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中国人民财产保险股份有限公司

PICC PROPERTY AND CASUALTY COMPANY LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2328)

ANNOUNCEMENT IN RESPECT OF RELEVANT PRESENTATIONS ON 2023 INVESTOR DAY

PICC Property and Casualty Company Limited (the “**Company**”) jointly hosted 2023 Investor Day with its controlling shareholder, The People’s Insurance Company (Group) of China Limited, on Friday, 10 November 2023. The Investor Day, themed “Risk Mitigation Service Empowering High Quality Development”, focused on introducing the initiatives and periodic results of risk mitigation service in the transformation towards high quality development of the Company.

For specific details of the relevant presentations, please refer to the appendix of this announcement.

Please refer to the following links for video playbacks of the Investor Day:

Chinese version:

<https://www.roadshowchina.cn/Meet/detail.html?mid=20669>

English version:

<https://www.roadshowchina.cn/Meet/detail.html?mid=20670>

By Order of the Board
PICC Property and Casualty Company Limited
Bi Xin
Secretary of the Board

Beijing, the PRC, 10 November 2023

As at the date of this announcement, the Chairman of the Board of the Company is Mr. Wang Tingke (non-executive director), the Vice Chairman of the Board is Mr. Yu Ze (executive director), Mr. Jiang Caishi, Mr. Zhang Daoming and Mr. Hu Wei are executive directors, Mr. Li Tao is a non-executive director, and the independent directors are Ms. Qu Xiaohui, Mr. Cheng Fengchao, Mr. Wei Chenyang, Mr. Li Weibin and Mr. Qu Xiaobo.

PICC P&C Risk Mitigation Service Exploration & Practices

Material Statement

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Management Structure on Risk Mitigation Services

Work Background



Report to the 20th National Congress of the Communist Party of China

- ▲ Enhance public safety governance. Follow the principles of putting safety first and placing emphasis on prevention, and an overall safety and emergency response framework will be established. The public safety system will be improved, and a shift will be driven in public safety governance toward a model of prevention.

Opinions on Actively Developing Risk Mitigation Services in the Property and Casualty Insurance Industry

- ▲ Widen areas on risk mitigation services
- ▲ Consolidate risk mitigation service foundation
- ▲ Offer risk mitigation services in accordance with laws
- ▲ Enhance organization and assurance on risk mitigation services

Work Background

Risk Mitigation Management

Risk Equivalence Management

Risk transfer

Total social risks unchanged

Prevention beforehand, proactive intervention

Total social risks decreased

To enhance the risk-resistance capability and lower down risk costs for the society, an insurer invests funds, technology and people to proactively manage the risks of the insured subjects and to assist the insured in lowering down **occurrence probability of insurance accidents or lower down losses of accidents.**

Management Structure on Risk Mitigation Services

Product Supply



Product unit departments such as motor vehicle insurance, commercial group insurance, agricultural insurance and individual non-auto insurance

▲ Develop Insurance Products with Risk Mitigation Services

▲ Improve supply of insurance solutions based on contents in risk mitigation services

Service Provision



Risk Control Department

- ▲ Risk investigation before underwriting
- ▲ Non-Imminent-Disaster Mitigation Services after underwriting

Pre-underwriting

Being Insured



Claims Department

- ▲ Offer risk mitigation services integrating prevention, rescue and claims reimbursement when disasters approach

Before Disaster

In Disaster

After Disaster

Management Structure on Risk Mitigation Services





“Wanxiangyun”, A Risk Mitigation Empowerment Platform



“Wanxiangyun” Platform Illustration

为牢牢把握国家政策新机遇

Collect Enormous Data, Build Smart Services



Technology Analysis Platform

Identify and quantify customers' risks



Operation-Supporting Platform

Provide meteorological info and IoT early-warning, directly serving customers



Service Management Platform

Provide digital and online management, technological support and intelligent decision-making for specialized insurance areas such as motor vehicle insurance, agricultural insurance and commercial property insurance

Core Service Capabilities of “Wanxiangyun” Platform



Dynamic Risk Profiling

Sketch customers' risk profiles dynamically by gathering internal and external data



Disaster Risk Map

Analyze spacial disparity of disaster risks comprehensively and enhance disaster risk recognition capabilities, enabling improvement of risk mitigation services



Risk Control Early-Warning via Internet of Things (IoT)

Monitor risk factors (water, fire, thunderbolt and dangerous behaviors) in real-time, helping customers to effectively prevent and lessen the occurrence of risk events



Service Scenarios Empowerment

Focus key service areas, use technologies to empower whole process of risk mitigation services

Dynamic Risk Profiling

Internal Data

Underwriting Claims
Monitoring Early-Warning On-the-Spot Risk Investigation

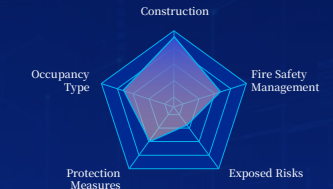
External Data

Accident Investigation Report Administration of Industry and Commerce
Regulatory Punishments Live Satellite Images
Enterprise Relationship Diagram Public Opinions
Litigation Info from Supreme People's Court
Historical Disaster Data
Information on Untrustworthiness High-Risk Industry Risks
Information on Credit



Risk Indices Analysis

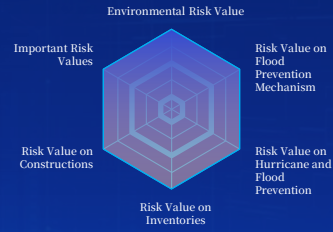
Fire disaster index



Overall score **65.68**

- Predominant risks
- Remove steel canopy to ensure an effective fire protection distance
 - Transfer charging stations to safe outdoor areas
 - Enterprises' fire protection mechanisms are inadequate and are recommended to have fire protection personnel

Flooding risk index



Overall score **98.56**

- Fire safety inspection recommendations
- Pile less goods under drainage pipes
 - Enhance maintenance on integrity of drainage pipes
 - Clear street gutters/drainage wells prior to flooding season

Safe Production Index



75.79
Important Risk Moderately-high risk Risk Level

19%
Data Integrity Average Data-updating Degree

Dynamic Risk Profiling

Internal Data

Underwriting
Monitoring Early-Warning

Claims

On-the-Spot Risk Investigation

External Data

Accident Investigation Report

Regulatory Punishments
Administration of Industry and Commerce
Live Satellite Images

Enterprise Relationship Diagram

Litigation Info from Supreme People's Court
Public Opinions

Historical Disaster Data

Information on Untrustworthiness
High-Risk Industry Risks
Information on Credit



Risk Profiling Labels

⚡ Inherent risks

- Contain flammable materials
- Special risks in production processes
- No pads under stored goods
- No automatic fire-extinguishing system

⛑ Safety Management Level

- Credentials of safety management personnel expired
- Inadequate safety management personnel
- Permits expired
- Potential risks of major accidents

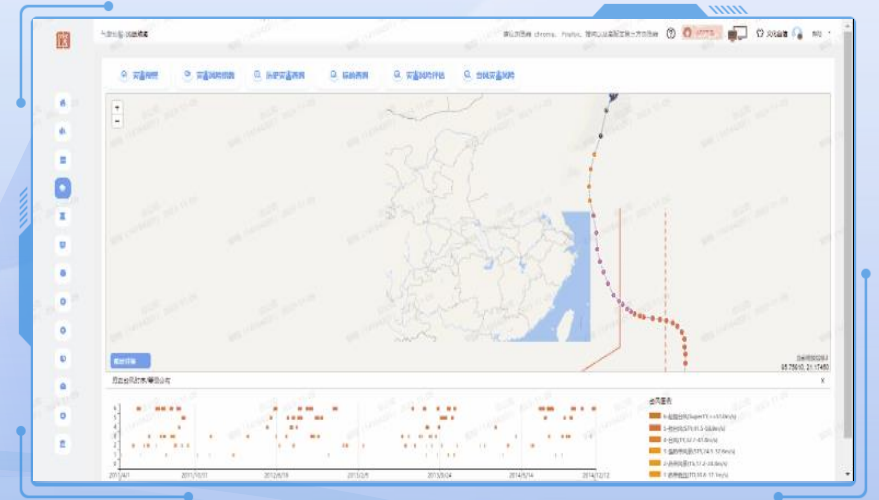
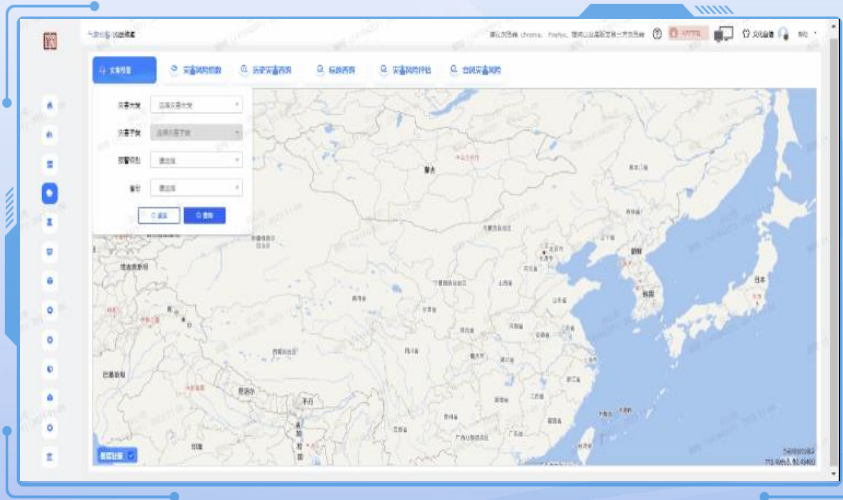
📄 Corporate Credit

