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If you are in any doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Pacific Insurance (Group) Co., Ltd. (the “Company”), you should at once hand this circular and the accompanying proxy form and reply slip to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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中國太平洋保險(集團)股份有限公司
CHINA PACIFIC INSURANCE (GROUP) CO., LTD.
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02601)

**REPORTS OF THE BOARD OF DIRECTORS AND THE BOARD OF
SUPERVISORS FOR THE YEAR 2016
ANNUAL REPORTS OF A SHARES AND H SHARES FOR THE YEAR 2016
FINANCIAL STATEMENTS AND REPORT FOR THE YEAR 2016
PROFIT DISTRIBUTION PLAN FOR THE YEAR 2016
PROPOSAL ON APPOINTMENT OF AUDITORS FOR THE YEAR 2017
DUE DILIGENCE REPORT OF THE DIRECTORS FOR THE YEAR 2016
REPORT ON PERFORMANCE OF INDEPENDENT DIRECTORS
FOR THE YEAR 2016
PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF
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2017–2019 DEVELOPMENT PLAN
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THE BOARD OF DIRECTORS
PROPOSED ELECTION OF
SHAREHOLDER REPRESENTATIVE SUPERVISORS OF
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PROPOSAL ON THE GENERAL MANDATE
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
PROPOSED AMENDMENTS TO THE PROCEDURAL RULES FOR
SHAREHOLDERS' GENERAL MEETINGS
REPORT ON THE STATUS OF RELATED PARTY TRANSACTIONS AND
THE IMPLEMENTATION OF MANAGEMENT
SYSTEM FOR RELATED PARTY TRANSACTIONS FOR THE YEAR 2016
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2016 Annual General Meeting of China Pacific Insurance (Group) Co., Ltd. to be held at Sheraton Dameisha Resort, Shenzhen, Guangdong, the PRC on Friday, 9 June 2017 at 1:00 p.m. is set out on pages 87 to 94 of this circular.

If you intend to appoint a proxy to attend the Annual General Meeting, you are required to complete and return the proxy form in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited, in any event served in hand or by post not less than 24 hours before the time stipulated for convening the AGM or any adjourned meeting thereof (i.e. before 1:00 p.m. on Thursday, 8 June 2017). Completion and return of the proxy form will not preclude you from attending and voting at the AGM or at any adjourned meeting thereof in person if you so wish.

If you intend to attend the Annual General Meeting in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited on or before Friday, 19 May 2017.

25 April 2017

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

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| “AGM” or “Annual General Meeting” | the annual general meeting of the Company for the year 2016 to be held at Sheraton Dameisha Resort, Shenzhen, Guangdong, the PRC on Friday, 9 June 2017 at 1:00 p.m. |
| “Articles of Association” | the articles of association of the Company, as amended from time to time |
| “A Share(s)” | domestic share(s) of RMB1.00 each in the share capital of the Company which are listed on the Shanghai Stock Exchange and traded in RMB |
| “Board” or “Board of Directors” | the board of Directors of the Company |
| “Board of Supervisors” | the board of Supervisors of the Company |
| “CIRC” | China Insurance Regulatory Commission |
| “Company” or “the Company” or “CPIC Group” | China Pacific Insurance (Group) Co., Ltd., a joint stock company incorporated in the PRC with limited liability |
| “Company Law” | The Company Law of the People’s Republic of China |
| “CPIC Allianz Health” | CPIC Allianz Health Insurance Co., Ltd., a holding subsidiary of the Company |
| “CPIC AMC” | Pacific Asset Management Co., Ltd., a holding subsidiary of the Company |
| “CPIC Life” | China Pacific Life Insurance Co., Ltd., a holding subsidiary of the Company |
| “CPIC P/C” | China Pacific Property Insurance Co., Ltd., a holding subsidiary of the Company |

DEFINITIONS

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|---|--|
| “CPIC HK” | China Pacific Insurance Co., (H.K.) Limited, a wholly-owned subsidiary of the Company |
| “CSRC” | China Securities Regulatory Commission |
| “Director(s)” | director(s) of the Company |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Hong Kong Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time |
| “Hong Kong Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “H Share(s)” | overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars |
| “Independent Director(s)” or “Independent Non-executive Director(s)” | independent non-executive Director(s) of the Company |
| “Non-executive Director(s)” | non-executive Director(s) of the Company |
| “Procedural Rules for Shareholders’ General Meetings” or “Procedural Rules” | the Procedural Rules for Shareholders’ General Meetings of the Company, as amended from time to time |
| “PRC” or “China” | the People’s Republic of China, excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China, and Taiwan region |
| “RMB” or “Yuan” | the lawful currency of the PRC |

DEFINITIONS

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|---------------------------|--|
| “Share(s)” | A Share(s) and H Share(s) of the Company |
| “Shareholder(s)” | holder(s) of the Shares of the Company |
| “Supervisor(s)” | supervisor(s) of the Company |
| “Shanghai Listing Rules” | the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, as amended from time to time |
| “Shenzhen Stock Exchange” | Shenzhen Stock Exchange |
| “SSE” | Shanghai Stock Exchange |

Note: If there is any inconsistency between the Chinese and English versions of this circular, the Chinese version shall prevail.

LETTER FROM THE BOARD



中國太平洋保險(集團)股份有限公司
CHINA PACIFIC INSURANCE (GROUP) CO., LTD.

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

(Stock Code: 02601)

Executive Director:
Mr. HUO Lianhong

Non-executive Directors:
Mr. WANG Jian
Mr. WANG Chengran
Ms. SUN Xiaoning
Mr. WU Junhao
Mr. ZHENG Anguo
Ms. HA Erman

Independent Non-executive Directors:
Mr. BAI Wei
Mr. LEE Ka Sze, Carmelo
Mr. LAM Chi Kuen
Mr. ZHOU Zhonghui
Mr. GAO Shanwen

To the Shareholders

Dear Sir or Madam,

Registered Office:

South Tower
Bank of Communications Financial Building
190 Central Yincheng Road
Pudong New District
Shanghai
The PRC
Postal Code: 200120

Place of Business in Hong Kong:

Suite 4301, 43/F., Central Plaza
18 Harbour Road, Wanchai, Hong Kong

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AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The Board of Directors hereby invites you to attend the AGM to be held at Sheraton Dameisha Resort, Shenzhen, Guangdong, the PRC on Friday, 9 June 2017 at 1:00 p.m..

The purpose of this circular is to provide you with the notice of AGM and to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

2. BUSINESS TO BE TRANSACTED AT THE AGM

The business to be transacted at the AGM as specified in the notice of AGM set out on pages 87 to 94 of this circular.

Ordinary resolutions to be proposed at the AGM for the Shareholders to approve include: (a) the report of the Board of Directors for the year 2016; (b) the report of the Board of Supervisors for the year 2016; (c) the annual report of A Shares for the year 2016; (d) the annual report of H Shares for the year 2016; (e) the financial statements and report for the year 2016; (f) the profit distribution plan for the year 2016; (g) the proposal on appointment of auditors for the year 2017; (h) the due diligence report of the Directors for the year 2016; (i) the report on performance of Independent Directors for the year 2016; (j) the proposed amendments to interim measures for the management of related party transactions; (k) 2017–2019 development plan; (l) the proposed election of Directors of the eighth session of the Board of Directors; and (m) the proposed election of shareholder representative Supervisors of the eighth session of the Board of Supervisors.

Special resolutions to be proposed at the AGM for the Shareholders to approve include: (a) the grant of a general mandate to the Board of Directors to issue new Shares; (b) the proposed amendments to the Articles of Association; and (c) the proposed amendments to the Procedural Rules for Shareholders' General Meetings.

A report will be submitted at the AGM only for Shareholders' review and not for approval: the report on the status of related party transactions and the implementation of management system for related party transactions of the Company for the year 2016.

LETTER FROM THE BOARD

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make informed decisions upon obtaining sufficient and necessary information, we have provided detailed information in this circular, including explanatory information on the proposed resolutions to be considered and approved at the AGM (see Appendix I), the due diligence report of the Directors for the year 2016 (see Appendix II), the report on performance of Independent Directors for the year 2016 (see Appendix III), the report of the Board of Supervisors for the year 2016 (see Appendix IV), the proposed amendments to interim measures for the management of related party transactions (see Appendix V), 2017–2019 development plan (see Appendix VI), the proposal on granting of the general mandate to the Board of Directors to issue new Shares (see Appendix VII), the proposed amendments to the Articles of Association (see Appendix VIII), the proposed amendments to the Procedural Rules for Shareholders' General Meetings (see Appendix IX), biographical details of the proposed Directors and Supervisors (see Appendix X) and the report on the status of related party transactions and the implementation of management system for related party transactions of the Company for the year 2016 (see Appendix XI).

3. THE AGM

Along with this circular, the proxy form and the reply slip for the AGM are also enclosed herewith.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon. For holders of H Shares, the proxy form should be returned to Computershare Hong Kong Investor Services Limited, in any event served in hand or by post not less than 24 hours before the time stipulated for convening the AGM or any adjourned meeting thereof (i.e. before 1:00 p.m. on Thursday, 8 June 2017). Completion and return of the proxy form will not preclude you from attending and voting at the AGM or at any adjourned meeting thereof in person if you so wish.

If you intend to attend the AGM in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited on or before Friday, 19 May 2017.

4. VOTING BY POLL

According to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the AGM will demand a vote by poll in relation to all the proposed resolutions at the AGM in accordance with the requirements of Article 91 of the Articles of Association.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Board of Directors considers that all resolutions to be proposed at the AGM are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board of Directors recommends that the Shareholders vote in favour of all the resolutions to be proposed at the AGM.

**The Board of Directors of
China Pacific Insurance (Group) Co., Ltd.**

Shanghai, the PRC, 25 April 2017

1. REPORTS OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS FOR THE YEAR 2016

According to the requirements of the Company Law of the PRC and the Articles of Association, the Shareholders' general meeting has the right to consider and approve the reports of the Board of Directors and the Board of Supervisors. Pursuant to the Rules of Shareholders' Meeting of Listed Companies of the China Securities Regulatory Commission, the Board of Directors and the Board of Supervisors should issue a report with respect to their work in the preceding year at the AGM. The report of the Board of Directors for the year 2016 is set out in the sections headed "Operation Overview, Letter from Chairman to Shareholders, Review and Analysis of Operating Results, Report of the Board of Directors and Significant Events and Corporate Governance" in the annual report of H Shares for the year 2016. The report of the Board of Supervisors for the year 2016 is set out in Appendix IV to this circular.

2. ANNUAL REPORTS OF A SHARES AND H SHARES FOR THE YEAR 2016

The Board proposes to approve the annual reports of A Shares and H Shares for the year 2016. The annual report of A Shares of the Company for the year 2016 was published on 30 March 2017 on the SSE website (www.sse.com.cn). The annual report of H Shares for the year 2016 was published on 20 April 2017 on the Hong Kong Stock Exchange website (www.hkexnews.hk).

3. FINANCIAL STATEMENTS AND REPORT FOR THE YEAR 2016

The financial statements and report for the year 2016 is set out in the Company's annual report for the year 2016.

4. PROFIT DISTRIBUTION PLAN FOR THE YEAR 2016

The Company intends to distribute a cash dividend of RMB0.70 per share (inclusive of tax) for the year 2016, amounting to approximately RMB6.343 billion in aggregate, based on a total share capital of 9.062 billion Shares. The remaining undistributed profits will be carried forward to the year 2017. No capitalization from capital reserve will be implemented for the current year.

5. PROPOSAL ON APPOINTMENT OF AUDITORS FOR THE YEAR 2017

The Board proposed to appoint PricewaterhouseCoopers Zhong Tian LLP as the PRC auditor and the internal control auditor of the Company for the year 2017 and to appoint PricewaterhouseCoopers as the overseas auditor of the Company for the year 2017.

The Board will propose at the AGM to authorize the Board to authorize the management of the Company to determine their actual remunerations.

6. DUE DILIGENCE REPORT OF THE DIRECTORS FOR THE YEAR 2016

In accordance with the requirements of the CIRC, the Board shall conduct an annual due diligence appraisal of the Directors, and submit the due diligence report of the Directors to the Shareholders' general meeting and the Board of Supervisors. Such report is set out in Appendix II to this circular.

7. REPORT ON PERFORMANCE OF INDEPENDENT DIRECTORS FOR THE YEAR 2016

Pursuant to the requirements of the CIRC, Independent Directors shall issue a report to the Shareholders' general meeting in respect of the performance of their duties in the year 2016. Such report is set out in Appendix III to this circular for Shareholders' reference.

8. PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

Pursuant to the requirements of the CIRC, the Company will make necessary amendments to interim measures for the management of related party transactions. Details of the proposed amendments are set out in Appendix V for Shareholders' reference.

9. 2017–2019 DEVELOPMENT PLAN

In order to plan and promote various work in the new round plan of the Company during the period in a scientific manner, the Company prepared 2017–2019 Development Plan of China Pacific Insurance (Group) Co., Ltd.. The main contents of the development plan is set out in Appendix VI to this circular for Shareholders' reference.

10. PROPOSAL ON THE GENERAL MANDATE

The purpose of the proposed special resolution number 14 as set out in the notice of AGM dated 25 April 2017 is to seek approval from the Shareholders at the AGM to grant a general mandate to the Board of Directors to allot, issue and deal with new A Shares and/or H Shares of the Company subject to the applicable laws, rules and regulations. The Board of Directors declares that the Company currently has no plan to issue A Shares and/or H Shares. Such proposal is set out in Appendix VII to this circular.

11. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE PROCEDURAL RULES FOR SHAREHOLDERS' GENERAL MEETINGS

The Board of Directors hereby submits the Proposed Amendments to the Articles (as defined and with details of amendments set out in Appendix VIII to this circular) and the Proposed Amendments to the Procedural Rules for Shareholders' General Meetings (as defined and with details of amendments set out in Appendix IX to this circular) to the AGM for consideration, and for granting an authorization to the chairman or his authorized person to make such revisions to the Articles of Association and the Procedural Rules for Shareholders' General Meetings as he deems necessary and appropriate in accordance with the requirements of regulatory authorities during the Company's approval process for the amended Articles of Association and the Procedural Rules for Shareholders' General Meetings.

The amendments to the Articles of Association and the Procedural Rules for Shareholders' General Meetings stated in the special resolutions are subject to and shall take effect after the approval from the CIRC has been obtained.

12. PROPOSED ELECTION OF DIRECTORS OF THE COMPANY

In light of the expiry of the term of office of the members of the seventh session of the Board of Directors, the Board of Directors hereby submits the proposals for the election of Directors of the eighth session of the Board of Directors pursuant to the Company Law, the Articles of Association and the Hong Kong Listing Rules. Their term of office shall be three years and is renewable upon re-election when it expires.

Mr. WANG Chengran, Mr. ZHENG Anguo and Ms. HA Erman, who are the existing non-executive Directors (collectively, the "**Retiring Directors**") shall retire from their existing positions at the AGM and will not offer themselves for re-election. There is no disagreement between each of the abovementioned Retiring Directors and the Board. The Company and each of the abovementioned Retiring Directors confirm that there is no matter regarding their retirements that needs to be brought to the attention of the Shareholders.

