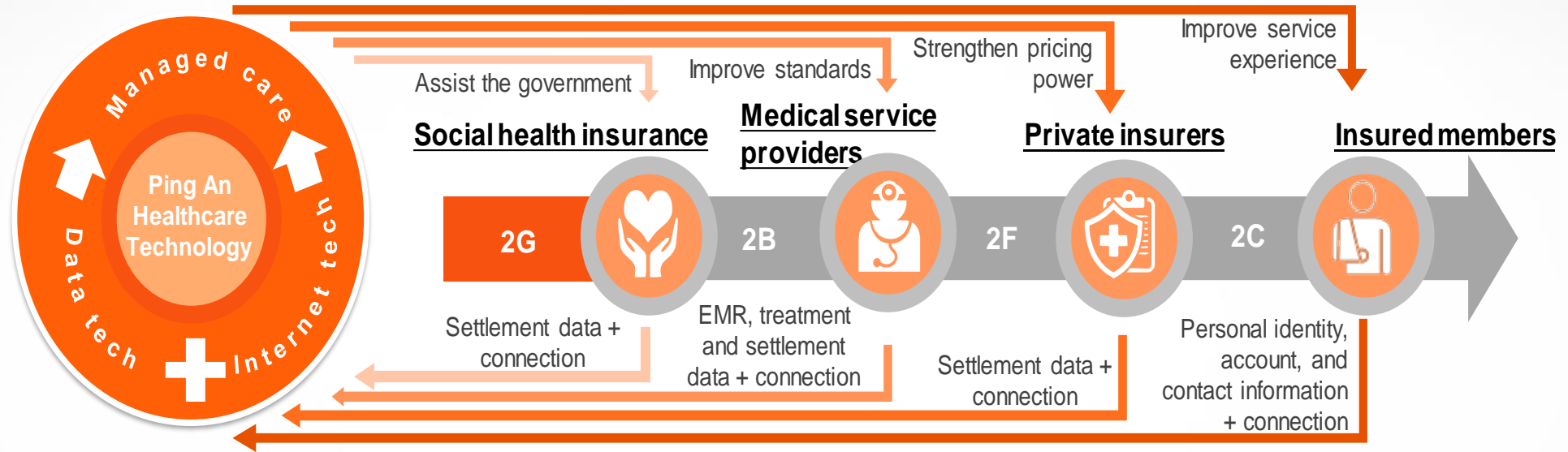
| OneConnect is committed to building a world-leading, strategically-empowering fintech platform

Providing **468** banks and **1,890** non-bank FIs with **one-stop fintech solutions**



OneConnect raised USD 650 million by completing its first round of financing at a post-money valuation of USD 7,400 million.

Ping An Healthcare Technology is committed to building China's best tech-powered managed care service platform



Serving 800 million people in over 200 cities across China

Over 2,000 hospitals have connected with the service platform

"City OneConnect" app has covered 26 cities

Ping An Healthcare Technology raised USD1,150 million by completing its first round of financing at a post-money valuation of USD8,800 million.

| 2017 business highlights

(in RMB)

Net profit

99,978 million

+38.2%

Net profit attributable
to shareholders of
parent company

89,088 million

+42.8%

NBEV

67,357 million

+32.6%

ROE

20.7%

+3.3pps

Operating
ROEV of L&H

35.5%

+8.5pps

Dividend per
share

RMB 1.50

+100%