- Moderately-harsh punishments
- More punishments
- Moderately-large fines
- Dishonest judgment debtors

👤 Regulatory Supervision

- Key production business units under work safety supervision, administration and oversight
- Behaviors violating laws and regulations on work safety
- Administrative punishments

Disaster Risk Map



Disaster Risk Map



Disaster Risk Index



Level-based Disaster Early-Warning



Historical Disaster Analysis



Disaster Loss Assessment



Disaster Loss Review

20 Years Historical Disaster Analysis

33 Categories Disaster Risk Index

16 Categories Disaster Level-Based Early-Warning

IoT Risk Control Early-Warning

Real-Time Monitoring

Early-Warning Processing



Model
Calculation

Gather
IoT Data



Projects



Meteorology



Offshore Wind
Power



biochemical
monitoring



Cities



Transportation



Enterprise
Investigation



Warehousing

Service Scenarios Empowerment

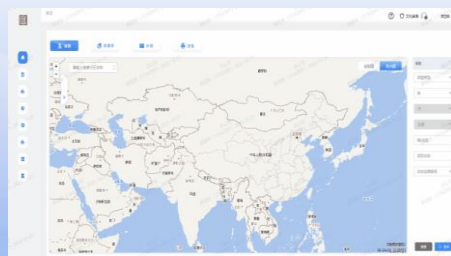
▶ Service Process
Going Online

▶ Service Template
Going Digital

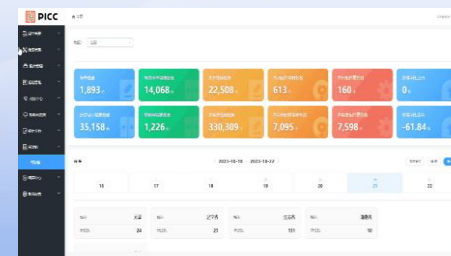
▶ Service Decision-
making Going Smart



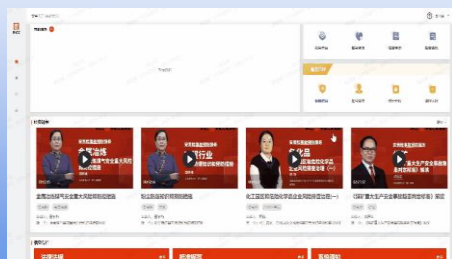
Farmland
Care



Property
Keeper



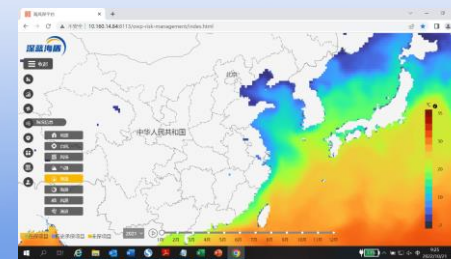
Elevator
Guard



Safe
Factory



Smart
Constructio
n Site



Offshore
Drilling
Guard



Safe
Campus



Intelligent
Park



Intelligent
Travel



Risk Mitigation Service Practices Before Underwriting and Being Insured

Full-Quantity Risk Investigation on Corporate Businesses Prior to Underwriting



“Wanxiangyun” Platform

Full-Quantity Risk Investigation on Corporate Businesses Prior to Underwriting

Identify Customers' Underwriting Risks

 Underwriters
Pre-Underwriting risk investigation report

- Subjects Susceptible to Typhoon with Higher Intensity Class Measured by Longitude and Latitude
- Multiple Typhoon Early-Warnings Issued to Areas Operated in
- Poor Drainage Channels
- Related to Enterprises on Black List
- Restrictions on High-Level Consumption
- Land Collateral Record
- Violations of Laws and Regulations about Work Safety

Abnormal Operation Business risks	Credit risks Corporate Credit
Typhoon Natural Disaster Risks	Inadequate Safety Management Safety Management Level



Post-Underwriting risk mitigation services



Case 1

“Offshore Windpower Risk Mitigation Insurance Technology Platform” assists green energy development



Sum insured served

RMB 300 Bn+



Wind Power Projects

184



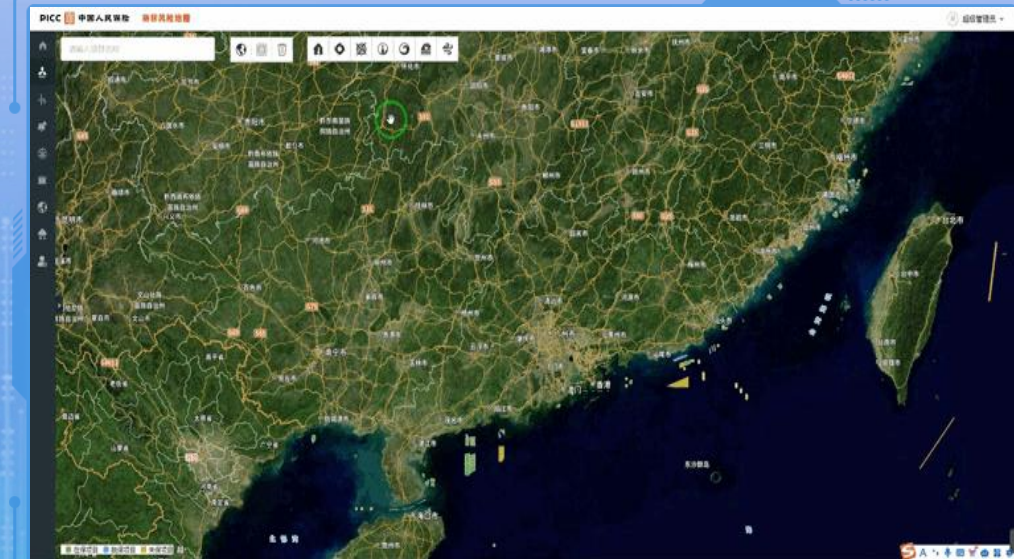
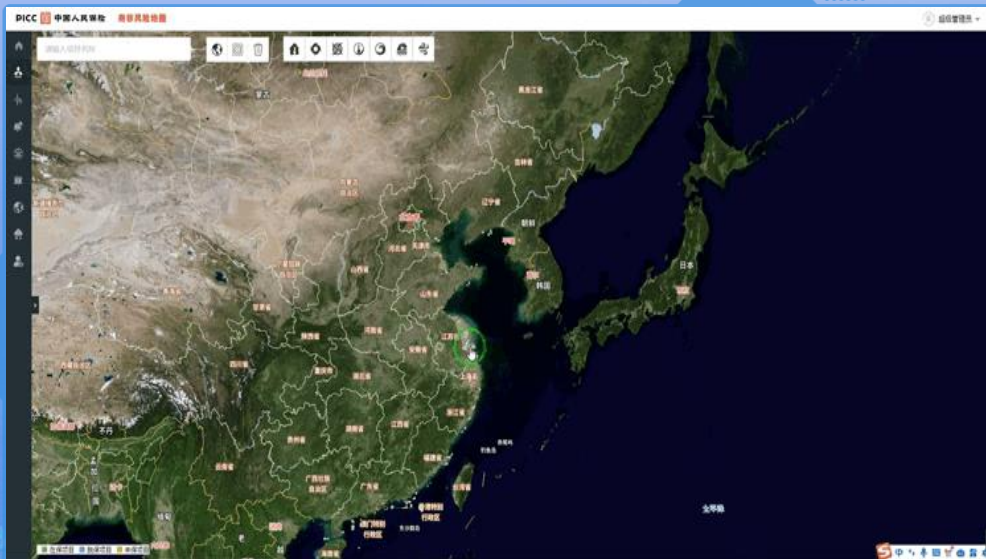
Group Customers Served

19



Early-Warning Services

23 times



Case 2

Risk mitigation on “Internet of Vehicles”, serving the transport sector



Heavy-load trucks covered

334,100



Dangerous Driving Warnings Issued

23.45 Mn Times



Corrections

19.79 Mn Times

Risk Early-Warning

By identifying high-risky driving behaviors, high-risky intersections, and a section of highway affected by bad weather, give notifications in real-time to interview. Customer service representatives intervene highest-risk events via telephone calls to lower down accident occurrence probability.