The Board of Directors proposes to elect members of the Board of Directors. The eighth session of the Board of Directors shall comprise 14 Directors, five of whom shall be Independent Directors:

- Mr. HUO Lianhong, the existing executive Director, meets the appointment qualification and are willing to be nominated as an executive Director for re-election at the AGM;
- Mr. KONG Qingwei is nominated as executive Director for the eighth session of the Board of Directors and his appointment as executive Director shall be subject to the approval of Shareholders at the AGM and the approval of the CIRC;
- Mr. WANG Jian, Ms. SUN Xiaoning and Mr. WU Junhao, the existing Non-executive Directors, meet the appointment qualification and are willing to be nominated as Non-executive Directors for re-election at the AGM;

- Mr. WANG Tayu, Mr. KONG Xiangqing, Mr. ZHU Keping and Mr. CHEN Xuanmin are nominated as Non-executive Directors for the eighth session of the Board of Directors at the AGM and their appointments as Non-executive Directors shall be subject to the approval of Shareholders at the AGM and the approval of the CIRC; and
- Mr. BAI Wei, Mr. LEE Ka Sze, Carmelo, Mr. LAM Chi Kuen, Mr. ZHOU Zhonghui and Mr. GAO Shanwen, the existing Independent Non-executive Directors, meet the appointment qualification and are willing to be nominated as Independent Non-executive Directors for re-election at the AGM.

In accordance with Rule 13.51(2) of the Hong Kong Listing Rules, biographical details of the proposed Directors are set out in Appendix X to this circular, so as to enable the Shareholders to make informed decisions on the relevant resolutions at the AGM.

13. PROPOSED ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS OF THE COMPANY

The Board of Supervisors proposes to re-elect the shareholder representative Supervisors in light of the expiry of the term of office of the Supervisors of the seventh session of the Board of Supervisors. The eighth session of the Board of Supervisors shall comprise five members, three of whom shall be shareholder representative Supervisors and two of whom shall be employee representative Supervisors.

Mr. DAI Zhihao, the existing shareholder representative Supervisor, shall retire from his existing position at the AGM and will not offer himself for re-election. There is no disagreement between Mr. DAI Zhihao and the Board of Directors or the Board of Supervisors. Each of the Company and Mr. DAI Zhihao confirms that there is no matter regarding his retirement that needs to be brought to the attention of the Shareholders.

Ms. ZHANG Xinmei and Ms. LIN Lichun, the existing shareholder representative Supervisors, meet the appointment qualification and are willing to be re-elected at the AGM. Mr. ZHOU Zhuping will be nominated as a candidate of shareholder representative Supervisors at the AGM and their appointments as shareholder representative Supervisors shall be subject to the Shareholders' approval at the AGM and the approval of the CIRC.

In accordance with Rule 13.51(2) of the Hong Kong Listing Rules, biographical details of the proposed shareholder representative Supervisors are set out in Appendix X to this circular, so as to enable the Shareholders to make informed decisions on the relevant resolutions at the AGM.

14. REPORT ON THE STATUS OF RELATED PARTY TRANSACTIONS AND THE IMPLEMENTATION OF MANAGEMENT SYSTEM FOR RELATED PARTY TRANSACTIONS FOR THE YEAR 2016

Pursuant to the requirements of the CIRC, the Board shall issue a report to the Shareholders' general meeting in respect of the status of related party transactions and the implementation of the management system for related party transactions for the year 2016 at the AGM. Such report will be proposed at the AGM for Shareholders' review but no approval by the Shareholders is required. Such report is set out in Appendix XI to this circular.

In accordance with regulatory requirements of the CIRC, the board of insurance companies shall conduct a due diligence report on its directors annually, and such report shall be submitted to the general meeting and the Board of Supervisors. In 2016, all the Directors performed their duties and responsibilities as stipulated under relevant laws and regulations and the Articles of Association in an honest, diligent, loyal and conscientious manner. The due diligence report of the Directors for the year 2016 is set out below:

I. PERFORMING DUTIES WITH DUE DILIGENCE WITH NO ABSENCE FROM BOARD MEETINGS

As the strategic steering institution of the Company, the Board of Directors has been leveraging a decisive and leading role for the healthy development of the Company. In 2016, the Company held a total of 6 Board meetings. The Directors performed their duties with due diligence, actively participated in discussions and decision-making, and mostly attended the meetings in person. For individual cases where some Director were not able to attend due to business reasons, they all appointed another Director in written attorney as their proxy to attend and vote at the meeting on their behalves. Details are as follows:

| Name of Directors | No. of Board meetings requiring attendance | Attendance | | Absence (no. of times) | Remarks |
|-------------------|--|--------------------------|-------------------------|------------------------|---|
| | | in person (no. of times) | by proxy (no. of times) | | |
| GAO Guofu | 6 | 6 | 0 | 0 | |
| HUO Lianhong | 6 | 6 | 0 | 0 | |
| WANG Jian | 6 | 4 | 2 | 0 | Absent from the 12th and 13th meetings of the seventh session of the Board of Directors due to business reasons and WU Junhao, a Director, was appointed as his proxy to attend and vote at the meetings on his behalf. |
| WANG Chengran | 6 | 5 | 1 | 0 | Absent from the 15th meeting of the seventh session of the Board of Directors due to business reasons and ZHENG Anguo, a Director, was appointed as his proxy to attend and vote at the meeting on his behalf. |

| Name of Directors | No. of Board meetings requiring attendance | Attendance | | Absence (no. of times) | Remarks |
|------------------------|--|--------------------------|-------------------------|------------------------|--|
| | | in person (no. of times) | by proxy (no. of times) | | |
| SUN Xiaoning | 6 | 6 | 0 | 0 | |
| WU Junhao | 6 | 6 | 0 | 0 | |
| WU Jumin | 6 | 3 | 3 | 0 | Absent from the 12th, 14th and 15th meetings of the seventh session of the Board of Directors due to business reasons and HUO Lianhong, a Director, was appointed as his proxy to attend and vote at the meetings on his behalf. |
| ZHENG Anguo | 6 | 6 | 0 | 0 | |
| HA Erman | 6 | 5 | 1 | 0 | Absent from the 14th meeting of the seventh session of the Board of Directors due to business reasons and GAO Guofu, a Director, was appointed as his proxy to attend and vote at the meeting on his behalf. |
| BAI Wei | 6 | 6 | 0 | 0 | |
| LEE Ka Sze, Carmelo | 6 | 6 | 0 | 0 | |
| LAM Chi Kuen | 6 | 6 | 0 | 0 | |
| ZHOU Zhonghui | 6 | 6 | 0 | 0 | |
| GAO Shanwen | 6 | 6 | 0 | 0 | |

II. EXPRESSING OPINIONS SUFFICIENTLY AND PASSING ALL RESOLUTIONS BY UNANIMOUS VOTE

In 2016, all Directors diligently performed the power conferred by the Articles of Association, kept updated about the import business information of the Company, paid full attention to the Company's development and actively participated in the Board meetings during the reporting period. All Directors made appropriate decisions after having fully understood the situation and having expressed their opinions, and all resolutions of the Board meetings were passed by unanimous votes.

III. LEVERAGING EXPERTISE AND PARTICIPATING IN DAILY OPERATIONS OF COMMITTEES

The Board has established four professional committees, namely the strategic and investment decision-making committee, the audit committee, the nomination and remuneration committee and the risk management committee. The chairmen of the three latter committees are all Independent Directors. The Board and the Board Committees performed their respective duties properly by leveraging their respective expertise to ensure that the Board can make informed and appropriate decisions after considering advice and suggestions in various aspects.

In 2016, the strategic and investment decision-making committee held 5 meetings, the audit committee held 7 meetings, the nomination and remuneration committee held 3 meetings, and the risk management committee held 5 meetings. In the meeting, Directors performed duties with due diligence, carefully studied and discussed the implementation of strategic planning, material capital operation, internal and external auditing, performance assessment and appointment and dismissal of senior management and risk control and related party transactions, participated in the decision-making effectively, and provided professional advices for the decision-making of the Board.

IV. PAYING ATTENTION TO THE MANAGEMENT AND OPERATION OF THE COMPANY THROUGH VARIOUS CHANNELS, AND PERFORMING DIRECTORS' DUTIES

Paying attention to the Company's development in a timely manner is the basis of scientific decision-making by Directors. Other than understanding the important operation of the Company through the Board and professional committees, Directors also devoted adequate time and effort to perform duties, and actively and continuously understand the Company's operation and management and risks, internal control and audit through various channels.

- (I) On-site inspection. In 2016, Directors conducted inspection and received reports on CPIC Life and CPIC P/C Jiangxi Branch to understand the actual implementation progress of transformation. Also, they observed the demonstration of application of new technologies to the basic level of transformation, and visited the joint outlet of CPIC P/C and CIPC Life Jiangxi Branch. In addition, certain Directors deepened their understanding of the operating results and risk management of the Company through attending the annual audit meetings, inspections of functional departments and other means.
- (II) Receiving special reports. In 2016, the Directors received several special reports with a focus on major issues relating to the implementation of strategies. Concerning the continuous optimization of comprehensive cost rate of property insurance, they required the elimination of inferior businesses, strengthened quality control on businesses and realization of underwriting profit. Also, they called for a faster development of the new channels for the motor insurance business and raise its proportion. Furthermore, focusing on the issues regarding main asset allocation, they demanded for reinforced analysis of the attributions to the investment performance, encouraged the clients to improve their capabilities on main asset allocation and enhanced the capabilities on the selection of trustees and management. These efforts effectively facilitated the establishment of a problem-solving work mechanism of the management.
- (III) Studying information reported by the Company. Directors carefully studied the monthly brief reports of Directors and Supervisors, monthly audit reports and monthly management statements, and understood the operation and management information of the Company by circulating the above materials in a timely manner.
- (IV) Paying attention to the performance of the Company in the capital market and the appraisal conducted by external regulatory institutions. Directors fully understood the operations of the Company by studying the announcements issued by the Company and paying attention to the assessments of capital market and various appraisal announced by external supervision, and communicated with the Company in a timely manner when in doubt about any reports.
- (V) Communicating with management in various channels. Directors seek to inquire and understand the operations of the Company promptly by different methods such as on-site, e-mails and telephone. When necessary, several Directors or individual Director may have special discussions with the management on the issues relating to the operations and management that they are concerned about. All members of the Board are of the opinion that with the various channels for understanding the operations of the Company, they can communicate smoothly, and exchange views and feedback in a timely manner with the management without obstacles.

V. COMPLYING WITH CODE OF CONDUCT, AND PERFORMING DIRECTORS' DUTIES

During the reporting period, Directors were faithful in Shareholders' and the Company's interests. None of them exercised powers beyond their terms of reference or took advantage of the position as a Director to receive unjustified interests or damaged the interests of the Company during the process of performing duties.

In the process of performing duties, the Directors paid particular attention to the safeguarding on interests of medium and small investors and insured parties with regard to related party transactions and profit distribution. Independent Directors expressed independent opinions on relevant issues. Directors were not aware of any behaviour prejudicing the interests of medium and small investors and insured parties by the Company.

Being Directors of a listed company, Directors duly complied with the obligation of stock trading restrictions and keeping confidential of inside information in the window period. During the reporting period, the Company complied with Model Code for Securities Transactions by the Hong Kong Stock Exchange and Code of Conduct for stock trading stipulated by the SSE. The Company was not aware of any behaviour of breaching regulations in stock trading or leakage of inside information. The behavior was faithful and honest.

VI. ACTIVELY ATTENDING TRAINING TO IMPROVE THE ABILITY TO PERFORM DUTIES

During the reporting period, Directors continuously improved capability to perform duties. Apart from self-learning, they participated in trainings held by various regulatory departments.

In 2016, certain Directors attended the "2016 Training Programs for Newly Appointed Directors, Supervisors and Senior Managers" organized by the CIRC, the second session of 2016 subsequent training for Independent Directors of listed companies organized by the SSE and lectures jointly organized by the SSE and the Hong Kong Stock Exchange. In addition, all Directors and Supervisors attended online study organized by the CIRC, and studied new laws, regulations and regulatory rules issued by the regulatory authorities promptly through other channels to ensure that better performance could be provided.

VII. WON MULTIPLE AWARDS AND HIGH RECOGNITION OF THE CORPORATE GOVERNANCE

In 2016, the regulatory authorities and capital market highly recognized the Company's excellent performance in corporate governance regarding effective operation of the Board. The Company was honored with the following domestic and overseas awards: "the Corporate Governance, Social Responsibility and Investor Relationship Excellence Platinum Awards" at the Asset Corporate Awards for 2016 organized by the Asset; "Best Listed Company" and the "Best Secretary to the Board/Company Secretary" at the China Financial Market Listed Companies Awards for 2015 organized by the famous financial magazine, China Financial Market; the "Best Investor Relationship Management" at the China Securities Golden Bauhinia Awards organized by the Ta Kung Pao; and the "Excellence in Information Disclosure for 2015–2016" in the election organized by the Shanghai Stock Exchange. These awards adequately reflected the high recognition of domestic and overseas capital markets on the Company with regard to the achievements in the corporate governance such as operation of the Board, investor relationship and information disclosure.

In 2016, all of the Independent Directors performed their duties faithfully, diligently, independently, strictly in accordance with the requirements of the Company Law of the PRC, the Interim Measures in relation to Independent Directors of Insurance Companies promulgated by the CIRC, the Guidance on the Establishment of Independent Directors System in Listed Companies promulgated by the China Securities Regulatory Commission, the Shanghai Listing Rules promulgated by SSE, the Corporate Governance Code promulgated by Hong Kong Stock Exchange and other relevant laws, rules and regulations, as well as the Articles of Association, the terms of reference for Independent Directors of the Company and other internal regulations, and through attending on schedule the regular and temporary Board meetings and meetings of the special committees and the general meetings, and carefully considering and objectively expressing independent opinions on resolutions of the Board to protect the interests of the Company, insurants and minority Shareholders. The report on the performance of the Independent Directors in 2016 is set out below:

I. BASIC INFORMATION OF INDEPENDENT DIRECTORS

The Board of Directors of the Company currently consists of a total of 14 Directors, among them five are Independent Directors, all of whom are professionals in finance, auditing and law and have required expertise and capabilities which enable them to perform their duties. The basic information of the Independent Directors are as follows:

Mr. BAI Wei is currently an Independent Non-executive Director of the Company and partner and lawyer of Jingtian & Gongcheng. Mr. Bai also serves as an independent non-executive director of Ningxia Orient Tantalum Industry Co., Ltd., a company listed on Shenzhen Stock Exchange (stock code: 000962). Mr. Bai previously worked as a lawyer at Global Law Office in China and Sullivan & Cromwell LLP, and independent non-executive director of Huatai Securities Co., Ltd., a company listed on the SSE (stock code: 601688) and the Hong Kong Stock Exchange (stock code: 06886). Mr. Bai has a master's degree and is admitted to practice law in the PRC and New York, USA.

Mr. LEE Ka Sze, Carmelo, is currently an Independent Non-executive Director of the Company, a senior partner of Messrs. Woo, Kwan, Lee and Lo of Hong Kong, and a member of the Hong Kong Securities and Futures Commission (the Hong Kong Stock Exchange Listing) Committee, convenor of the Financial Reporting Review Panel of the Financial Reporting Council in Hong Kong, member of the Campaign Committee of the Community Chest of Hong Kong and the co-chairman of the Community Chest Corporate Challenge Half Marathon. Currently, Mr. Lee also serves as non-executive director of the following companies listed on the Hong Kong Stock Exchange: Hopewell Holdings Limited (stock code: 00054), CSPC Pharmaceutical Group Limited (stock code: 01093), Yugang International Limited (stock code: 00613), Safety Godown Company Limited (stock code: 00237), Trembray Industries International (Holdings) Limited (stock code: 00093), and as independent non-executive director of the following companies listed on the Hong Kong Stock Exchange: KWG Property Holding Limited (stock code: 01813) and Esprit Holdings

Limited (stock code: 00330). Mr. Lee previously served as deputy chairman and chairman of the Listing Committee of the Hong Kong Stock Exchange, member of Dual Filing Advisory Group of the Hong Kong Securities and Futures Commission, and member of the Disciplinary Panel of the Hong Kong Institute of Certified Public Accountants, non-executive director of Y. T. Realty Group Limited (stock code: 00075) and The Cross-Harbour (Holdings) Limited (stock code: 00032), both companies listed on the Hong Kong Stock Exchange, and independent non-executive director of Ping An Insurance (Group) Company of China, Ltd., a company listed on the SSE (stock code: 601318) and SEHK (stock code: 02318). Mr. Lee holds a bachelor's degree in laws and is a solicitor qualified in Hong Kong, England and Wales, Singapore and Australian Capital Territory, Australia.