Dangerous Roads

Drowsy Driving

Very Bad Weather

Detection on speedy driving



Case 3

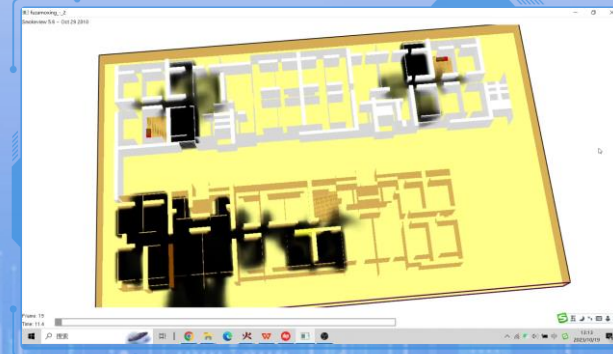
“Jidianyan” empowers fire disaster risk mitigation

Carry out "Concentration Eye" fire deduction & simulation model training based on characteristics such as air tightness, burning speed, and smoke diffusion, simulate the spread of fire and smoke in the factory, and guide the safety design of the factory and the deployment of fire protection facilities, so as to effectively prevent fires when they occur and to cut off the burning path and quickly control the fire.

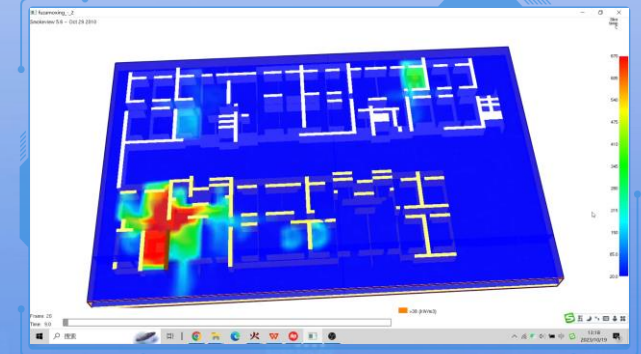
Fire Deduction & Simulation Model



Factory Space Modeling



Simulation of spread of fire and smoke



Simulation on fire temperature

People's Insurance Serves People



Risk Mitigation Services From Claims Perspective

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Risk Mitigation on Significant Natural Disasters

PICC resolutely implements the instructions of General Secretary Xi Jinping about flood prevention and disaster relief work by adopting a new business model featuring “insurance + risk mitigation services + technology”. Claims risk mitigation management focuses on four components of “**Protection, Prevention, Relief, and Reimbursement**” which refer to loss prevention prior to disasters, relief offering during disasters, speedy reimbursement after disasters, and risk feedback.



Time precision



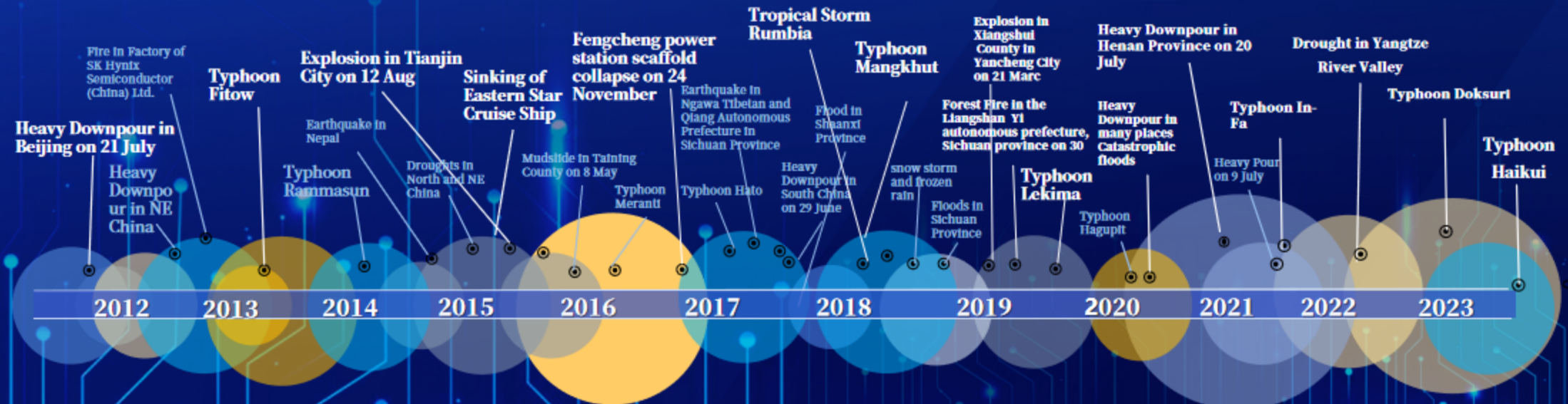
Subject matter precision



Disasters affect accuracy of assessment



Effective, targeted and accurate loss-prevention measures



Conduct contingency actual-combating simulation covering various disasters, scenarios, and insurance categories and develop **36** provincial-level specialized teams for catastrophe contingency claims.



Actual- combating rehearsal



Rehearsal on
auto insurance
in Nanchang
City in Jiangxi
Province on 8
June



Capability review



Catastrophe
Rehearsal in
Wuhan City,
Hubei Province
on 5 May

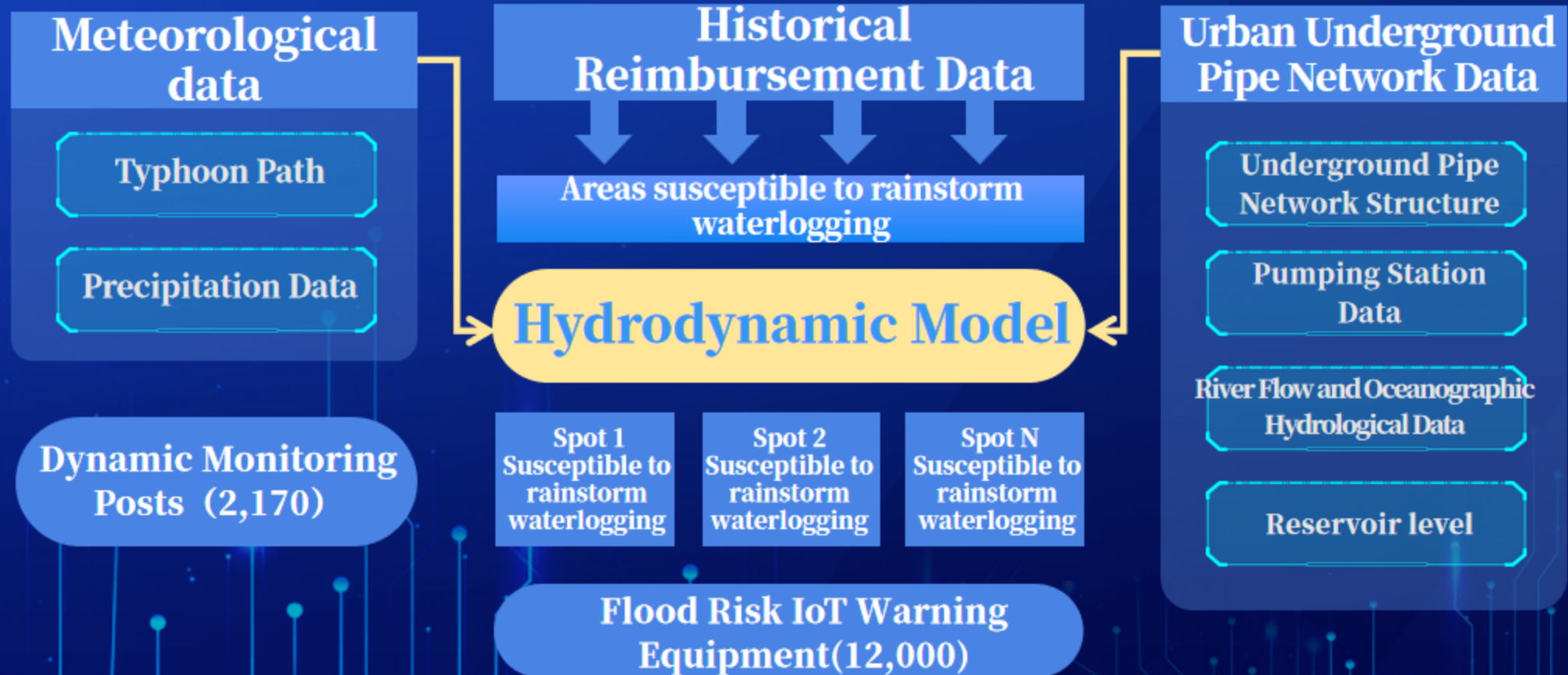


Government- Enterprise interaction

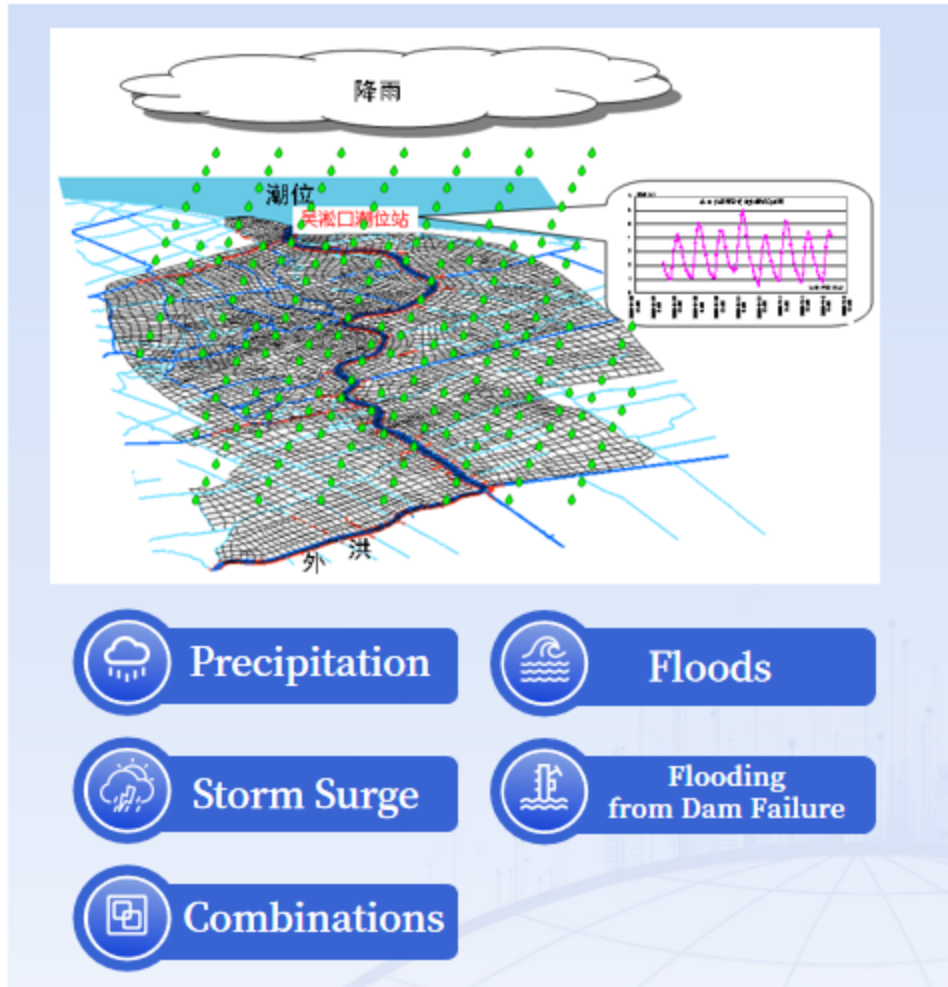
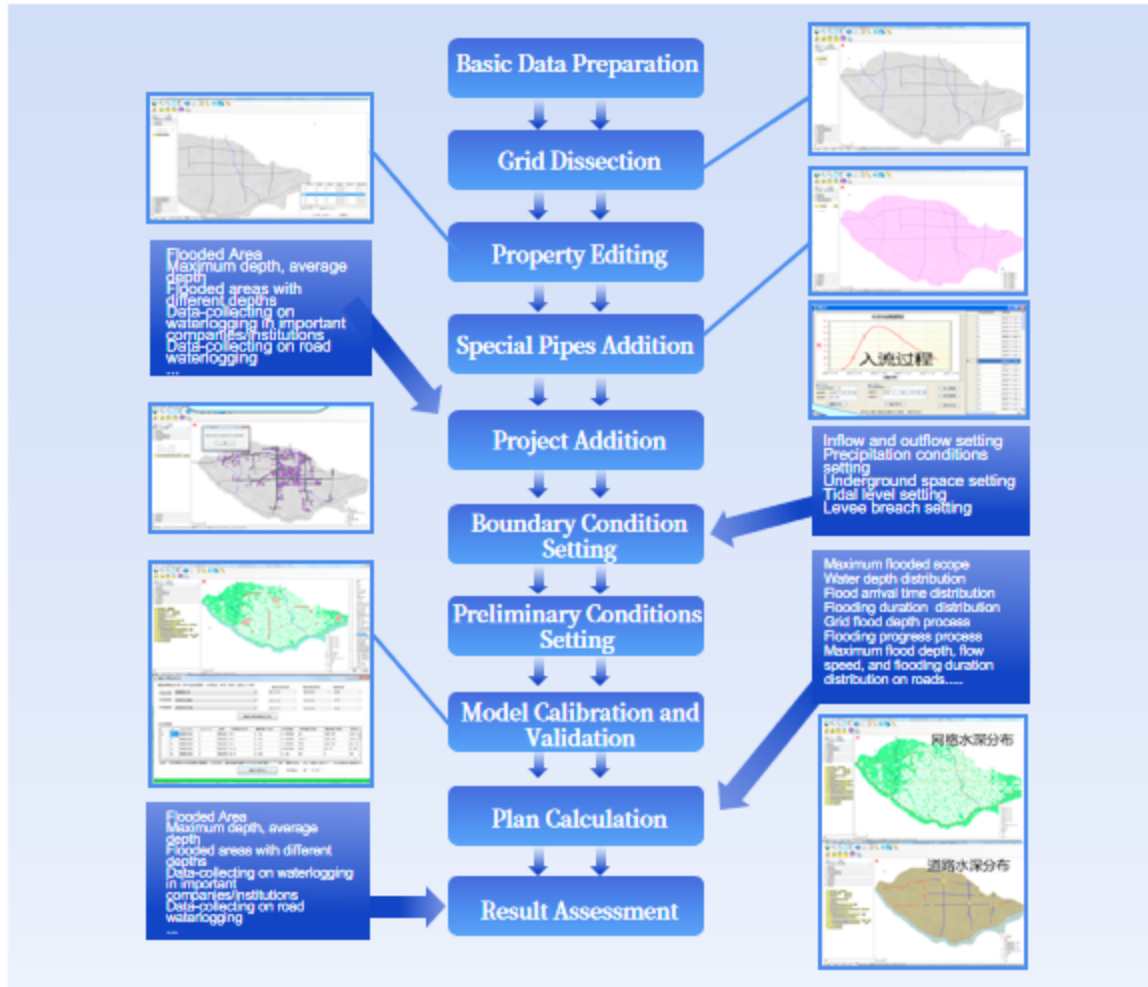


**Risk Mitigation Management Practices
on Urban Rainstorm Waterlogging:**

Urban rainstorm waterlogging diagram based on multi-space information & Application model with real-time monitoring data



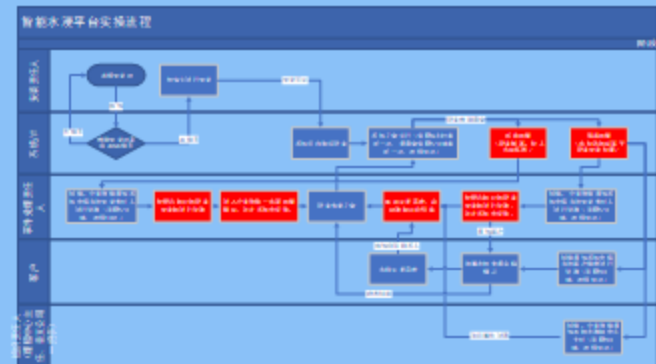
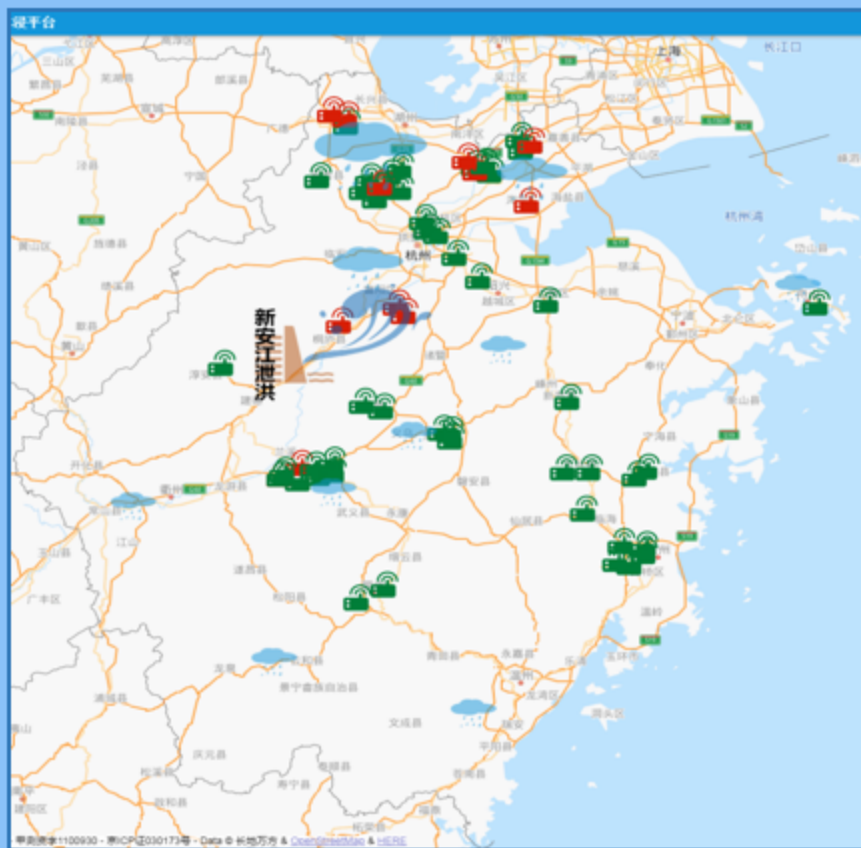
Nanjing City Risk Map for Areas Susceptible to Rainstorm Waterlogging