Mr. LAM Chi Kuen is currently an Independent Non-executive Director of the Company. Currently, Mr. Lam also serves as independent non-executive director of Luks Group (Vietnam Holdings) Company Limited, a company listed on the Hong Kong Stock Exchange (stock code: 00366). Mr. Lam was the senior consultant and partner of Ernst & Young and independent director of Leo Paper Group (Hong Kong) Co., Ltd.. Mr. Lam holds a higher diploma in accounting and is a member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Mr. ZHOU Zhonghui is currently an Independent Non-executive Director of the Company, executive council member of the China Association of Chief Financial Officers, and member of the Advisory Committee of the China Appraisal Society. Currently Mr. Zhou also serves as independent non-executive director of Juneyao Airlines Co., Ltd., a company listed on the SSE (stock code: 603885), and independent non-executive director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd., a company listed on the Hong Kong Stock Exchange (stock code: 01349), and independent non-executive director of S.F. Holding Co., Ltd., (stock code: 002352, formerly known as Maanshan Dingtai Rare Earth & New Materials Co., Ltd.), a company listed on the Shenzhen Stock Exchange, respectively. Mr. Zhou was formerly lecturer, associate professor and professor of Shanghai University of Finance and Economics, Chief Financial Officer of Xinlong Hong Kong Co., Ltd., general manager and the chief accountant of PricewaterhouseCoopers Zhong Tian LLP, senior partner of the PricewaterhouseCoopers, chief accountant of the China Securities Regulatory Commission, a member of the International Advisory Committee of China Securities Regulatory Commission, member of the Audit Regulation Committee of Chinese Institution of Certified Public Accountant and independent non-executive director of BesTV New Media Co., Ltd., a company listed on the SSE (stock code: 600637). Mr. Zhou received postgraduate education and has a doctorate degree, and is a Chinese Certified Public Accountant.

Mr. GAO Shanwen is currently an Independent Non-executive Director of the Company and the chief economist of Essence Securities Co., Ltd.. Mr. Gao once served as the chief economist with Everbright Securities Co., Ltd. His previous stints include the Financial Institute of the State Council Development Research Center and the Administration Department of the People's Bank of China. Mr. Gao also served as an independent non-executive director of Sunshine Insurance Group Co., Ltd.. Mr. Gao is a postgraduate with a doctorate degree.

II. PERFORMANCE OF INDEPENDENT DIRECTORS FOR THE YEAR 2016

i. Attendance of Meetings

1. *The General Meeting*

In 2016, the Company held one general meeting. The Independent Directors all attended in person. Details are as follows:

| Name of Independent Director | No. of Shareholders' general meetings attended during the year | Attendance | Attendance | Absence |
|------------------------------|--|------------------------------------|-----------------------------------|---------|
| | | in person <i>(no. of times)</i> | by proxy <i>(no. of times)</i> | |
| BAI Wei | 1 | 1 | 0 | 0 |
| LEE Ka Sze, Carmelo | 1 | 1 | 0 | 0 |
| LAM Chi Kuen | 1 | 1 | 0 | 0 |
| ZHOU Zhonghui | 1 | 1 | 0 | 0 |
| GAO Shanwen | 1 | 1 | 0 | 0 |

2. *The Board Meetings*

In 2016, the Company held a total of six Board meetings. The Independent Directors all attended in person. Details are as follows:

| Name of Independent Director | No. of Board meetings attended during the year | Attendance | Attendance | Absence | Note |
|------------------------------|--|------------------------------------|-----------------------------------|-----------------------|------|
| | | in person <i>(no. of times)</i> | by proxy <i>(no. of times)</i> | <i>(no. of times)</i> | |
| BAI Wei | 6 | 6 | 0 | 0 | |
| LEE Ka Sze, Carmelo | 6 | 6 | 0 | 0 | |
| LAM Chi Kuen | 6 | 6 | 0 | 0 | |
| ZHOU Zhonghui | 6 | 6 | 0 | 0 | |
| GAO Shanwen | 6 | 6 | 0 | 0 | |

3. Meetings of the Special Committees

In 2016, the Company held a total of 22 meetings of the special committees. The Independent Directors all attended in person. Details are as follows:

| Name of Independent Director | The Strategic Development and Investment Committee (no. of times to attend and no. times attended) | The Audit Committee (no. of times to attend and no. times attended) | The Nomination and Remuneration Committee (no. of times to attend and no. times attended) | The Risk Management Committee (no. of times to attend and no. times attended) |
|-------------------------------------|---|--|--|--|
| BAI Wei | / | / | 3/3 | / |
| LEE Ka Sze, Carmelo | / | / | 3/3 | / |
| LAM Chi Kuen | / | 7/7 | / | 5/5 |
| ZHOU Zhonghui | / | 7/7 | / | / |
| GAO Shanwen | 5/5 | / | 3/3 | / |

(II) Expression of Opinions

The Board meetings and general meetings of the Company in 2016 were held in conformity with legal procedures. Material operational decisions were made in accordance with the required procedures and in compliance with the laws and regulations, and the Articles of Association. All of the Independent Directors voted for the resolutions with full understanding of all the matters considered by the Board of Directors during 2016 after thorough discussions and prudent consideration of such matters. The Independent Directors did not raise any objection to the resolutions of the Board of Directors and relevant matters. Meanwhile, all of the Independent Directors, who possess the necessary professional knowledge and experience, put forward various constructive opinions and recommendations regarding the strategic transformation, corporate governance, financial management, appointment of senior management, internal control and risk compliance of the Company based on their own professional expertise and practical experience on the Board meetings and meetings of the Board committees in 2016. The management of the Company was able to provide responses and to implement relevant opinions, proposals and questions of the Independent Directors. No Independent Director was prevented from expressing his opinion and no opinion raised was rejected by the Company.

(III) Participation in the work on annual report

In accordance with the regulatory requirements and requirements on annual reports as set out in the terms of reference for Independent Directors, the Independent Directors of the Company participated in the work related to the preparation of the annual report of the Company and duly performed their duties for the auditing of the annual report for 2016. In particular, they attended annual report discussion meetings, considered the proposal for the annual report of the Company, maintained timely and thorough communication on audit progress and arrangements, audit results and audit opinion regarding the annual financial report with the accounting firm for the annual audit, supervised the progress of the audit, received the reporting by the management of the Company on its results of operation for the year and the progress of significant events, which helped the audit of annual reports being carried out legally and in compliance with relevant rules and regulations.

(IV) Performance of duties with due diligence and better understanding of the operation of the Company through various channels

In 2016, Independent Directors performed their duties with due diligence and proactively kept abreast of the operations and management of the Company through various channels:

1. Attending Board meetings and Board committee meetings in person to receive the report on the results of operation and management by the management. In 2016, the Independent Directors received the report on the results of operation on the regular Board meetings as well as periodic special reports with a focus on major issues relating to the implementation of strategies. Concerning the continuous optimization of comprehensive cost rate of property insurance, they required the elimination of inferior businesses, strengthened quality control on businesses and realization of underwriting profit. Also, they called for a faster development of the new channels for the motor insurance business and raise its proportion. Furthermore, focusing on the issues regarding main asset allocation, they demanded for reinforced analysis of the attributions to the investment performance, encouraged the clients to improve their capabilities on main asset allocation and enhanced the capabilities on the selection of trustees and management. These efforts effectively facilitated the establishment of a problem-solving work mechanism of the management.
2. Conducting field study and on-site inspection. On 29 April 2016, the Independent Directors conducted on-site inspection on and received the report on transformation of CPIC P/C and CIPC Life Jiangxi Branch to understand the actual implementation progress of transformation. Also, they observed the demonstration of application of new technologies to the basic level of transformation, and visited the joint outlet of CPIC P/C and CIPC Life Jiangxi Branch. In addition, certain Independent Directors deepened their understanding of the operating results and risk management of the Company through attending the annual audit meetings, inspections of functional departments and other means.

3. Studying the monthly financial statements, monthly brief reports for Directors and Supervisors, monthly audit reports, capital market newsletters, internal press and information published by the Company, and other information and data about operations and management released from time to time, to fully understand the operations and management of the Company, and, as deemed necessary, communicating with the management on the issues regarding operations of their concerns.

Independent Directors were in the opinion that they were able to fully understand the operations of the Company through various channels with effective communication in a timely manner.

III. MAJOR ISSUES REGARDING THE DUTY PERFORMANCE OF INDEPENDENT DIRECTORS FOR THE YEAR

On the basis of full understanding of the Company, the Independent Directors performed their duties with due diligence in an objective and prudent manner. They focused on the following major issues regarding the duty performance and expressed independent opinions on certain major issues of their concerns in accordance with relevant requirements:

In 2016, all Independent Directors attended Board meetings in a timely manner in order to understand the operations and management of the Company. The Independent Directors conducted investigation and obtained information necessary for making decisions and made independent and clear judgment on and expressed independent opinions in favour of matters including periodic reports, changes in significant accounting estimation, profit distribution, appointment and dismissal of senior management and remuneration and performance assessment of senior management of the Company.

In 2016, there is no external guarantee or misappropriation of funds of the Company. The use of proceeds was consistent with such usages as resolved and approved by the Shareholders' general meetings and the Board. The proceeds were used to replenish the working capital of the Company to support business growth.

On 25 March 2016, the Resolution on the Contemplated Routine Related Party Transactions in respect of Funds Utilization of China Pacific Insurance (Group) Co., Ltd. and the resolution in relation to related party transactions under the Resolution on the Subscription of the Assembled Funds Trust Plan from Related Parties by Changjiang Pension Insurance Co., Ltd., a controlled subsidiary of China Pacific Insurance (Group) Co., Ltd., were considered and approved on the 12th meeting of the seventh session of the Board of Directors of the Company. On 25 July 2016, the Resolution on Capital Increase of Pacific Asset Management Co., Ltd. and the resolution in relation to related party transactions under the signing of the Management Transaction Framework Agreement were considered and approved on the first extraordinary meeting of the Board of Directors of the Company for 2016. The Independent Directors expressed independent opinions in favour of each of the above resolutions.

In 2016, an announcement on estimated increase in annual results and an announcement on estimated decrease in half-yearly results were issued by the Company. Prior to the announcements were made, the Company reported to the Board and Independent Directors the financial results of the Company and the proposed announcements. All Independent Directors expressed their opinion in favor of the issuance of the announcements. The Independent Directors were of the view that the Company timely made announcements on preliminary results in strict accordance with the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and other requirements, the information disclosed is true, accurate and complete, and there are no false representations and misleading statements contained in, or material omissions from such announcements.

In 2016, the Company continued to appoint PricewaterhouseCoopers Zhong Tian LLP as the auditor of the Company for 2016 and PricewaterhouseCoopers as the auditor of financial statements under Hong Kong Financial Reporting Standards (“HKFRSs”) of the Company for 2016. The Independent Directors are of the view that the appointment of the aforesaid accounting firms met the Company’s requirements for auditing work. The decision-making procedures for such appointments were in compliance with the requirements of the relevant laws, regulations and the Articles of Association, without prejudicing the rights and interests of the Company and its Shareholders. The Independent Directors expressed independent opinions in favour of such appointments.

In 2016, the Company is committed to establishing a sound internal control system in order to provide reasonable assurance of the achievement of internal control objectives, including the legal compliance of our operation and management, assets security and reliability, truthfulness and completeness of financial reports and related information, improvement of operation efficiency and implementation of development strategies for the sustainable development of the Company. The Company has conducted self-assessment of internal control as of 31 December 2016 and an audit report was issued by the auditor. The Independent Directors are of the view that the Company has established a sound, scientific, standardized and effective internal control system. The acts of the Company regarding corporate governance, business operations, financial management, decision-making on significant events and other aspects were conducted in compliance with the internal control requirements of the Company. The internal control system of the Company was effectively implemented.

IV. OVERALL EVALUATION AND RECOMMENDATION

All of the Independent Directors are of the view that, during 2016, the Board has duly performed their functions and duties under the laws and regulations, and the provisions under the Articles of Association. Due to its effectiveness and high standards, the Board effectively plays a central role in the Company's decision-making. The Board meetings and meetings of the Board committees of the Company in 2016 were held and made resolutions in conformity with legal procedures. Material decisions were made in accordance with the required procedures and in compliance with the laws, regulations and the Articles of Association. The Board and the Board committees were in effective operation. Meanwhile, in view of the challenging internal and external environments, under the leadership of the Board, the management of the Company basically completed the major business objectives and tasks determined by the Board of the Company for the year.

All of the Independent Directors are of the view that, during 2016, they have duly performed their functions and duties, and fulfilled their obligations to acting with integrity and diligence pursuant to the laws and regulations, and the provisions under the Articles of Association. They actively attended Board meetings and meetings of the Board committees and participated independently and objectively in the decision-making of the Company on significant issues. In particular, they were concerned about the legal rights of the minority Shareholders. All of the Independent Directors made objective and impartial judgments on the issues to be resolved by the Board. They also performed due diligence reviews on the appointment, removal, and performance appraisal of Directors and senior management, and any other issues which might significantly affect the interests of insured parties and the minority Shareholders. This helped promote the scientificity and objectivity of the Board's decisions, and helped maintain the sustainable, healthy and stable growth of the Company.

In 2017, the Independent Directors will continue to perform their duties faithfully and diligently to play an active role as independent directors in safeguarding the interests of the Company as a whole and the legitimate interests of all Shareholders and promoting the healthy and sustainable development of the Company.

In 2016, under the proper guidance of the shareholder's meeting and the support and cooperation of the Board and management, the Board of Supervisors discharged their duties as stipulated by relevant laws and regulations and the Articles of Association. Based on two fundamental principles of promoting the Company's development and safeguarding Shareholders' interests, the Board of Supervisors carried out effective supervision in respect of the strategic development, financial position, internal control and risk management of the Company and fully performed its duty of supervision. The performance of duties of the Supervisors and the major work report of the Board of Supervisors in 2016 are as follows:

I. NORMATIVELY OPERATING THE SUPERVISORY BOARD AND ORDERLY ORGANIZING AND PARTICIPATING IN MEETINGS

(I) The meetings of the Board of Supervisors were held at appropriate times to enable sufficient performance of the duties of the Board of Supervisors.