Wuhan City Risk Map for Areas Susceptible to Rainstorm Waterlogging



Zhejiang Province Risk Map for Areas Susceptible to Rainstorm Waterlogging



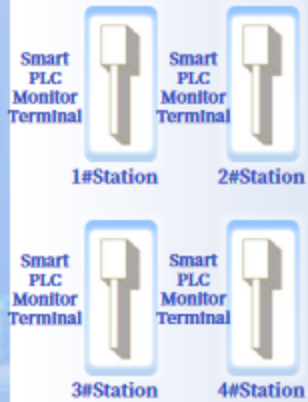
Flood Risk IoT Warning Equipment and Monitoring Model

Waterlogging information automatic collection devices can monitor depth of waterlogging in real-time. System consists of a centralized monitor system, monitoring stations, and mobile monitoring terminals.

Terminal



Areas Under Monitoring



Command Monitoring Center



Signal Switch Device

A true case in Xiamen City on using Flood Risk IoT
Warning Equipment



Actual-combating results: Prior to the landing of Typhoon Doksuri, innovatively use Flood Risk IoT Warning Equipment and “Road Sweeper” (a special tool) on risk prevention. Assets worthy of more than RMB 1 billion are transferred. Comparing to the losses suffered from Typhoon Meranti in 2016, a total loss reduction of about **RMB 500 million** are

Case: Typhoon pre-disaster
precaution in Xiamen City



129 vehicles
transferred



4800 vehicles transferred
with notification alerts from
“Road Sweeper”



Guangdong Province case:

Five typhoons of Typhoon Talim, Typhoon Doksuri, Typhoon Saola, Typhoon Haikui, and Storm Sanba. Relief staff dispatched **5,132 times**. **2,481 spots** with hidden waterlogging risks patrolled. **4,105 enterprises** inspected. **869 customers** in storage and industrial park areas assisted. Investigation vehicles dispatched **1,432 times**. UAVs flew **323 times**. High-risk parking lots checked/guarded **591 times**. **10,390 short messages** sent.

Fujian Province Case:

22107 hectares of early-season rice for total sum assured of **RMB 165 Mn**. Around **67 hectares** of vineyard of ripe grapes., and more than **53 hectares** of fruit trees for total sum assured of **RMB 12 Mn**. Estimated loss reduction of **RMB 58 million**.



Catastrophe Panorama :

Before

In

After

Near **5000** road rescue vehicles were mobilized

Near **1500** investigation vehicles were used

567 ambulance cars were mobilized across provinces, forcefully supporting vehicle support work in places such as Beijing City, Hebei Province, Xiamen City, and Fujian Province.

40,000 rescue missions

28 rescue records per vehicle per day

280 protection sites used

Rescue vehicles arrived at disaster-ridden areas within **24 hours**

100% rescue on all vehicles meeting rescue conditions



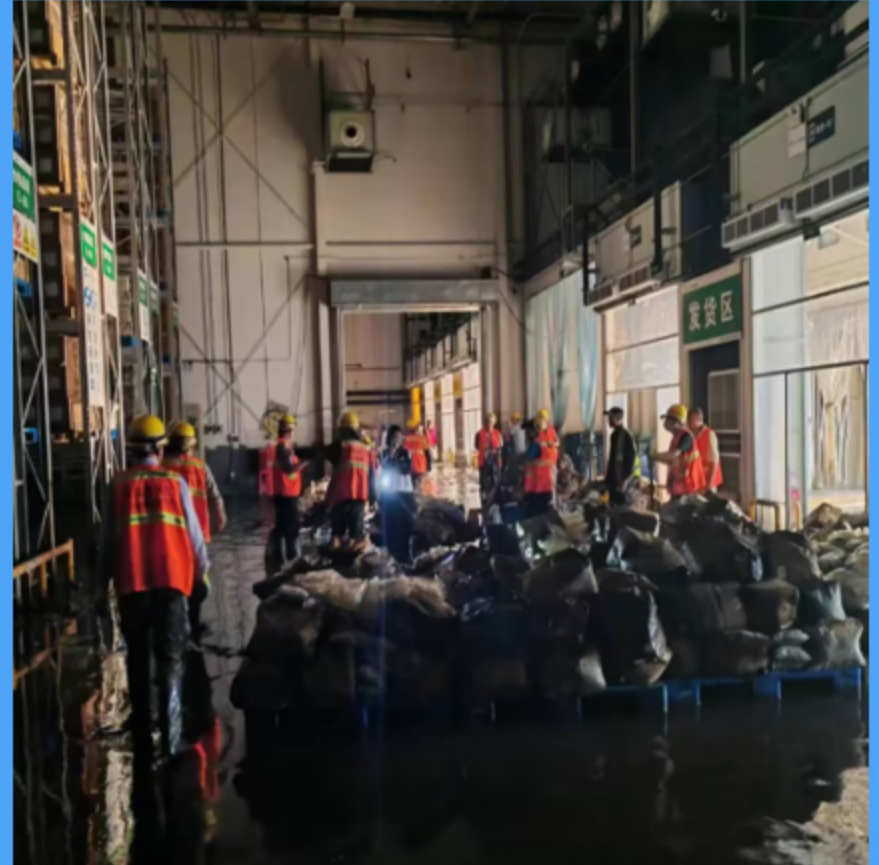
Catastrophe Panorama :

Before

In

After

During rainstorm by Typhoon Doksuri, one Beijing-based company suffered losses on inventory goods. PICC proactively coordinated third parties in mobilizing 10+ tank pumpers in assisting the customer to pump the waterlogged area.



Catastrophe Panorama :

Before

In

After

During catastrophes, PICC P&C offers “Four Quick Services”, referring to **Quick Rescue, Quick Assessment, Quick Repair, Quick Claims Reimbursement**, avoiding loss increase and improving customer experience.

Automatic loss assessment, loss verification and claims reimbursement calculation via RPA

Add full automatic claims reimbursement covering loss assessment, loss verification, loss calculation, and claims reimbursement verification



Loss Assessment Loss Verification Claims Reimbursement Calculation



1,241
Cases Processed



Save Human Efforts
52 People
Per day

Rural House One-stop Claims Reimbursement



Case Reporting

35 Min



Claims Verification



In line with requirements of Central Committee of Communist Party of China, the State Council and National Financial Regulatory Administration, PICC P&C sticks to the principles of “special solutions on special events and speedy solutions on speedy events”. Claims reimbursements are made on a need and speed basis with reasonable upfront payment made sometimes, helping the affected general public and enterprises to resume production and life as fast as possible.

Claims Reimbursement on Wheat in Places including Henan Province for Continuous Rain

With the continuous rain disaster on wheat, PICC P&C fought for 10 days completing claims reimbursements for affected areas, forcefully supporting rush harvesting and drying and shouldering the responsibility of protecting the “Barn Area in Central Plains of China”.