The Board of Supervisors held four meetings in 2016 (please see the announcements published on the websites of Shanghai Stock Exchange and the Company for details), and considered 24 resolutions and received 16 reports: on 25 March 2016, at the 12th meeting of the seventh session of the Board of Supervisors in Shanghai, the Board of Supervisors considered and approved several resolutions including the Resolution relating to the Report of the Board of Supervisors for 2015 of China Pacific Insurance (Group) Co., Ltd.; on 29 April 2016, at the 13th meeting of the seventh session of the Board of Supervisors in Nanchang, the Board of Supervisors considered and approved, among the others, the Resolution relating to the 2016 1st Quarterly Report of China Pacific Insurance (Group) Co., Ltd.; on 26 August 2016, at the 14th meeting of the seventh session of the Board of Supervisors in Shanghai, the Board of Supervisors considered and approved, among others, the resolution relating to the summary and full versions of the 2016 Interim Report on the A Shares of China Pacific Insurance (Group) Co., Ltd.; on 28 October 2016, at the 15th meeting of the seventh session of the Board of Supervisors in Shanghai, the Board of Supervisors considered and approved resolutions including the resolution relating to the 2016 3rd Quarterly Report of China Pacific Insurance (Group) Co., Ltd.

APPENDIX IV REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2016

(II) Supervisors attended the meetings of the Board of Supervisors on time and fully expressed their opinions to perform their duties as Supervisors.

In 2016, the attendance of Supervisors in the meetings of the Board of Supervisors is as follows:

| Name of Supervisors | No. of meetings requiring attendance | Attendance | | Absence (no. of times) | Remarks |
|---------------------|--------------------------------------|--------------------------|-------------------------|------------------------|--|
| | | in person (no. of times) | by proxy (no. of times) | | |
| DAI Zhihao | 4 | 4 | 0 | 0 | |
| LIN Lichun | 4 | 4 | 0 | 0 | |
| SONG Junxiang | 4 | 0 | 4 | 0 | Absent from the 12th, 13th, 14th and 15th meetings of the seventh session of the Board of Supervisors due to business reasons and YUAN Songwen, a Supervisor, was appointed as his proxy to attend and vote at the meetings on his behalf. |
| YUAN Songwen | 4 | 4 | 0 | 0 | |
| ZHANG Xinmei | 4 | 3 | 1 | 0 | Absent from the 14th meeting of the seventh session of the Board of Supervisors due to business reasons and DAI Zhihao, a Supervisor, was appointed as her proxy to attend and vote at the meeting on her behalf. |

All Supervisors voted in favor of the resolutions on the basis of full expression of opinions.

(III) Attending general meetings and sitting in relevant meetings to strengthen the supervision on the Board of Directors and the management of the Company

In 2016, members of the Board of Supervisors attended the general meetings of the Company and actively took part in the decision-making process of the Board by attending Board meetings. They listened to the discussion and review of the resolutions proposed during the meetings and provided independent suggestions and advice, playing an active role in supervising the decision-making process and the performance of duties by the Board of Directors. The Board of Supervisors is of the view that the procedures of the general meetings and the Board meetings of the Company were in compliance with regulations, and the matters considered and resolutions made thereat were legitimate and valid. The Board of Supervisors supervised and assessed the annual performance of Directors and senior managements through data, material review, site visit, inspections and other ways. No conduct was found to have breached any laws, regulations or the Articles of Association or damaged the interests of the Company and its Shareholders. The Board of Supervisors is of the view that the Directors performed their duties with due diligence and the senior management members of the Company were devoted to their duties.

II. SUPERVISORS PERFORMING DUTIES WITH DUE DILIGENCE BY PAYING CLOSE ATTENTION TO MAJOR ISSUES AND RISK MANAGEMENT

(I) Receiving special reports with a focus on major issues relating to the implementation of strategies

In 2016, the Supervisors received various special reports of the Company's management with a focus on major issues relating to the implementation of strategies. Concerning the continuous optimization of comprehensive cost rate of property insurance, they required the elimination of inferior businesses, strengthened quality control on businesses and realization of underwriting profit. Also, they called for a faster development of the new channels for the motor insurance business and raise the respective proportion. Furthermore, focusing on the issues regarding main asset allocation, they demanded for reinforced analysis of the attributions to the investment performance, encouraged clients to improve their capabilities on main asset allocation and enhanced the capabilities on the selection and management of trustees. These efforts effectively facilitated the establishment of a problem-solving work mechanism of the management.

(II) Participating in on-site inspection to understand the actual operations and management of the Company

In 2016, the Supervisors conducted on-site inspection on and received the report on transformation of CPIC P/C and CIPC Life Jiangxi Branch to understand the actual implementation progress of transformation. Also, they observed the demonstration of application of new technologies to the basic level of transformation, and visited the joint outlet of CPIC P/C and CIPC Life Jiangxi Branch. In addition, certain Supervisors deepened their understanding of the operating results and risk management of the Company through attending the annual audit meetings, inspections of functional departments and other means.

(III) Strengthening financial supervision and safeguarding Shareholders' interests

In 2016, the Board of Supervisors reviewed resolutions including those concerning periodic reports and profit distribution, and paid special attention to activities that had major cash flow consequences, changes in accounting, accounting items which had a significant impact on the results of operations as well as matters which had a significant impact on Shareholders' equity. Moreover, the Board of Supervisors supervised the preparation and review procedures as well as content and format of reports in respect of their truthfulness, accuracy and completeness, while keeping track of the Company's financial conditions in a timely manner through regular review of its financial reports such as monthly operation indicators and quarterly integrated operation analysis reports. The Board of Supervisors duly performed its duties of financial supervision and safeguarded the legitimate interests of Shareholders, particularly the retail investors.

The Board of Supervisors had also expressed its opinions on the Company's appointment of auditors. It commented favorably on the overall performance of the auditors and agreed to continue to appoint PricewaterhouseCoopers Zhong Tian LLP as the auditor of the Company for 2016 and PricewaterhouseCoopers as the auditor of financial statements under HKFRSs of the Company for 2016.

(IV) Strengthening internal control supervision and optimising risk management system

The Board of Supervisors regularly reviews the report of the Company on works of strengthening internal control and risk management, and continuously supervises the Board and the management to build and implement comprehensive internal control and risk management mechanism.

In 2016, under the supervision of the Board of Supervisors and based on a problem-oriented approach combining with the major work on internal control of the Company, the audit center of the Company reinforced the efforts of audit on key areas, key segments and significant processes with full coverage, which focused on the major regulatory concerns, the key points on strategic management and the business development of the Company and targeted at the major concerns of the Board, the Board of Supervisors and the management. The outcome of rectification was evaluated by subsequent audits for effective audit results. Meanwhile, the audit center has pushed forward the establishment of the internal control system and mechanism, and developed the scope and depth of work for a system and mechanism which covered the entire area horizontally and vertically. The Board of Supervisors is of the view that the Company has maintained an effective internal control system in all material respects.

Meanwhile, in compliance with the requirements under China Risk Oriented Solvency System (“C-ROSS”), the Company further improved its risk management system and group management, and reinforced its major risk management. The Company defined its overall risk appetite framework under C-ROSS, set the risk functional limits, revised and optimized the risk management system, and promoted and completed the continuous improvement project on the risk enforcement information system. In response to the CIRC’s call for “enhancing internal control, strengthening external supervision, curbing irregularities and crimes”, the Company spared no efforts to crack down upon illicit business practice and crimes and effectively mitigated the compliance risk. The Company has kept a close eye on the governance of irregularities to safeguard positive compliance management indicators. The Board of Supervisors is of the view that the risk management system of the Company was in effective operation.

III. ACTIVELY PARTICIPATING IN TRAININGS AND IMPROVING THE PERFORMANCE OF SUPERVISORS

The Board of Supervisors actively participated in trainings organized by the Company and trainings organized by regulatory institutions. In 2016, some Supervisors attended 2016 phase 2 of the training program for directors and supervisors of listed companies in Shanghai sponsored by CSRC’s Shanghai branch, while some Supervisors attended a training program for newly appointed directors, supervisors and senior managers for 2016 by the CIRC. In addition, all Supervisors of the Company also learnt the latest laws, regulations and regulatory rules issued by regulatory authorities through online learning organized by the CIRC and other ways. By knowing those relevant laws and regulations and regulatory updates of the regulatory authorities in time, each Supervisor could assure to improve their performance of duties.

IV. FOCUSING ON THE KEY PERFORMANCE OF THEIR DUTIES AND PROVIDING INDEPENDENT ADVICE AND SUGGESTIONS**(I) The Company's Operational Compliance**

The Board of Supervisors is of the opinion that during the reporting period, the Company maintained legally compliant operations and the Company's operational activities complied with regulatory requirements including those of the Company Law and the Articles of Association. The corporate governance structure was further improved. The decision-making procedures of the Board of Directors and the management were legal and valid, and the Directors and senior management were faithful and diligent in the process of operating and managing the Company. No conduct was found to have breached any laws or regulations or damaged the interests of Shareholders.

(II) Truthfulness of the Financial Statements

The financial statements of the Company for the year were audited by PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers, based on their respective independent auditing standards, who issued the standard unqualified opinion of the auditors. The Board of Supervisors concluded that the Company had strictly complied with the relevant national laws and regulations and the requirements under the financial management policies and internal control policies of the Company in terms of financial conduct. The procedures for preparation of the financial report of the Company were in compliance with laws and regulations. The audit report for year 2016 with standard unqualified opinion audited and issued by the accounting firm gave an objective, fair and true view of the financial position and operating results of the Company.

(III) Consistent Use of Proceeds from the Fund Raising according to the Grant

During the reporting period, the proceeds of the fund raising had been used by the Company to enrich the capital base to support sustainable business development, which was consistent with the use granted by the resolutions of the general meetings and the Board of Directors of the Company.

(IV) During the Reporting Period, the Company made no Major Asset Acquisition or Major Disposal of Assets**(V) Fair and Reasonable Related Party Transactions**

During the reporting period, the Company's related party transactions were fair and reasonable. The procedures for consideration, voting and disclosure of related party transactions were in compliance with laws. No conduct was found to have damaged the interests of the Company and Shareholders.

(VI) No Objection to the Report on Internal Controls

During the reporting period, the Company established a relatively complete, reasonable and effective internal control system. The Board of Supervisors reviewed the Company's "Assessment Report on Internal Control" and raised no objection.

(VII) Effective Implementation of Resolutions Approved by Shareholders at the General Meeting

During the reporting period, the Board of Supervisors raised no objections to any of the reports and resolutions submitted by the Board of Directors for Shareholders' consideration at the general meetings and supervised the implementation of the resolutions approved by Shareholders at the general meetings. The Board of Supervisors is of the opinion that the Board of Directors is able to effectively implement the relevant resolutions approved by Shareholders at the general meetings.

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

In accordance with the requirements of the CIRC, the Company intended to make necessary amendments to the interim measures for the management of related party transactions. Details are set out as below:

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|-------------------------------------|---|--|--|
| 1 | Name of system | Interim Measures for the Management of Related Party Transactions of China Pacific Insurance (Group) Co., Ltd. | Measures for the Management of Related Party Transactions of China Pacific Insurance (Group) Co., Ltd. | |
| 2 | General Provisions Article 2 | <p>Article 2 Related party transactions shall be conducted in accordance with laws, regulations, national accounting systems and the requirements of the CIRC, and shall be consistent with the principles of compliance, integrity and equity.</p> <p>Related party transactions shall not deviate from the prices or charging rates of independent third parties on the market.</p> | <p>Article 2 Related party transactions shall be conducted in accordance with laws, regulations, national accounting systems and the requirements of the CIRC, and shall be consistent with the principles of compliance, integrity, fairness and equity.</p> <p>Related parties shall not exercise undue influence over the daily operation and business transactions of the Company by virtue of related party relationship, request the Company for the provision of capital or other material benefits without compensation or on apparently unfair terms nor conduct illegal exchange of interests by virtue of related party relationship.</p> <p>Related party transactions shall not deviate from the prices or charging rates of independent third parties on the market.</p> | Imposing more management requirements pursuant to the regulatory principles of the CIRC. |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|------------|--|-------------------------|--|---|
| 3 | <p>General Provisions</p> <p>Article 3</p> | | <p>Article 3 The Company shall put effort in establishing a long-term system for the management of related party transactions, and increasing the awareness of due performance and collaboration by institutions at different levels and different departments. The department in charge of related party transactions shall perform the duties of the first level in the management of related party transactions, which includes actively performing routine related party transactions management, such as identification, reporting and disclosure of such transactions.</p> <p>The compliance management department of the Company shall perform the duties of the second level in the management of related party transactions, which includes providing compliance support for the management of related party transactions, organizing, coordinating and supervising each department and business unit to commence various tasks regarding the compliance management of related party transactions.</p> <p>The internal audit department of the Company shall perform the duties of the third level in the management of related party transactions, which includes conducting independent audit on the management of related party transactions of the Company on a regular basis.</p> <p>The Company and each of its subsidiaries shall include the implementation of the management of related party transactions in the daily appraisal system in order to deploy more human resources and practically reinforce the professional performance of the relevant person in charge and shall continuously optimize the establishment of IT system to achieve the systematic management of related party transactions in a moderate manner.</p> | <p>Clarifying the duties of the three-level management of related party transactions and further enhancing the appraisal system and manpower support.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|---|---|---|---|
| 4 | <p>Definition of related parties</p> <p>Article 5</p> | <p>Article 4 Related parties in a shareholding relationship include:</p> <p>(1) Shareholders of the Company and its Chairman and general manager;</p> <p>(2) the legal person or other organizations jointly controlled, either directly or indirectly, by the Shareholders of the Company and its Chairman and general manager;</p> <p>(3) the controlling shareholders of the Shareholders of the Company and its Chairman and general manager;</p> <p>(4) the legal person or other organizations jointly controlled, either directly or indirectly, by the Company and its Chairman and general manager;</p> <p>(5) parties involving in one of the circumstances mentioned above in the past 12 months or in the next 12 months pursuant to relevant agreements and arrangements.</p> <p>The Shareholders of the Company stated under this article refer to the Shareholders hold or control, either directly, indirectly or jointly, over 5% of the Shares or voting rights of the Company.</p> | <p>Article 5 Related parties in a shareholding relationship include:</p> <p>(1) Shareholders of the Company and its Chairman and president;</p> <p>(2) the legal person or other organizations jointly controlled, either directly or indirectly, by the Shareholders of the Company and its Chairman and president;</p> <p>(3) the controlling shareholders of the Shareholders of the Company and its Chairman and president;</p> <p>(4) the legal person or other organizations jointly controlled, either directly or indirectly, by the Company and its Chairman and president;</p> <p>(5) parties involving in one of the circumstances mentioned above in the past 12 months or in the next 12 months pursuant to relevant agreements and arrangements.</p> <p>The Shareholders of the Company stated under this article refer to the Shareholders hold or control, either directly, indirectly or jointly, over 5% of the Shares or voting rights of the Company.</p> | <p>Aligning relevant presentations with those amendments to the Working Rules of the President.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|---|---|---|---|
| 5 | <p>Definition of related parties</p> <p>Article 8</p> | <p>Article 7 Parties who are only in the following relationships with the Company do not constitute related parties of the Company:</p> <p>(1) fund providers, public service departments, government departments and authorities having daily contact with the Company;</p> <p>(2) a single customer, supplier, franchisee, dealer, or agent that is economically dependent by maintaining a large volume of transactions with the Company;</p> <p>(3) the joint venturer who jointly control a joint venture with the Company;</p> <p>(4) the legal person as referred to in Article 4 (3) who is under common control with the Company by a state-owned assets administration institution, except for the case that the chairman, general manager or more than half of the directors of such legal person are concurrently serving as directors, supervisors or senior management of the Company;</p> <p>State-owned enterprises do not have related party relationship among each other due to their nature of common control by the State.</p> | <p>Article 8 Parties who are only in the following relationships with the Company do not constitute related parties of the Company:</p> <p>(1) fund providers, public service departments, government departments and authorities having daily contact with the Company;</p> <p>(2) a single customer, supplier, franchisee, dealer, or agent that is economically dependent by maintaining a large volume of transactions with the Company;</p> <p>(3) state-owned enterprises do not have related party relationship among each other due to their nature of common control by the State.</p> | <p>Deleting inconsistent contents according to the amendments to the Implementation Guidelines on Related Party Transactions by Listed Companies issued by the SSE.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|--|--|---|--|
| 6 | <p>The scope and pricing of related party transactions</p> <p>Article 9</p> | <p>Article 8 A related party transaction refers to the transfer of resources, labors or obligation among related parties, no matter whether consideration is made, and particularly includes the below transaction activities between the Company and those related parties:</p> <p>.....</p> <p>(2) sale and purchase, lease and endowment of fixed assets;</p> <p>.....</p> | <p>Article 9 A related party transaction refers to the transfer of resources, labors or obligation among related parties, no matter whether consideration is made, and particularly includes the below transaction activities between the Company and those related parties:</p> <p>.....</p> <p>(2) sale and purchase, lease and endowment of fixed assets and intangible assets;</p> <p>.....</p> | <p>Aligning the presentations with that as set out in the Notice of Relevant Issues on the Further Strengthening of the Disclosure of Information on Related Party Transactions by Insurance Companies (Baojianfa [2016] No. 52) (hereinafter referred to as the CIRC document 2016-52).</p> |
| 7 | <p>The scope and pricing of related party transactions</p> <p>Article 11</p> | <p>Article 10 A material related party transaction refers to:</p> <p>(1) a single transaction between the Company and a related party amounting to more than 1% of the net assets of the Company at the end of the previous year and exceeding RMB5 million or (subject to the review of the Board of Directors)</p> <p>(2) The accumulated transaction amount between the Company and a related party in an accounting year accounts for more than 10% of the net assets of the Company at the end of the previous year and exceeding RMB50 million. (subject to the review of the Board of Directors)</p> | <p>Article 11 A material related party transaction refers to:</p> <p>(1) a single transaction between the Company and a related party amounting to more than 1% of the net assets of the Company at the end of the previous year or exceeding RMB30 million; or</p> <p>(2) The accumulated transaction amount between the Company and a related party in an accounting year accounts for more than 5% of the net assets of the Company at the end of the previous year.</p> | <p>Revising the criteria of material related party transactions according to the amendments to the CIRC document 2016-52.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|--|---|--|--|
| 8 | Reporting by related parties Article 15 | Chapter 4 Management of related party transactions Section 1 Report of related party transactions Article 14 Directors, supervisors, senior management, Shareholders holding more than 5% of shares and its parties acting in concert, as well as de facto controllers shall timely submit to the Board of Directors a list of related parties of the Company and the explanation on the related party relationship (including but not limited to the fact, nature and degree of the related party transactions). For the related party relationship among Shareholders of the Company, the Shareholders concerned shall willingly report to the Board of Directors. | Chapter 4 Management of related party transactions Section 1 Reporting by related parties Article 15 Related parties including Directors, supervisors, senior management, Shareholders holding more than 5% of shares and its parties acting in concert, as well as de facto controllers shall timely submit to the Board of Directors a list of related parties of the Company and the explanation on the related party relationship. For the related party relationship among Shareholders of the Company, the Shareholders concerned shall willingly report to the Board of Directors. | Further adjusting the presentation in accordance with regulatory requirements. |
| 9 | Reporting by related parties Article 16 | | Article 16 The related party shall take the initiative in timely reporting the information on related parties and such reported information shall be true, complete and accurate. | Imposing greater responsibility on reporting by related parties. |
| 10 | | Article 15 Where there are related party transactions between the Company and related parties (being natural persons) with transaction amount of more than RMB0.3 million (except for those guaranteed by the Company) or there are related party transactions with related parties (being legal persons) with transaction amount of more than RMB3 million, and accounting for more than 0.5% of the absolute value of the latest audited net assets of the Company (except for the those guaranteed by the Company), the Company shall make timely disclosure in accordance with relevant requirements. | | |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|---|--|---|--|
| 11 | Internal inspection on related party transactions Article 18 | <p>Article 16 Material related party transactions shall be reported to the Board of Directors in a timely manner. The Board of Directors shall consider and approve such transactions with the authorization granted by the Shareholders' general meeting or submit the same to the Shareholders' general meeting for consideration and approval.</p> <p>Article 18 Material related party transactions of the Company are approved by the Board of Directors or the Shareholders' general meeting.</p> | <p>Article 18 Material related party transactions of the Company shall be approved by the Board of Directors or the Shareholders' general meeting. Material related party transactions shall be reported to the Board of Directors in a timely manner. The Board of Directors shall consider and approve such transactions in the manner as stipulated in the provisions of these measures or submit the same to the Shareholders' general meeting for consideration and approval.</p> | Further adjusting the presentation for the inclusion in the original Article 16. |
| 12 | Internal inspection on related party transactions Article 19 | <p>Article 19 The following related party transactions shall be approved by the Board of Directors:</p> <p>(1) A single transaction between the Company and a related party accounting for more than 5% and less than 5% of the net assets of the Company at the end of the previous year and exceeding RMB5 million; or</p> <p>(2) A transaction conducted between the Company and a related party in an accounting year with accumulated transaction amount accounting for more than 10% of the net assets of the Company at the end of the previous year and exceeding RMB50 million; or</p> <p>(3) Other related party transactions to be approved by the Board of Directors as required by relevant regulatory requirements or the Articles of Association.</p> | <p>Article 19 The following material related party transactions shall be approved by the Board of Directors:</p> <p>(1) A single transaction between the Company and a related party accounting for 1% or more than RMB30 million of the net assets of the Company at the end of the previous year and less than 5% of the net assets at the end of the previous year;</p> <p>(2) Material related party transactions between the Company and its subsidiaries and among the subsidiaries;</p> <p>(3) Other related party transactions to be approved by the Board of Directors as required by relevant regulatory requirements or these measures.</p> | Revising in accordance with the regulatory requirements as stipulated in the CIRC document 2015-36 and 2016-52, taking into consideration the actual condition of the Company. |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|--|--|---|---|
| 13 | <p>Internal inspection on related party transactions</p> <p>Article 20</p> | <p>Article 20 The following related party transactions shall be approved by the Shareholders' general meeting:</p> <p>(1) Related party transactions intended to be conducted between the Company and related parties with transaction amount of more than RMB30 million and accounting for more than 5% of the latest audited net asset value of the Company, or</p> <p>(2) guarantees provided to related parties;</p> <p>(3) Other related party transactions to be approved by the Shareholders' general meeting as required by relevant regulatory requirements or the Articles of Association.</p> <p>For related party transactions mentioned in Article 1 (1) above, the Company shall engage intermediaries, which are qualified to carry out securities and futures-related businesses, to conduct audit work or assessment for transaction targets before submission to the Shareholders' general meeting for consideration and approval.</p> | <p>Article 20 The following material related party transactions shall be approved by the Shareholders' general meeting:</p> <p>(1) A single or accumulated related party transaction between the Company and related parties with transaction amount of 5% or more than 5% of the net assets of the Company at the end of the previous year;</p> <p>(2) guarantees provided to related parties;</p> <p>(3) Other related party transactions to be approved by the Shareholders' general meeting as required by relevant regulatory requirements or the Articles of Association.</p> <p>For material related party transactions that need to be approved by the Shareholders' general meeting, the Company shall comply with relevant regulatory requirements to engage intermediaries to conduct audit work or assessment in advance.</p> <p>This article is not applicable to the material related party transactions between the Company and its subsidiaries or among the subsidiaries and such transactions shall be approved by the respective board of directors of each company instead.</p> | <p>Revising in accordance with the regulatory requirements as stipulated in the CIRC document 2015-36 and 2016-52, taking into consideration the actual condition of the Company.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|--|---|--|---|
| 14 | <p>Internal inspection on related party transactions</p> <p>Article 21</p> | <p>Article 21 In considering and approving related party transactions by the Board of Directors, related Directors shall abstain from voting. Such Board’s meeting can only be held with more than half of unrelated Directors attending, and the resolutions made at the Board’s meeting shall be passed by more than half of the votes of unrelated Directors. The resolutions of the Board of Directors shall provide the names of Directors who abstained from the voting, the reasons and status thereof. Where there are less than three unrelated Directors attending the Board’s meeting, such transactions shall be put forward to the Shareholders’ general meeting for consideration and approval.</p> <p>In considering and approving related party transactions by the Shareholders’ general meeting, related Shareholders shall not participate in voting, and such Shares with voting rights represented by them shall not be included in the total valid votes. The announcement regarding the resolutions passed at the Shareholders’ general meeting shall fully disclose the voting of unrelated Shareholders and the voting results of unrelated Shareholders and the abstaining of the related Shareholders.</p> | <p>Article 21 In considering and approving related party transactions by the Board of Directors, related Directors shall abstain from voting. The resolutions made at the Board’s meeting shall be passed by more than two thirds of the votes of unrelated Directors. The resolutions of the Board of Directors shall provide the names of Directors who abstained from the voting, the reasons and status thereof. Where there are less than three unrelated Directors attending the Board’s meeting, such transactions shall be put forward to the Shareholders’ general meeting for consideration and approval.</p> <p>In considering and approving related party transactions by the Shareholders’ general meeting, related Shareholders shall not participate in voting, and such Shares with voting rights represented by them shall not be included in the total valid votes. The announcement regarding the resolutions passed at the Shareholders’ general meeting shall fully disclose the voting of unrelated Shareholders and the voting results of unrelated Shareholders and the abstaining of the related Shareholders.</p> <p>Material related party transactions between insurance companies (having the position of independent director) and substantial Shareholders and their related parties shall obtain the unanimous consent from independent directors, while the substantial Shareholders shall provide written declaration on no illegal exchange of interests to the CIRC.</p> | <p>Revising by taking into consideration the requirements under the “Notice of Relevant Issues on the Further Standardization of Related Party Transactions by Insurance Companies” (Baojianfa [2015] No. 36) issued by the CIRC.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|--|--|--|--|
| | | <p>The approval procedure of related party transactions between the Company and its controlled subsidiaries and among controlled subsidiaries may not need to apply the previous two clauses.</p> <p>The related Directors and related Shareholders mentioned in this article refer to a party to the transaction or a Director and Shareholder who may affect the fairness of a transaction in the consideration and approval on the related party transaction.</p> | <p>The material related party transactions between the Company and its subsidiaries and among subsidiaries may not need to apply the previous three clauses.</p> <p>The related Directors and related Shareholders mentioned in this article refer to a party to the transaction or a Director and Shareholder who may affect the fairness of a transaction in the consideration and approval on the related party transaction.</p> | |
| 15 | <p>Internal inspection on related party transactions</p> <p>Article 22</p> | <p>Article 22 The routine related party transactions shall be managed by the general manager. The general manager may delegate related personnel or department to manage the daily operation of related party transactions.</p> | <p>Article 22 The routine related party transactions shall be managed by the president. The president may delegate related personnel or department to manage the daily operation of related party transactions.</p> | <p>Aligning relevant presentations with those amendments to the Working Rules of the President.</p> |
| 16 | <p>Internal inspection on related party transactions</p> <p>Article 23</p> | <p>Article 23 General related party transactions shall be considered and approved or reported to the Board of Directors by the general manager or its delegated personnel according to the requirements set out in these interim measures.</p> | <p>Article 23 General related party transactions shall be considered and approved or reported to the Board of Directors by the president or its delegated personnel according to the requirements set out in these interim measures.</p> | <p>Aligning relevant presentations with those amendments to the Working Rules of the President.</p> |
| 17 | <p>Internal inspection on related party transactions</p> <p>Article 24</p> | <p>Article 24 If there are any circumstances as described in Article 15 (related parties (being natural persons)), Article 20 (submission to the Shareholders’ general meeting) or Article 26 (routine related party transactions), Independent Directors shall confirm before the transaction and submit to the Board of Directors for discussion. Independent Directors shall express written opinion regarding the related party transactions as stipulated in this Article.</p> | <p>Article 24 Pursuant to the regulatory requirements, Independent Directors shall confirm before the transaction and shall express written opinion in this regard.</p> | <p>Adjusting according to the prevailing regulatory requirements to achieve more flexible application.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|------------|---|--|---|--|
| 18 | Internal inspection on related party transactions Article 26 | <p>Article 26 Where the Company conducted the following routine related party transactions with its related parties, it shall also make disclosure and perform relevant procedure for approval in accordance with the listing rules of the stock exchange of the listing place:</p> <ul style="list-style-type: none"> (i) purchasing raw materials, fuels and energy; (ii) selling products or merchandises; (iii) providing or receiving labor services; (iv) commissioned or trusted sales. | <p>Article 26 Where the Company conducted the following routine related party transactions with its related parties, it shall also make disclosure and perform relevant procedure for approval in accordance with the listing rules of the stock exchange of the listing place:</p> <ul style="list-style-type: none"> (i) purchasing raw materials, fuels and energy; (ii) selling products or merchandises; (iii) providing or receiving labor services; (iv) commissioned or trusted sales; (v) making deposit with or borrowing loans from the financial company of related parties; (vi) joint investment with related parties. <p>The related party transactions between the Company and its subsidiaries and among subsidiaries may not need to apply this Article.</p> | Amending pursuant to the Listing Rules |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|------------|--|---|--|--|
| 19 | Information disclosure and reporting of related party transactions Article 29 | Chapter 4 Information disclosure on related party transactions Article 29 The Company shall disclose information on related party transactions pursuant to the Accounting Standards for Business Enterprises and related regulations in relation to information disclosure of insurance companies. Upon listing , the Company shall also comply with the regulations on information disclosure of related party transactions of the listing place and relevant securities regulators. | Chapter 4 Information disclosure and reporting of related party transactions Article 29 The Company shall disclose information on related party transactions pursuant to the Accounting Standards for Business Enterprises and related regulations in relation to information disclosure of insurance companies. The Company shall also comply with the regulations on information disclosure of related party transactions of the listing place and relevant securities regulators. | Further clarifying the relevant requirements on the reporting of related party transactions pursuant to the regulatory requirements. |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|---|--|--|--|
| 20 | <p>Information disclosure and reporting of related party transactions</p> <p>Article 30</p> | <p>Article 30 The material related party transactions between the Company and its controlled subsidiaries shall be reported to the CIRC within fifteen days after the occurrence of the transactions. The report shall include the following matters:</p> <ul style="list-style-type: none"> (i) transaction agreement; (ii) resolutions of the Shareholders’ general meeting or the Board of Directors; (iii) written opinion of Independent Directors; (iv) the pricing policies of the transaction and the reasons for the significant discrepancies between transaction price and market fair value; (v) reasons for the transaction and the effect of the transaction on the current and future financial condition as well as operating results of the Company; (vi) the sum of the accumulated amount of the related party transactions conducted with the relevant related party during the year; (vii) other information which are useful to describe the transaction. | <p>Article 30 For related party transactions which are required to be reported individually pursuant to regulatory requirements, the Company and each of its subsidiaries engaging in insurance business shall report such transactions to the CIRC within ten days after the occurrence of the transactions. The contents and format of the report shall be compiled according to the regulatory requirements.</p> <p>Other related party transactions which are required to be reported pursuant to the regulatory requirements shall be reported according to such regulatory requirements.</p> | <p>Adjusting according to the prevailing regulatory requirements to achieve more flexible application.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|-----|---|--|---|---|
| 21 | <p>Legal liabilities and penalty provisions</p> <p>Article 31</p> | | <p>Article 31 If the related parties of the Company fail to report the related party relationship in a prompt and timely manner, or there is any misstatement, inaccuracy or omissions in the reporting of related party relationship, and make damages to the Company, the Company reserves the right to hold the related parties liable for legal responsibilities.</p> | <p>Imposing greater responsibility on reporting by related parties.</p> |
| 22 | <p>Legal liabilities and penalty provisions</p> <p>Article 32</p> | <p>Article 32 For the Directors, senior management and other executives in charge and persons in charge who violate relevant requirements under these interim measures, the Company will impose punishments as required by the laws and regulations and the rules and policies of the Company accordingly.</p> | <p>Article 33 The Board of Directors of the Company shall assume the ultimate responsibility on the compliance of related party transactions. The secretary to the Board of Directors is the person in charge for information disclosure on related party transactions, and therefore shall be responsible for the faithfulness, accuracy, completeness and promptness of information disclosure on related party transactions of the Company, except for adequate evidence that proves that due diligence had been performed.</p> <p>For the Directors, senior management and other executives in charge and persons in charge who violate relevant requirements under these interim measures, the Company will impose punishments as required by the laws and regulations and the rules and policies of the Company accordingly.</p> | <p>Adjusting and adding contents pursuant to the CIRC document 2016-52.</p> |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|------------|--|--|--|---|
| 23 | Supplementary Provisions Article 34 | <p>Article 33 The management of related party transactions between the controlled subsidiaries of the Company and their related parties shall implement with reference to these interim measures.</p> <p>The following special regulations of the interim measures shall be applicable to the controlled subsidiaries of the Company:</p> <p>(i) these interim measures involve the classification standards of material related party transactions and each controlled subsidiaries shall implement the standards depending on their respective financial condition;</p> <p>(ii) each controlled subsidiary may not need to apply the operation procedure for Independent Directors as set out in these interim measures until they have established the position of Independent Directors;</p> <p>(iii) If the permission of approval on related party transactions is otherwise required in the articles of association of the controlled subsidiaries of the Company, the such articles of association shall prevail.</p> | <p>Article 34 The management of related party transactions between the subsidiaries of the Company and their related parties shall implement with reference to these interim measures.</p> <p>The following special regulations of the interim measures shall be applicable to the subsidiaries of the Company:</p> <p>(i) these interim measures involve the classification standards of material related party transactions, which shall be implemented by the subsidiaries depending on their respective financial condition;</p> <p>(ii) each subsidiary may not need to apply the operation procedure for Independent Directors as set out in these interim measures until they have established the position of Independent Directors.</p> | Amending according to the actual condition. |