中国共产党

感谢信

中国人民财产保险股份有限公司：

7月27日至8月2日，受台风“杜苏芮”影响，我省遭受了历史罕见的特大暴雨洪灾。习近平总书记对灾情极为牵挂，多次作出重要指示，并主持召开中共中央政治局常委会会议，研究部署防汛抗洪救灾和灾后恢复重建工作，为我们提供了强大政治引领、科学行动指南。在以习近平总书记为核心的党中央坚强领导下，在中国人民财产保险股份有限公司的大力支持下，河北省委、省人民政府带领全省广大干部群众团结奋战，及时启动应急响应，全力投入抗洪救灾，果断扩大转移群众范围，稳妥处置了一系列重大险情，防汛抗洪救灾斗争取得重大阶段性成果，目前正在积极推进灾后恢复重建工作。

守望相助共克时艰，危难时刻见真情。在我省防汛抗洪救灾过程中，贵公司简化理赔流程和手续，开辟“绿色通道”，快速推进理赔查勘和赔付工作，助力受灾地区 and 人民群众的灾后重建和恢复生产，并为我省应急救援人员

提供团体意外伤害保险，有效保障了灾区人民和救援人员的合法权益，充分体现了金融央企的责任和担当。在此，河北省委、省人民政府和7400多万人民，向贵公司表示衷心的感谢，致以崇高的敬意！

当前，全省上下正深入学习贯彻习近平总书记视察河北重要讲话和关于防汛抗洪救灾工作重要指示批示精神，一体推进灾后恢复重建和高质量发展各项工作，衷心希望贵公司一如既往地关心支持河北，帮助我们加快建设经济强省、美丽河北，奋力谱写中国式现代化建设河北篇章。

- 2 -





Heinrich's Law

Underwriting: 3,352 Risk Feedback
Recommendations

承保风险提示单

险种	风险评估
火灾	低风险
盗窃	中低风险
水灾	中高风险
台风	高风险
地震	极高风险



To Customers: 824,00 risk reports
provided



To Government: Near 60 times of risk
mitigation management
recommendations reported



Disaster claims reimbursement is only one classic scenario for PICC P&C in comprehensively implementing the new business model featuring “Insurance Risk Mitigation Services + Technology” . Risk mitigation services empowered by technology will make claims reimbursement more considerate. Implementation of this new business model will have customers experience a sense of acquisition, help our company to develop a new momentum on high-quality development, delivers results on claims reimbursement and losses reduction incorporated in our financial statements, gaining wide recognition among investors.

People's Insurance Serves People



**Technological Empowerment
Enhances Service Offering
Risk Mitigation
Consolidates Food Security**

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3

**PICC Agricultural Insurance
Risk Mitigation Service Outlook**



PICC Agricultural Insurance Business Development

(i)

PICC implements national policies for boosting agriculture and benefiting farmers comprehensively



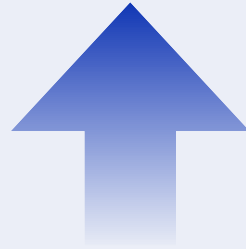
In recent years, our Company has been implementing General Secretary Xi Jinping’ s important guidance on “Agricultural insurance businesses must be developed well” thoroughly, carrying out risk mitigation service requirement put forward by National Financial Regulatory Administration, focusing on PICC Group’ s “Eight Strategic Services” , and concretely playing the role as a member in the big state-owned groups and the main force in insurance industry to intensify efforts to develop agricultural insurance, to enhance risk mitigation services, to ensure a stable and safe supply of grain and major agricultural products comprehensively, and to proactively contribute to rural revitalization and the buildup of China’ s strength in agriculture.

(ii)

PICC agricultural insurance summary

2007-2022 Agricultural Insurance Premium

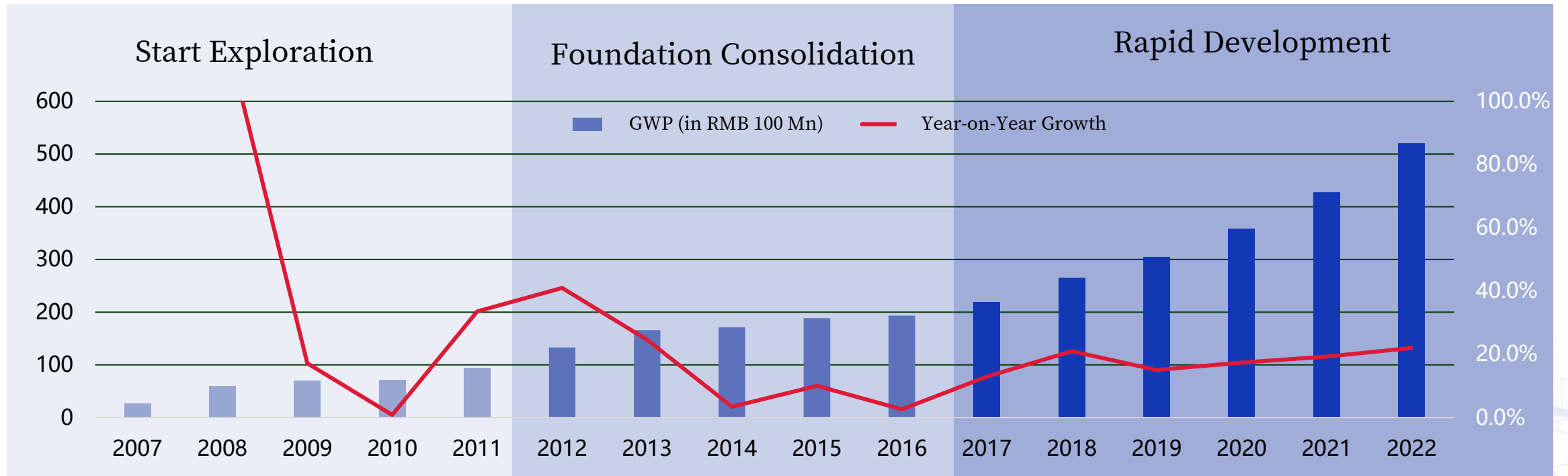
From RMB 2.7 Bn
To RMB 52.1 Bn



Premium CAGR

20.3%

Accumulative number of insured agricultural insurance customers (rural household) is **1.6 billion times**.



(ii)

PICC agricultural insurance summary

Undrewriting
Coverage



Businesses Cover
All Provinces in China



28,000,014 hectares of food crops underwritten, accounting for **near 30%** of three staple grains acreage



250 Mn pigs (head) underwritten, accounting for **35%** of all slaughtered fatten hogs annually



70,666,702 hectares of forests underwritten, accounting for **>30%** of area of woods in China

Market
share



2022 Agricultural Insurance Market Share

42.7%



Food Crop Insurance

644 counties in 14 Provinces Secured full-cost insurance and planting income insurance on three staple grains



Protect two cores: Seeds & Land

- Seed production insurance offered in 28 Provincial-level branches
- Innovatively developed products such as fertility protection insurance product, chemical fertilizer and pesticides application reduction insurance product

(iii)

Agricultural insurance risk mitigation services brings about great significance



Drought, floods, typhoon, hail, damage from chilling temperature, and plant disease and pests are perennial agricultural disasters in China and there are big differences among regions.



In 2022, the disaster-stricken areas of crops reached 12,000,006 hectares, exceeding 7% of total grain seeded area.



Agricultural insurance plays important roles in areas such as ensuring food security and promoting the modernization of agriculture industry.