APPENDIX V PROPOSED AMENDMENTS TO INTERIM MEASURES FOR THE MANAGEMENT OF RELATED PARTY TRANSACTIONS

| No. | Clause | Before amendment | After amendment | Basis for amendment |
|------------|--|---|---|--|
| 24 | Supplementary Provisions Article 35 | Article 35 In case of any other matters not mentioned in these interim measures, the national laws, regulations and regulatory requirements as well as the Articles of Association shall apply. In case of any contradiction with the laws, regulations and regulatory requirements to be promulgated by the State in the future or the Articles of Association as amended in a legal manner, the national laws, regulations, regulatory requirements and the Articles of Association shall prevail. | Article 36 In case of any other matters not mentioned in these interim measures, the national laws, regulations and regulatory requirements as well as the Articles of Association shall apply. In case of any contradiction with the laws, regulations and regulatory requirements to be promulgated by the State in the future or the Articles of Association as amended in a legal manner, the national laws, regulations, regulatory requirements or the Articles of Association shall prevail. | Adjusting the presentation according to the actual condition. |
| 25 | Supplementary Provisions Article 37 | Article 36 These interim measures shall be effective from the date of passing the resolution at the Shareholders' general meeting of the Company. The Shareholders' general meeting authorized the Board of Directors of the Company to amend these interim measures pursuant to the Articles of Association. | Article 37 These interim measures shall be effective from the date of passing the resolution at the Shareholders' general meeting of the Company. The Shareholders' general meeting authorized the Board of Directors of the Company to amend these measures pursuant to national laws, regulations and regulatory requirements or the Articles of Association. These measures shall be applicable to the Company and its subsidiaries. Where the management of related party transactions is otherwise required in the articles of association of each subsidiary of the Company, such articles of association shall prevail. Where the identification of related parties, the review and disclosure of related party transactions and other relevant matters is exceptionally required under the laws, regulations and other regulatory requirements, such requirements shall prevail. | Adding relevant contents according to the actual condition. |
| 26 | Supplementary Provisions Article 38 | Article 37 These interim measures shall be interpreted by the Board of Directors of the Company. The general manager may formulate implementation rules on top of these measures. | Article 38 These interim measures shall be interpreted by the Board of Directors of the Company. The president may formulate implementation rules on top of these measures. | Aligning relevant presentations with those amendments to the Working Rules of the President. |

In order to plan and promote various work in the new round plan of the Company during the period in a scientific manner, the Company prepared the 2017–2019 Development Plan for China Pacific Insurance (Group) Co., Ltd., the main content includes:

I. MARKET TREND FORECAST

In the coming three years, the situation of international economy will become more complicated, while balancing the global economy will be the crucial task. Characteristics of new normal for economic development will become more obvious. With the arrival of the digitalized new age, there were changes in the groups of Internet users. Connection and influences between China’s economy and global economy are increasingly reinforced, and international exchange and cooperation are continuously deepened.

With continuous moderate and high speed growth in the industry, diversified protection and the demand of financial management of clients grow rapidly. The government pays attention to the use of insurance mechanism for public service, which helps leverage better effects in quality improvement and efficiency enhancement of economy, protection of people’s livelihood and social governance in insurance industry. The demands of pension health insurance and the industry of related services are tremendous.

The insurance regulations insist on “insurance industry refers to protection, Insurance Regulatory Commission refers to regulations” to deepen the supply-side structural reform in the industry, implement three major strategies including risk prevention and control, serving the overall interests of the country as well as reform and development by stringently strengthening supervision.

II. TARGET OF STRATEGIES

In the coming three years, the Company will adhere to development requirements of “insurance refers to protection”, deepen supply-side structural reform of insurance, and supply innovative insurance products and services to prevent the financial risks. Among the three major targets of innovating digital experience, optimizing digital supply and sharing digital environment, the strategic measures of Digital CPIC are implemented. The Company will strengthen the strategic collaboration of the Group, will deepen the establishment of the shared collaboration mechanism of subsidiaries. The Company will proactively plan for the new layouts, and will achieve breakthroughs by seizing the opportunities in insurance in health, pension and agriculture. The Company is then created to be an insurance and financial service group with global vision, insight of the PRC and market leadership.

III. STRATEGIC MEASURES

(I) Implementing the strategies of Digital CPIC

With the targets of “innovating digital experience, optimizing digital supply and sharing digital environment”, starting from the user end, the Company builds three digital application products for C-end (clients), B-end (branch users) and E-end (internal employees) by elimination of hierarchy, intermediaries and administrative procedures for achieving innovation of business model and reformation of procedures, lowering the operating costs and continuously increasing the value of the Company.

(II) Strengthening the strategic collaboration

Under the comprehensive framework of “one CPIC”, the Company deepens the establishment of the shared collaboration mechanism of the subsidiaries, establishes the cross-company business linkage system among provincial and municipal governments and institutional clients, and promotes resources sharing among individual clients of the Group. Also, the Group boosts the integrated development of property insurance and Anxin Agricultural, and promotes the integration and sharing of resources in the areas of healthcare and elderly care among subsidiaries.

(III) Planning for innovation segments

The Company enhances its development in the expanded healthcare and elderly care fields to expand the business derived from insurance and accelerate the planning of the industry chain in the healthcare and elderly care segments; enhances the standard of value contribution by the asset management business segment and accelerates the deployment in the financial management field; and explores the new technologies and models in relation to the insurance industry, such as healthcare and medical care, internet of vehicles and blockchain.

(IV) Optimizing the strategic management and control

The Company strengthens strategic guidance and enhances the ability of strategic management. Also, the Company coordinates the deployment of financial resources and assists “digital CPIC” to establish “digital financial engineering and insurance actuarial”. The IT technical supply is upgraded to strengthen the operation management of the Group. Legal services are enhanced in line with business innovation, compliance and internal control are optimized in line with reform of procedures, and risk management is intellectualized in line with the development of digital tools. The Company prevents systematic risk, implements controls on major projects to manage and control major risks and specific risks of the Group. The Company consolidates the scope of audit and supervision based on such risks to cover all aspects. Moreover, the Company strengthens the support for branding, and creates an atmosphere of “everyone is responsible for building up the digital CPIC”, so as to build up the soft power of corporate culture.

(V) Reinforcing the support of talents

The Company further optimizes the “simple and efficient, flexible and agile” career system. The Company proactively promotes the reform of organizational structure, simplifies the management levels by flattening of hierarchy, and explores flexible and agile organizational model for lowering the cost and increasing efficiency, so as to safeguard the organization of “digital CPIC”. The Company establishes strategic talent deployment system and diversified human resources management system to create a career platform to further attract, nourish and retain talents, so as to provide effective support for the “digital CPIC” strategies.

The Company proposes to obtain Shareholders' approval for granting a general mandate to authorize the Board of Directors to determine if the Company shall allot, issue and deal with, A Shares and H Shares, separately or concurrently, according to market conditions and the needs of the Company, provided that the respective number of Shares shall not exceed 20% of each of the A Shares or H Shares of the Company in issue on the date of the passing of this special resolution. However, notwithstanding the granting of the general mandate to the Board of Directors, any issue of new A Shares would require another Shareholders' approval at a Shareholders' meeting in accordance with the relevant PRC laws and regulations.

- (1) Subject to paragraphs (3) and (4) below and pursuant to the Company Law of the People's Republic of China (the "**Company Law**") and the relevant regulatory stipulations (as amended from time to time) of the places where the Shares of the Company are listed, the Board of Directors shall be granted a general and unconditional mandate to exercise all the powers of the Company to allot, issue and deal with new Shares during the Relevant Period (as hereinafter defined) and to determine the terms and conditions for the allotment and issue of new Shares which include, without limitation, the following terms:
 - (a) the class and number of new Shares to be issued;
 - (b) the method of determining the issue price new Shares and/or the issue price (including the price range);
 - (c) the starting and closing dates for the issue;
 - (d) the class and number of the new shares to be issued to existing Shareholders; and
 - (e) the making or granting of offers, agreements and options which might require the exercise of such powers.
- (2) The approval in paragraph (1) shall authorize the Board of Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period.
- (3) The aggregate nominal amount of the new A Shares and new H Shares allotted, issued and dealt with conditionally or unconditionally (whether pursuant to an option or otherwise) by the Board of Directors pursuant to the approval in paragraph (1), other than the Shares issued pursuant to a Rights Issue (as hereinafter defined) or the rights to purchase the Shares of the Company under any option scheme or similar arrangement, shall not exceed 20% of each of the A Shares and H Shares of the Company in issue as at the date of passing this resolution.
- (4) In exercising the powers granted in paragraph (1), the Board of Directors must: (a) comply with the Company Law and the relevant regulatory stipulations (as amended from time to time) of the places where the Shares of the Company are listed; and (b) obtain approval from China Securities Regulatory Commission and other relevant PRC government departments.

- (5) For the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the 12-month period following the passing of this resolution; and
- (c) the revocation or variation of the mandate granted under this resolution by a special resolution of the Shareholders at a Shareholders’ general meeting.

“**Rights Issue**” means the allotment or issue of Shares in the Company or other securities which would or might require Shares to be allotted and issued pursuant to an offer made to all the Shareholders of the Company (excluding for such purpose any Shareholder who is resident in a place where such offer is not permitted under the law of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of Shares or such other equity securities.

- (6) The Board of Directors, subject to the approval of the relevant authorities of the PRC and in accordance with the Company Law, shall be authorized to increase the registered capital of the Company to the required amount upon the exercise of the powers pursuant to paragraph (1) above.
- (7) The Board of Directors shall be authorized to sign the necessary documents, complete the necessary formalities and take other necessary steps to complete the allotment, issue and listing of new Shares, provided that the same do not violate the relevant laws, administrative regulations and regulatory stipulations (as amended from time to time) of the places where the Shares of the Company are listed, and the Articles of Association.
- (8) Subject to the approval of the relevant PRC authorities, the Board of Directors shall be authorized to make amendments to the Articles of Association as appropriate and necessary after the completion of the allotment and issue of new Shares according to the method of the allotment and issue of new Shares by the Company, the type and number of new Shares to be allotted and issued by the Company, and the actual shareholding structure of the Company at the time of completion of the allotment and issue of new Shares, in order to reflect the changes in the Share capital structure and the registered capital of the Company pursuant to the exercise of this mandate.

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Pursuant to the latest regulations issued by the regulatory authorities and the actual circumstances of the Company, the Company has made necessary amendments to the existing Articles of Association (“**Proposed Amendments to the Articles**”) as follows:

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|--|-------------------------------------|---|
| Article 1 | <p>These Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China, the Insurance Law of the People’s Republic of China (the “Insurance Law”), the Special Provisions of the State Council on the Offshore Offering and Listing of Companies Limited By Shares (the “Special Provisions”), the Mandatory Provisions for the Articles of Association of Companies Listing Overseas and the Guidelines on the Articles of Association of Listed Companies prescribed by the China Securities Regulatory Commission (the “CSRC”), the Guiding Opinion on Standardizing the Corporate Governance Structure of Insurance Companies (For Trial Implementation) and the Opinion Concerning Standardizing the Articles of Association of Insurance Companies prescribed by the China Insurance Regulatory Commission (the “CIRC”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “HKSE”) (the “Listing Rules”) and other relevant laws and regulations for the purposes of protecting the legitimate rights and interests of the Company and its shareholders and creditors and regulating the organization and activities of the Company.</p> | Article 1 | <p>These Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China, the Insurance Law of the People’s Republic of China (the “Insurance Law”), <u>the Constitution of the Communist Party of China (the “Party Constitution”)</u>, the Special Provisions of the State Council on the Offshore Offering and Listing of Companies Limited By Shares (the “Special Provisions”), the Mandatory Provisions for the Articles of Association of Companies Listing Overseas and the Guidelines on the Articles of Association of Listed Companies prescribed by the China Securities Regulatory Commission (the “CSRC”), the Guiding Opinion on Standardizing the Corporate Governance Structure of Insurance Companies (For Trial Implementation) and the Opinion Concerning Standardizing the Articles of Association of Insurance Companies prescribed by the China Insurance Regulatory Commission (the “CIRC”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “HKSE”) (the “Listing Rules”) and other relevant laws and regulations for the purposes of protecting the legitimate rights and interests of the Company and its shareholders and creditors and regulating the organization and activities of the Company.</p> |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|-------------------------------------|---|---|
| | | <p><u>Article 8</u> (subsequent provisions to be renumbered in order)</p> | <p><u>The Company shall establish its leading party members’ group of the Communist Party of China (the “Leading Party Group”) and commence the activities of the Party as stipulated in the Company Law and the Party Constitution. The Company shall fulfill all necessary conditions to carry out the activities of the Leading Party Group.</u></p> <p><u>The Leading Party Group is an organic component of the corporate governance structure of the Company. The establishment, segregation of duties and works of the Leading Party Group shall be included in the management mechanism, management policies and work standards of the Company. The Company shall adhere to and optimize the leadership mechanism on cross-appointment, under which, eligible members of the Leading Party Group, the Board of Directors, the Supervisory Committee and the senior management may involve in cross-appointment. The Chairman of the Board shall concurrently serve as the secretary to the Leading Party Group.</u></p> |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|--|-------------------------------------|---|
| | | | <p><u>The Leading Party Group shall play its core political role and develop its core leadership function in the Company. In making decision for material issues of the Company, the Board of Directors shall first seek for the opinion of the Leading Party Group of the Company. For significant issues regarding operation and management, such as national macro-control, national development strategies and national security, the Board of Directors shall make decisions by making reference to the conclusion of the study and discussion of the Leading Party Group, which is considered to be important evidence for decision-making.</u></p> |
| Article 10 | <p>For the purposes hereof, the term “senior management” shall mean the executive directors, president, vice presidents, secretary to the board of directors, chief financial officer, chief actuary, professional directors or any other management personnel determined by the board of directors. Executive directors refer to directors, who, apart from serving as directors of the Company, also take up other operational and management positions, or whose salaries and welfare benefits are paid by the Company.</p> | Article 10 <u>1</u> | <p>For the purposes hereof, the term “senior management” shall mean the executive directors, president, vice presidents, secretary to the board of directors, chief financial officer, chief actuary, compliance officer, officer responsible for auditing, professional directors or any other management personnel determined by the board of directors. Executive directors refer to directors, who, apart from serving as directors of the Company, also take up other operational and management positions, or whose salaries and welfare benefits are paid by the Company.</p> |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|---|-------------------------------------|---|
| Article 61 | <p>Any organization or individual (including their affiliate companies) which or who purchases for its or his own account or in the name of another person 10% or more of the total number of the issued and outstanding shares of the Company shall obtain the prior approval of the CIRC. Unless the prior approval of the CIRC has been obtained, the number of shares of the Company held by a shareholder shall not exceed 10% or more of the total share capital of the Company or such other ratio as may be approved by the CIRC, whichever is higher.</p> <p>.....</p> | Article 6 <u>1</u> 2 | <p>Any organization or individual (including their affiliate companies) which or who purchases for its or his own account or in the name of another person 10<u>5</u>% or more of the total number of the issued and outstanding shares of the Company shall obtain the prior approval of the CIRC. Unless the prior approval of the CIRC has been obtained, the number of shares of the Company held by a shareholder shall not exceed 10<u>5</u>% or more of the total share capital of the Company or such other ratio as may be approved by the CIRC, whichever is higher.</p> <p>.....</p> |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|--|-------------------------------------|--|
| Article 78 | <p>Any shareholder who is entitled to attend and vote at a shareholders’ general meeting shall have the right to appoint one or more than one person (who need not be shareholders) as his proxy/proxies to attend and vote on his behalf. Such proxy may exercise the following rights according to the appointment made by the shareholder:</p> <p>.....</p> | Article 78 <u>9</u> | <p><u>Shareholders attending a shareholders’ general meeting shall express one of the following opinions on motions for voting: for, against or abstain, except that securities registration and settlement institutions, being the nominal holders of shares subject to the Mainland-Hong Kong stock connect, may express opinions according to the intentions of actual holders.</u></p> <p><u>If a ballot is blank, marked erroneously or illegible or has not been cast, the voter shall be deemed to have waived his or her right to vote and the voting results for the number of shares that he or she holds shall be recorded as “abstained”.</u></p> <p>Any shareholder who is entitled to attend and vote at a shareholders’ general meeting shall have the right to appoint one or more than one person (who need not be shareholders) as his proxy/proxies to attend and vote on his behalf. Such proxy may exercise the following rights according to the appointment made by the shareholder:</p> <p>.....</p> |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|--|-------------------------------------|---|
| Article 83 | <p>The Company shall convene a shareholders' general meeting at its place of domicile or at a place designated by the Board.</p> <p>A meeting place shall be provided for convening a shareholders' general meeting in the form of a physical meeting. The Company shall, on the premise of ensuring the lawfulness and validity of the general meeting, provide convenience to shareholders in attending the shareholders' general meeting through various means and channels, including the provision of modern information technology measures such as online voting platforms. Shareholders attending the shareholders' general meeting by the said method shall be deemed to have been present thereat.</p> <p>The same voting right shall only be exercised by selecting to vote at the scene, online or otherwise. If the same right to vote has been exercised for multiple times, only the first voting result shall prevail.</p> | Article 83 <u>4</u> | <p>The Company shall convene a shareholders' general meeting at its place of domicile or at a place designated by the Board.</p> <p>A meeting place shall be provided for convening a shareholders' general meeting in the form of a physical meeting. The Company shall, on the premise of ensuring the lawfulness and validity of the general meeting, provide convenience to shareholders in attending the shareholders' general meeting through various means and channels, including with priority given to the provision of modern information technology measures such as online voting platforms. Shareholders attending the shareholders' general meeting by the said method shall be deemed to have been present thereat.</p> <p>The same voting right shall only be exercised by selecting to vote at the scene, online or otherwise. If the same right to vote has been exercised for multiple times, only the first voting result shall prevail.</p> |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|--|-------------------------------------|--|
| Article 89 | At the time of voting at a shareholders' general meeting, shareholders (including proxies) shall exercise their voting rights based on the number of voting shares represented by them, and each share shall carry one voting right. However, the shares held by the Company shall neither carry any voting right nor shall they be counted in the total number of voting shares represented at the general meeting. | Article 89 <u>0</u> | <p>At the time of voting at a shareholders' general meeting, shareholders (including proxies) shall exercise their voting rights based on the number of voting shares represented by them, and each share shall carry one voting right. However, the shares held by the Company shall neither carry any voting right nor shall they be counted in the total number of voting shares represented at the general meeting.</p> <p><u>When the shareholders' general meeting considers material matters that affect the interests of medium and small investors, the votes of medium and small investors shall be separately calculated. The result of separate calculation shall be publicly disclosed in a timely manner.</u></p> <p><u>The board of directors, independent directors and shareholders who meet the relevant requirements may publicly solicit from other shareholders their voting rights. When soliciting shareholders' voting rights, specific voting intentions and other information shall be fully disclosed to the person solicited. No shareholders' voting rights shall be solicited in a compensative way or a disguised compensative way. The Company shall not set the minimum shareholding ratio limits for soliciting shareholders' voting rights.</u></p> |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|--|-------------------------------------|---|
| Article 90 | The Board, independent directors and shareholders who meet the relevant requirements may solicit from other shareholders their rights to vote at a shareholders' general meeting. When considering matters in relation to the related party transactions at a shareholders' general meeting, related party shareholders shall abstain from voting, and the number of voting shares held by them shall not be counted into the total number of valid votes. The announcement of resolutions adopted at a shareholders' general meeting shall fully disclose the votes cast by the non-related party shareholders. | Article 90 <u>1</u> | The Board, independent directors and shareholders who meet the relevant requirements may solicit from other shareholders their rights to vote at a shareholders' general meeting. When considering matters in relation to the related party transactions at a shareholders' general meeting, related party shareholders shall abstain from voting, and the number of voting shares held by them shall not be counted into the total number of valid votes. The announcement of resolutions adopted at a shareholders' general meeting shall fully disclose the votes cast by the non-related party shareholders. |
| Article 119 | The Company shall have a board of directors, which shall be accountable and report its work to the shareholders' general meeting. The Board shall consist of fifteen directors, and the independent directors shall be not less than one-third of the members of the Board, and the number of executive directors shall at least be two. The Board shall have one chairman and one vice-chairman. The chairman and vice-chairman shall be elected by more than half of all directors. | Article 119 <u>20</u> | The Company shall have a board of directors, which shall be accountable and report its work to the shareholders' general meeting. The Board shall consist of fifteen fourteen directors, and the independent directors shall be not less than one-third of the members of the Board, and the number of executive directors shall at least be two. The Board shall have one chairman and one vice-chairman. The chairman and vice-chairman shall be elected by more than half of all directors. |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|---|-------------------------------------|--|
| Article 120 | <p>The Board shall be accountable to the shareholders’ general meeting and shall exercise the following functions and powers:</p> <p>.....</p> <p>(10) to appoint or dismiss the president and the secretary to the Board of the Company; to appoint or dismiss and determine the remuneration of the vice presidents, chief financial officer, chief actuary, professional directors and other senior management of the Company in accordance with nominations by the president;</p> | Article 120 <u>1</u> | <p>The Board shall be accountable to the shareholders’ general meeting and shall exercise the following functions and powers:</p> <p>.....</p> <p>(10) to appoint or dismiss the president and the secretary to the Board of the Company, <u>to appoint or dismiss the secretary to the Board of the Company in accordance with the nomination by the chairman, to appoint or dismiss the officer responsible for auditing of the Company in accordance with the nomination by the chairman or the audit committee,</u> and to appoint or dismiss and determine the remuneration of the vice presidents, chief financial officer, chief actuary, <u>compliance officer,</u> professional directors and other senior management of the Company in accordance with nominations by the president;</p> |
| Article 154 | <p>The Company shall have a president, vice presidents, a secretary to the Board, a chief financial officer, a chief actuary and professional directors. Such senior management and other senior management designated by the president shall jointly form the operation management committee of the Company. The president shall be accountable to the Board, and shall preside over the work of the operation management committee.</p> | Article 154 <u>5</u> | <p>The Company shall have a president, vice presidents, a secretary to the Board, a chief financial officer, a chief actuary, <u>a compliance officer, officer responsible for auditing</u> and professional directors. Such senior management and other senior management designated by the president shall jointly form the operation management committee of the Company. The president shall be accountable to the Board, and shall preside over the work of the operation management committee.</p> |

APPENDIX VIII PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

| Serial Number of Original Provisions | Existing Provisions in the Articles | Serial Number of Amended Provisions | Amended Provisions |
|--------------------------------------|--|-------------------------------------|--|
| Article 155 | <p>The president of the Company shall exercise the following functions and powers:</p> <p>.....</p> <p>(6) to submit for consideration proposals on engagement or dismissal of the vice presidents, chief financial officer, chief actuary, professional directors and other senior management of the Company;</p> | Article 155 <u>6</u> | <p>The president of the Company shall exercise the following functions and powers:</p> <p>.....</p> <p>(6) to submit for consideration proposals on engagement or dismissal of the vice presidents, chief financial officer, chief actuary, compliance officer, professional directors and other senior management of the Company;</p> |
| Article 215 | <p>The Company shall adopt an internal audit system and employ full-time audit staff, and shall carry out internal audit of and supervise the financial income and expenditure and operating activities of the Company and its investment holding companies.</p> | Article 215 <u>6</u> | <p>The Company shall adopt an internal audit system and employ full-time audit staff, and shall carry out internal audit of and supervise the financial income and expenditure and operating activities of the Company and its investment holding companies.</p> <p><u>The Company shall establish an independent internal audit system accountable to the Board, and shall implement centralized management for its internal audit function by establishing a special internal audit institution, formulating and implementing unified internal audit management policies including budget management policy, human resources management policy, operation management policy etc..</u></p> |

Note: The numbering of articles of the amended Articles of Association will be re-numbered in accordance with the numbering of the amended articles in the Articles of Association arising from the changes in the numbering of the original articles due to the addition of certain articles in respect of the amendment to the Articles of Association. The amended Articles of Association will also be revised accordingly for any changes in the numbering of the articles with cross-reference involved in the original Articles of Association.

Pursuant to the latest regulations issued by the regulatory authorities, the Company has made necessary amendments to the existing Procedural Rules for Shareholders' General Meetings (“**Proposed Amendments to the Procedural Rules**”) as follows:

| Serial Number of Provisions | Existing Provisions of the Procedural Rules | Amended Provisions |
|-----------------------------|--|--|
| Article 5 | A meeting place shall be provided for convening a shareholders' general meeting in the form of a physical meeting. The Company shall, on the premise of ensuring the lawfulness and validity of the general meeting, provide convenience to shareholders in attending the shareholders' general meeting through various means and channels, including the provision of modern information technology measures such as online voting platforms. Shareholders attending the shareholders' general meeting by the said method shall be deemed to have been present thereat. | A meeting place shall be provided for convening a shareholders' general meeting in the form of a physical meeting. The Company shall, on the premise of ensuring the lawfulness and validity of the general meeting, provide convenience to shareholders in attending the shareholders' general meeting through various means and channels, <u>including with priority given to</u> the provision of modern information technology measures such as online voting platforms. Shareholders attending the shareholders' general meeting by the said method shall be deemed to have been present thereat. |

| Serial Number of Provisions | Existing Provisions of the Procedural Rules | Amended Provisions |
|-----------------------------|---|---|
| Article 40 | When voting at shareholders’ general meeting, each shareholder (including shareholder agent) shall exercise voting power based on the amount of voting shares represented by them, but the Company’s shares held by the Company shall be free of voting power, and such partial shares shall not be counted in the total number of voting shares attending the shareholders’ meeting. | <p><u>Shareholders (including proxies) shall express one of the following opinions on motions for voting: for, against or abstain, except that securities registration and settlement institutions, being the nominal holders of shares subject to the Mainland-Hong Kong stock connect, may express opinions according to the intentions of actual holders. If a ballot is blank, marked erroneously or illegible or has not been cast, the voter shall be deemed to have waived his or her right to vote and the voting results for the number of shares that he or she holds shall be recorded as “abstained”.</u></p> <p>When voting at shareholders’ general meeting, <u>each shareholder (including proxies)</u> shall exercise voting power based on the amount of voting shares represented by them, but the Company’s shares held by the Company shall be free of voting power, and such partial shares shall not be counted in the total number of voting shares attending the shareholders’ meeting.</p> |

| Serial Number of Provisions | Existing Provisions of the Procedural Rules | Amended Provisions |
|-----------------------------|---|--|
| | | <p><u>When the shareholders' general meeting considers the material matters that affect the interests of medium and small investors, the votes of medium and small investors shall be separately calculated. The result of separate calculation shall be publicly disclosed in a timely manner.</u></p> <p><u>The board of directors, independent directors and shareholders who meet the relevant requirements may publicly solicit from other shareholders their voting rights. When soliciting shareholders' voting rights, specific voting intentions and other information shall be fully disclosed to the person solicited. No shareholders' voting rights shall be solicited in a compensative way or a disguised compensative way. The Company shall not set the minimum shareholding ratio limits for soliciting shareholders' voting rights.</u></p> |

| Serial Number of Provisions | Existing Provisions of the Procedural Rules | Amended Provisions |
|-----------------------------|--|---|
| Article 41 | The board of directors, independent directors, and shareholders meeting related regulations and conditions may collect the voting right of shareholders. When shareholders’ general meeting deliberates related transaction items, related shareholders shall not participate in vote by ballot, and the voting shares represented by them shall not be counted in the total number of effective voting; the announcement about the resolutions at shareholders’ general meeting shall fully disclose the information on the voting of non-related shareholders. | The board of directors, independent directors, and shareholders meeting related regulations and conditions may collect the voting right of shareholders. When shareholders’ general meeting deliberates related transaction items, related shareholders shall not participate in vote by ballot, and the voting shares represented by them shall not be counted in the total number of effective voting; the announcement about the resolutions at shareholders’ general meeting shall fully disclose the information on the voting of non-related shareholders. |
| Article 47 | The Company’s board of directors and board of supervisors shall take necessary actions to ensure the solemnness and normal order of shareholders’ general meeting; except for shareholders (or proxies), directors, supervisors, board secretary, senior managers, employed attorney, and personnel invited by the board of directors attending the meeting, the Company shall have the right to refuse the entrance of other persons; as for the behaviours of interrupting the order of shareholders’ general meeting, stirring up fights and causing trouble, and infringing shareholders’ lawful rights and interests, the Company shall take actions for suppression and reported to parties concerned for investigation and prosecution. | The Company’s board of directors and board of supervisors shall take necessary actions to ensure the solemnness and normal order of shareholders’ general meeting; except for shareholders (or proxies), directors, supervisors, board secretary, other senior managers, employed attorney, and personnel invited by the board of directors attending the meeting, the Company shall have the right to refuse the entrance of other persons; as for the behaviours of interrupting the order of shareholders’ general meeting, stirring up fights and causing trouble, and infringing shareholders’ lawful rights and interests, the Company shall take actions for suppression and reported to parties concerned for investigation and prosecution. |

1. EXECUTIVE DIRECTORS

Particulars of the proposed executive Directors are as follows:

Mr. KONG Qingwei

Mr. KONG Qingwei, born in June 1960, currently serves as party secretary of the Company.