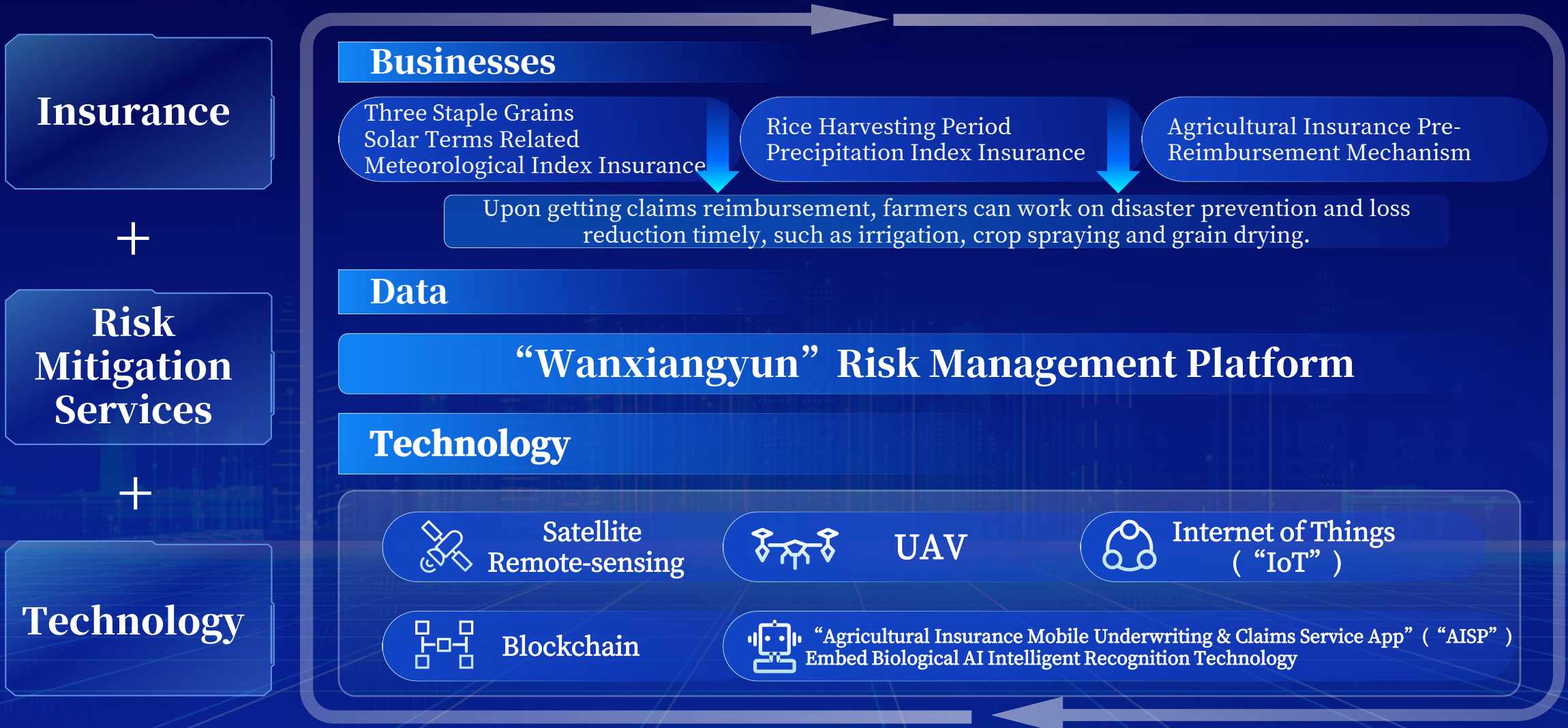


For an insurer, reducing losses from disasters and damages equals increasing economic benefits. A stitch in time saves nine.



PICC Agricultural Insurance Risk Mitigation Service Practices

PICC Agricultural Insurance Risk Mitigation Service Practices



Promote Intelligent Disaster Prevention, Technology Guidance, and Closed-loop Management and ensure **“major disasters not necessarily lead to big losses”**.

PICC Agricultural Insurance Risk Mitigation Service Practices

(i) Intelligent Disaster Prevention: Whole process of digital risk mitigation service system for rice

Develop a digital disaster prevention and loss reduction service platform for rice and construct a risk mitigation service system that knows farming seasons, enhances farming activities, and optimizes farming services.



Insurance

Technology

Farming Services

PICC Agricultural Insurance Risk Mitigation Service Practices

Whole process of digital risk mitigation service system for rice

Integrate all links under **farming seasons, farming activities and farming services** organically, significantly improving efficiency and results of disaster prevention and loss reduction.

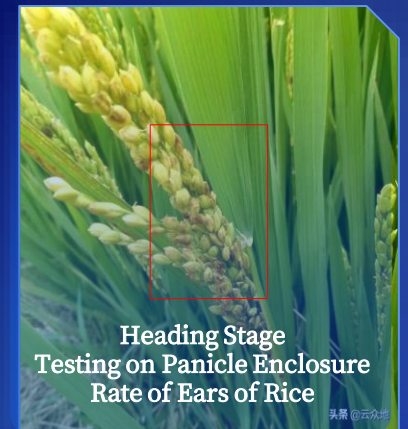


PICC Agricultural Insurance Risk Mitigation Service Practices

(1) Know farming seasons

Monitor changes on quantitative character indicators of leaves and ears of rice to analyze the growth of rice.

Quantitative Monitoring Indicators on Rice Growth

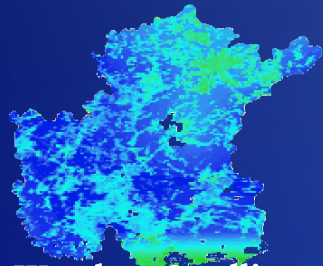


PICC Agricultural Insurance Risk Mitigation Service Practices

(2) Enhance farming activities

Construct AI intelligent model to monitor those crops affected by disasters dynamically and to trigger risk early-warnings. After that, experts from different areas interpret and analyze the early-warning results and put forward scientific and reasonable **recommendations on farming activities**.

Multi-source data collection



Weather: Satellite remote-sensing



Air: UAV patrol



Land: Land Monitoring

Intelligent Model Inspection



Early detection on abnormal growth



Early prevention and treatment on plant diseases and pests.



Early sensing on meteorological risks.

Targeted Treatment

Level-based Diagnosis

Crop Spraying



Pest Control



Fertilizer Application



Cropping



Soil Treatment



Irrigation



PICC Agricultural Insurance Risk Mitigation Service Practices

(3) Optimize farming services

Send notification messages about disaster or damage information and farming activity recommendations to farmers, agricultural materials enterprises and farming service providers. Have professional personnel implement disaster and loss prevention measures accurately and efficiently. Ensure an early sensing of disaster damage risks and an early preparation for disaster and loss prevention.



Monitoring through aerospace technology and surface observation
Realize whole-process custody on crop growth

Agricultural machinery services
Ensure timely and smooth harvesting

Prior to landing of Typhoon Talim
Rush harvesting through agricultural machinery

PICC Agricultural Insurance Risk Mitigation Service Practices

Disaster Prevention and Loss Reduction on Case of Typhoon Talim

Pre-Disaster Early-Warning

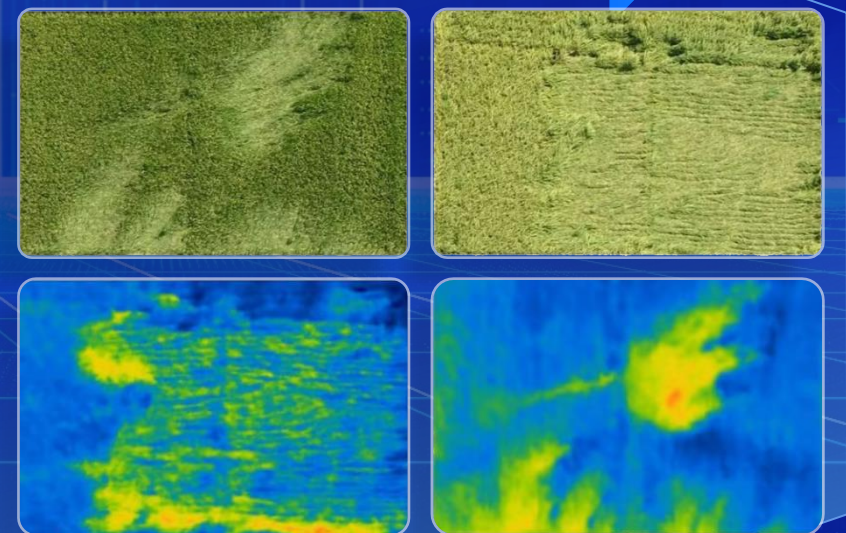
- **110,000** early-warning messages
- **110** flights of UAV
- **4,214** person times dispatched in total

Loss Evaluation

- Pre- and post-disaster remote-sensing images comparison
- Speedy and accurate evaluation on disaster-stricken areas and extent of damage of rice

Post-Disaster Rush Harvesting

- **>RMB 10 Mn** saved
- **318,600 farmers** benefited



PICC Agricultural Insurance Risk Mitigation Service Practices

Prominent results on Guangdong Province' s integrated system of “Protection+Prevention+Relief+Claims”

Rice Disaster Prevention and Loss Reduction Service Centers

15

All set



Rice Disaster Prevention and Loss Reduction Projects

183

Accessible for farmers



Disaster Prevention Funds Investment

RMB 26.90 Mn

Agricultural materials and farming service



Loss Reduction and Benefits Increase

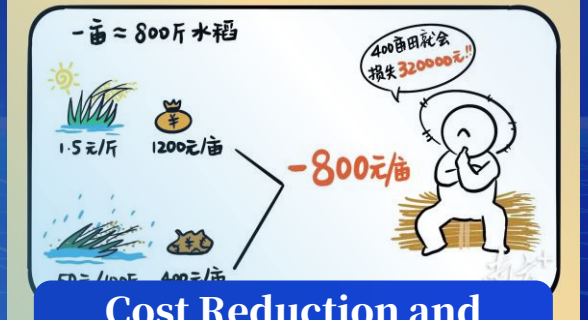
RMB 110 Mn

Help farmers increase income



这支“应急队”，为农民挽回了多少损失？我为老乡算笔账

首页收录 TOP. 热文榜十佳



Cost Reduction and Benefits Increase

PICC Agricultural Insurance Risk Mitigation Service Practices

(ii) Technology guidance: “Aquaculture Insurance Assistant”, an aquaculture risk early-warning system

- “Water maintenance prior to fish-farming”
- Firstly research and develop an online water quality intelligent monitoring early-warning system:
 - IoT+mobile monitoring devices
 - Collect data on water quality in real-time
 - Embed analysis on underlying big data model
 - Intelligent identification of abnormal water quality
 - Send alerts on risk early-warning
 - Adopt measures on disaster prevention and loss reduction
 - Lower down death probability of freshwater fish



PICC Agricultural Insurance Risk Mitigation Service Practices



Water Quality Monitoring Device



HD Camera on Tripod Head



Aquaculture Monitoring Platform



Fish Pond Water Quality Monitoring WeChat Mini Program

Once the results of indicators such as dissolved oxygen and water temperature are detected as Abnormal, fisher farmers get alerts in the first place. Meanwhile, devices for increasing oxygen level are triggered jointly for rapidly improving water quality and preventing death of large quantities of the subject matters.

PICC Agricultural Insurance Risk Mitigation Service Practices



Purely taking **Jiangsu Province** as an illustration, more than **RMB 100 million** of losses could be reduced should this platform be applied on all underwritten fish farmers in this province.

PICC Agricultural Insurance Risk Mitigation Service Practices

(iii) Closed-loop management:Blockchain-based source-tracing safety service platform on animal source food.

- **Characteristics on pig industry:** People' s life depend on food and pork brings security to people' s life. Pork accounts for more than **60%** of both meat production and meat consumption in China.

Sizable Breeding

Involved Many Farmers

Vast Space

Long Production Chain

- **Pig insurance:** An important measure for ensuring stable production and supply of pigs and promoting modernization development of pig industry.
- Key to a sustainable development of pig insurance business is to **ensure numbers of the enrolled and the claims reimbursed are authentic and accurate.**

Industry Scale

**RMB
1.7trillion**
Main source for
farmers

% in total output
value of agriculture

16%
No.1 in
agricultural sector

Number of
slaughtered fattened
hogs in 2022

700 Mn heads
Overall stable

Number of live hogs
in 2022

453 Mn heads
Overall stable
productivity

PICC Agricultural Insurance Risk Mitigation Service Practices

1. Application of technological innovation

Use characteristics of “Blockchain”

2. Enhance government-enterprise cooperation

Realize chain-based management on data from sources such as breeding companies, governments, and insurers.

3. Chain-based data-sharing through the chain

Realize whole-process close-loop data management on “swine disease prevention+quarantine inspection+harmless treatment+insurance” .

Ear Tag as Management Unit

Blockchain Platform

Safety

Reliability

Tamper Resistance

Blockchain-based source-tracing safety service platform on animal source food

4. Closed-loop management

Ensure pig production data is complete, transparent and traceable.

5. Risk mitigation services

Provide data cross-verification and technology support.

6. Experience accumulation in pilot area

Put into operation in Hebei Province in 2022.

PICC Agricultural Insurance Risk Mitigation Service Practices



Realize a chain-based closed-loop management and cross-verification on government industry production data and insurance business data.

Underwriting

Number of the underwriting = Number of ear tags

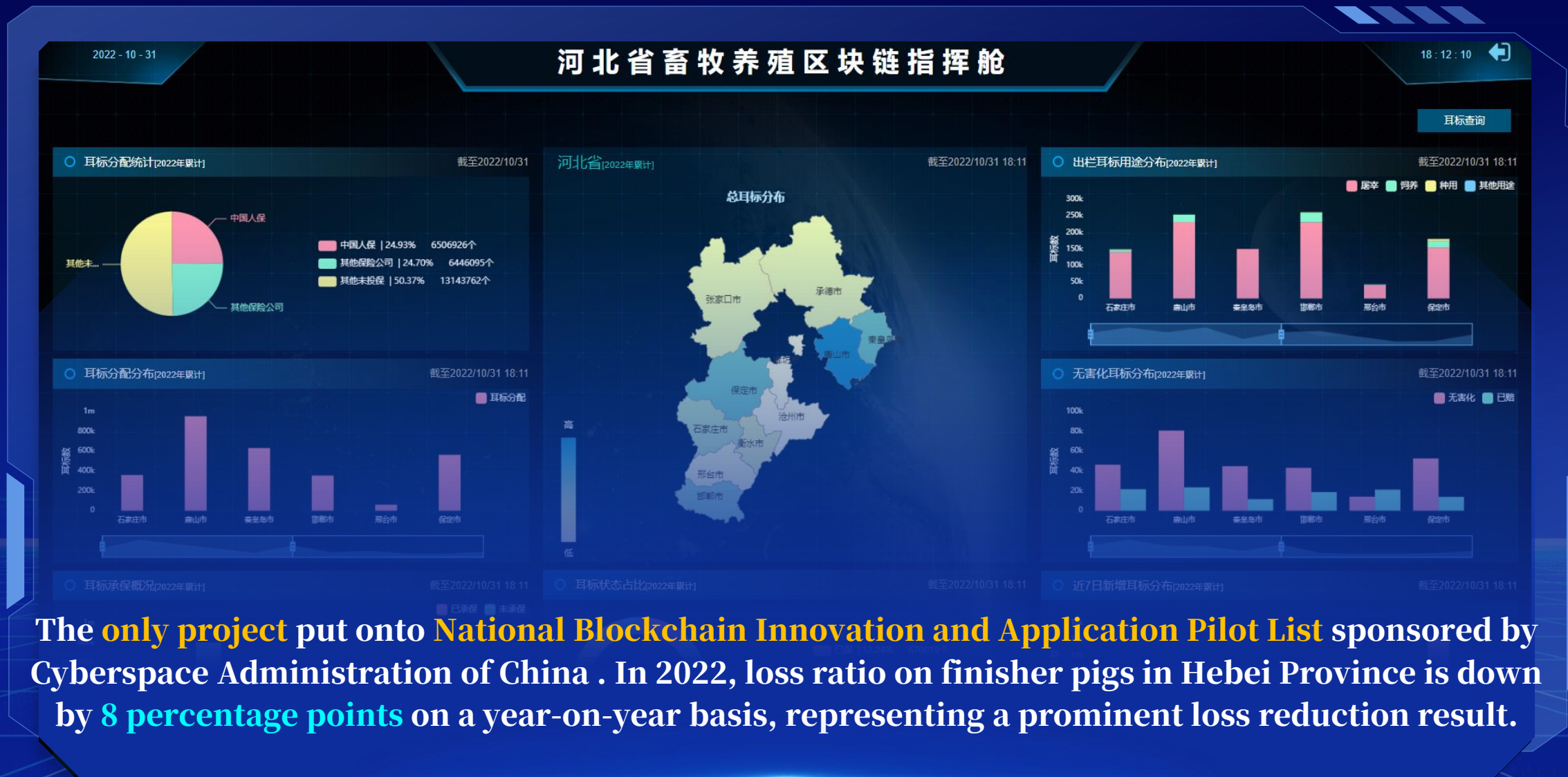
Claim

Number of the claims reimbursed = Number of dead pigs under harmless treatment

Closed-loop Management

Number of inspected live pigs for slaughter + number of dead pigs under harmless treatment = Number of ear tags

PICC Agricultural Insurance Risk Mitigation Service Practices



The **only project** put onto **National Blockchain Innovation and Application Pilot List** sponsored by Cyberspace Administration of China . In 2022, loss ratio on finisher pigs in Hebei Province is down by **8 percentage points** on a year-on-year basis, representing a prominent loss reduction result.

PICC Agricultural Insurance Risk Mitigation Service Practices

Upgrading achievement in three aspects

Upgrade from “Reimbursements Afterwards” to **“Loss prevention beforehand”** ,
from “Equivalent-risk management” to **“Decreased-risk management”** ,
from “Pure Reimbursement” to **“Whole process management”**



In Jilin Province, satellite remote-sensing and UAV are used for disaster damage assessment



In Gansu Province, hail-suppression rocket bomb is used for weather modification.



In Hunan Province, large rice farmers get help on pumping irrigation.

3

PICC Agricultural Insurance Risk Mitigation Service Outlook

PICC Agricultural Insurance Risk Mitigation Service Outlook



Efficiently stabilize agricultural insurance performance

Realize the transition from post-disaster passive compensation to pre- and in-disaster active management, extending the service chain and value chain of agricultural insurance, and consolidating competitive edges of the company on agricultural insurance continuously.



Significantly decrease production losses

Use rigorous and scientific insurance claims procedure to construct an economic compensation mechanism featuring ‘precision dip irrigation of financial offering’ , improving efficiency of the allocation of fiscal subsidies and stabilizing farmers’ revenue.



Better serve national strategy

Lower down the impact of natural disasters on agricultural production and forcefully support grain harvests in China by setting up an all-angle and all-time risk line of defense and proactively integrating into national agriculture disaster prevention and reduction system.

**Vast World of Agriculture
and Countryside**

**Brilliant Future on
Rural Revitalization**



People's Insurance Serves People