Mr. KONG previously served as deputy general manager of Shanghai Bund Building House Exchange Co., Ltd., general manager of Exchange Headquarter of Shanghai Jiushi Corporation, executive vice director of Shanghai Provident Fund Management Center, deputy general manager of Shanghai Urban Construction Investment and Development Corporation, vice chairman of Shanghai Minhong (Group) Co., Ltd., director of Shanghai World Expo Land Reserve Center, president of Shanghai World Expo Land Holding Co., Ltd., general manager of Shanghai Urban Construction Investment and Development Corporation, party secretary of the Financial Working Committee of Shanghai City of the Communist Party of China and chairman of Shanghai Guosheng (Group) Co., Ltd..

Mr. KONG received postgraduate education and has a master's degree with the designation of Political Officer and Senior Economist.

Mr. HUO Lianhong

Mr. HUO Lianhong, born in April 1957, currently serves as executive Director and president of the Company, and is also director of CPIC Life, director of CPIC P/C, director of CPIC AMC, director of CPIC Allianz Health, vice chairman of China Insurance Institute and a member of the Geneva Association.

Mr. HUO previously served as chairman of CPIC AMC, chairman of CPIC P/C, deputy general manager and general manager of the Hainan Branch and the Beijing Branch of China Pacific Insurance Company. Prior to that, Mr. HUO was deputy head of the Administration of the Chongqing Branch, and head and deputy manager of the Insurance Department of the Hainan Branch of Bank of Communications.

Mr. HUO received university education and has a bachelor's degree with the designation of Senior Economist.

Neither Mr. KONG Qingwei nor Mr. HUO Lianhong entered into a service contract with the Company. Their emoluments will be determined according to relevant emolument policies of the Company.

Save as disclosed above, Mr. KONG Qingwei and Mr. HUO Lianhong have not held any directorship in other listed public companies in the past three years or any position within the Company or any of its subsidiaries, are not connected with any Directors, Supervisors, senior management officers or substantial or controlling Shareholders, and Mr. KONG Qingwei does not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance in Hong Kong. As at the date of this circular, Mr. HUO Lianhong holds 103,100 A Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance in Hong Kong.

Furthermore, there is nothing in respect of Mr. KONG Qingwei and Mr. HUO Lianhong which needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor is there any other thing which needs to be brought to the attention of the Shareholders.

2. NON-EXECUTIVE DIRECTORS

Particulars of the proposed non-executive Directors are as follows:

Mr. WANG Jian

Mr. WANG Jian, born in April 1955, currently serves as chairman of Shenergy (Group) Co., Ltd. and vice chairman and non-executive Director of the Company. Currently, he also serves as vice-chairman of Commercial Aircraft Corporation of China Limited.

Mr. WANG previously worked as deputy general manager of Shanghai Electric Appliances Co., Ltd., general manager of Shanghai Machinery & Electric Building Co., Ltd., general manager of Shanghai Dongfeng Machinery (Group) Co., Ltd., vice president of Shanghai Electric (Group) Co., Ltd. and president of Shanghai Supplies (Group) Co., Ltd., vice director-general of Shanghai Economic Commission, vice director-general of Shanghai Defense Technology & Industries Office, director-general of Shanghai Economic Commission, director-general of Shanghai Defense Technology & Industries Office, director-general of Shanghai Economic Information Technology Commission and director-general of the State-owned Assets Supervision and Administration Commission of Shanghai.

Mr. WANG received postgraduate education and has a master's degree with the designation of Senior Engineer.

Mr. WANG Tayu

Mr. WANG Tayu, born in October 1970, currently serves as vice president of Shanghai State-owned Assets Operation Co., Ltd.. Currently, Mr. WANG also serves as executive director of Shanghai Chenggao Asset Operation Co. Ltd., executive director and general manager of Shanghai Guozhi Real Estate Development Co., Ltd.. and vice chairman and director of Shanghai Guotai Junan Investment Management Co., Ltd..

Mr. WANG previously worked as investment chief of Business Planning Department of Shenzhen Shekou Industrial Zone, manager assistant of Investment Management Department of Shenzhen China Merchants Petrochemical Co., Ltd., deputy manager (in charge) and manager of Yueyang China Merchants Petrochemical Co., Ltd., deputy general manager of Business Planning Department of China Merchants Logistics Holding Co., Ltd., general manager of Liaoning branch and general manager of Business Planning Department, senior manager of Investment Management Headquarters of Shanghai International Group Co., Ltd. and assistant to the president of Shanghai State-owned Assets Operation Co., Ltd..

Mr. WANG received postgraduate education and has a master's degree with the designation of Economist.

Mr. KONG Xiangqing

Mr. KONG Xiangqing, born in September 1967, currently serves as vice general manager of Fortune Investment Co., Ltd. and chairman of ALD Fortune Auto Leasing & Renting (Shanghai) Co., Ltd..

Mr. KONG previously served as chairman of HwaBao Securities Co., Ltd., general manager of Baosteel Finance Co., Ltd, and deputy head of the Funds Division of the Planning and Finance Department of Shanghai Baosteel Group Corporation.

Mr. KONG received postgraduate education and has a master's degree with the designation of Senior Accountant.

Mr. ZHU Keping

Mr. ZHU Keping, born in October 1974, currently serves as general manager of Integrated Development Center of Industry and Financial Industry of China Baowu Steel Group Corporation Limited, and general manager of Fortune Investment Co., Ltd.

Mr. ZHU previously served as deputy head of the Finance Department of Baosteel Group Corporation, general manager of the Operation and Financial Department of Baosteel Group Corporation and financial controller and secretary to the board of Baoshan Iron & Steel Co., Ltd., a company listed on the SSE (stock code: 600019). Mr. ZHU was also a supervisor of Baoshan Iron & Steel Co., Ltd.

Mr. ZHU has a master's degree with the designation of Senior Accountant and also a Certified Public Accountant in China.

Ms. SUN Xiaoning

Ms. SUN Xiaoning, born in March 1969, currently serves as general manager of The Government of Singapore Investment Consulting (Beijing) Co., Ltd. and joint head of North Asia Direct Investment of Government of Singapore Investment Corp., and also non-executive Director of the Company. Ms. SUN is also non-executive director of Taikang Insurance Group Company Limited.

Ms. SUN was employed by the International Finance Corporation, McKinsey & Company and the People's Bank of China. Ms. SUN previously served as non-executive director of Far East Horizon Limited, a company listed on the Hong Kong Stock Exchange (stock code: 03360), and non-executive director of Intime Retail Group, a company listed on the Hong Kong Stock Exchange (stock code: 01833).

Ms. SUN has an MBA degree from Wharton Business School.

Mr. WU Junhao

Mr. WU Junhao, born in June 1965, currently serves as manager of the Financial Management Department of Shenergy Group Co., Ltd, and non-executive Director of the Company, director of CPIC Life and director of CPIC P/C. Currently, Mr. WU is also director of Orient Securities Co., Ltd., a company listed on both the SSE (stock code: 600958) and the SEHK (stock code: 03958), director of Shanghai Chengyi Renewable Energy Venture Capital Co., Ltd., director of Chengdu Xinshen Venture Capital Co., Ltd., director of Shanghai Jiulian (Group) Co., Ltd., supervisor of Shanghai Chengyi Investment Management Co., Ltd., supervisor of Everbright Banking Co., Ltd., a company listed on both the SSE (stock code: 601818) and SEHK (stock code: 06818), chairman of the board of supervisors of Shanghai Shenergy Leasing Company Limited* (上海申能租賃有限公司), and chairman of the board of supervisors of Shanghai Shenergy Chengyi Equity Investment Company Limited* (上海申能誠毅股權投資有限公司).

Mr. WU formerly worked as head of the Teaching & Research Center of the Business Management Department of Changzhou University, executive deputy general manager of Shanghai New Resources Investment Consulting Company, deputy general manager of Shanghai Bailitong Investment Company, deputy chief of Shanghai Shenergy Assets Management Co., Ltd., deputy chief, chief and senior chief of the Assets Management Department, and deputy manager of the Financial Management Department, of Shenergy Group Co., Ltd. Mr. WU was also the supervisor of Shanghai Pharmaceuticals Holding Co., Ltd., a company listed on both the SSE (stock code: 601607) and the SEHK (stock code: 02607).

Mr. WU received postgraduate education and has a master's degree with the designation of Economist.

Mr. CHEN Xuanmin

Mr. CHEN Xuanmin, born in February 1965, currently serves as chief accountant of Shanghai Tobacco Group Co., Ltd. and chairman of the board of directors of Shanghai Haiyan Investment Management Co., Ltd.

Mr. CHEN previously served as the deputy head of the Financial and Pricing Department, head of the Audit Department and head of the Finance Department and director of the Treasury Management Centre of Shanghai Tobacco Group Co., Ltd., deputy director of Huangpu branch of Shanghai Tobacco Monopoly Bureau, general manager of Huangpu Tobacco, Sugar and Wine Co., Ltd. of Shanghai Tobacco Group, and director and general manager of the Tobacco Monopoly Bureau of Shanghai Pudong New Area and Pudong Tobacco, Sugar and Wine Co., Ltd. of Shanghai Tobacco Group.

Mr. CHEN received university education and with the designation of Senior Accountant.

None of Mr. WANG Jian, Mr. WANG Tayu, Mr. KONG Xiangqing, Mr. ZHU Keping, Ms. SUN Xiaoning, Mr. WU Junhao and Mr. CHEN Xuanmin entered into a service contract with the Company. Their emoluments will be determined according to the “Remuneration Management System of Directors and Supervisors” approved by the Shareholders at the 2010 annual general meeting of the Company.

Save as disclosed above, Mr. WANG Jian, Mr. WANG Tayu, Mr. KONG Xiangqing, Mr. ZHU Keping, Ms. SUN Xiaoning, Mr. WU Junhao and Mr. CHEN Xuanmin have not held any directorship in other listed companies in the past three years or any other position within the Company or any of its subsidiaries, are not connected with any Directors, Supervisors, senior management officers or substantial or controlling Shareholders of the Company, and do not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance in Hong Kong.

Furthermore, there is nothing in respect of Mr. WANG Jian, Mr. WANG Tayu, Mr. KONG Xiangqing, Mr. ZHU Keping, Ms. SUN Xiaoning, Mr. WU Junhao and Mr. CHEN Xuanmin which needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor is there any other thing which needs to be brought to the attention of the Shareholders.

3. INDEPENDENT NON-EXECUTIVE DIRECTORS

Particulars of the proposed Independent Non-Executive Directors of the Company are as follows:

Mr. BAI Wei

Mr. BAI Wei, born in November 1964, currently serves as partner and lawyer at Jingtian & Gongcheng and Independent Non-executive Director of the Company. Currently, Mr. BAI also serves as independent non-executive director of Ningxia Orient Tantalum Industry Co., Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 000962).

Mr. BAI previously worked as a lawyer at China Global Law Office and as associate at Sullivan & Cromwell LLP, and independent non-executive director of Huatai Securities Co., Ltd., a company listed on the SSE (stock code: 601688) and SEHK (stock code: 06886).

Mr. BAI has a master's degree and is admitted to practice law in the PRC and New York, USA.

Mr. LEE Ka Sze, Carmelo

Mr. LEE Ka Sze, Carmelo, born in May 1960, is currently senior partner of Messrs. Woo, Kwan, Lee and Lo of Hong Kong, Independent Non-executive Director of the Company, member of the Hong Kong Securities and Futures Commission (the Hong Kong Stock Exchange Listing) Committee, convenor of the Financial Reporting Review Panel of the Financial Reporting Council in Hong Kong, member of the Campaign Committee of the Community Chest of Hong Kong and the co-chairman of the Community Chest Corporate Challenge Half Marathon. Currently, Mr. LEE also serves as non-executive director of the following companies listed on the SEHK: Hopewell Holdings Limited (stock code: 00054), CSPC Pharmaceutical Group Limited (stock code: 01093), Yugang International Limited (stock code: 00613), Safety Godown Company Limited (stock code: 00237), Trembray Industries International (Holdings) Limited (stock code: 00093), and as independent non-executive director of the following companies listed on the SEHK: KWG Property Holding Limited (stock code: 01813) and Esprit Holdings Limited (stock code: 00330).

Mr. LEE previously served as deputy chairman and chairman of the Listing Committee of the SEHK, member of Dual Filing Advisory Group of the Hong Kong Securities and Futures Commission, and member of the Disciplinary Panel of the Hong Kong Institute of Certified Public Accountants, non-executive director of Y. T. Realty Group Limited (stock code: 00075) and The Cross-Harbour (Holdings) Limited (stock code: 00032), both companies listed on the SEHK, and independent non-executive director of Ping An Insurance (Group) Company of China, Ltd., a company listed on the SSE (stock code: 601318) and SEHK (stock code: 02318).

Mr. LEE holds a bachelor's degree in laws and is a solicitor qualified in Hong Kong, England and Wales, Singapore and Australian Capital Territory, Australia.

Mr. LAM Chi Kuen

Mr. LAM Chi Kuen, born in April 1953, currently serves as Independent Non-executive Director of the Company. Currently, Mr. LAM also serves as independent non-executive director of Luks Group (Vietnam Holdings) Company Limited, a company listed on the SEHK (stock code: 00366).

Mr. LAM was formerly senior adviser and partner of Ernst & Young and independent director of Leo Paper Group (Hong Kong) Co., Ltd.

Mr. LAM was awarded the Higher Diploma in Accounting and is also a member of Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants.

Mr. ZHOU Zhonghui

Mr. ZHOU Zhonghui, born in August 1947, currently serves as Independent Non-executive Director of the Company, executive council member of the China Association of Chief Financial Officers, and member of the Advisory Committee of the China Appraisal Society. Currently Mr. ZHOU also serves as independent non-executive director of Juneyao Airlines Co., Ltd., a company listed on the SSE (stock code: 603885), and independent non-executive director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd., a company listed on the SEHK (stock code: 01349), and independent non-executive director of S.F. Holding Co., Ltd., (stock code: 002352, formerly known as Maanshan Dingtai Rare Earth & New Materials Co., Ltd.), a company listed on the Shenzhen Stock Exchange, respectively.

Mr. ZHOU was formerly lecturer, associate professor and professor of Shanghai University of Finance and Economics, Chief Financial Officer of Xinlong Hong Kong Co., Ltd., general manager and the chief accountant of PricewaterhouseCoopers Zhong Tian CPAs Limited Company, senior partner of the PricewaterhouseCoopers, chief accountant of the China Securities Regulatory Commission, a member of the International Advisory Committee of China Securities Regulatory Commission, member of the Audit Regulation Committee of Chinese Institution of Certified Public Accountant and independent non-executive director of BesTV New Media Co., Ltd., a company listed on the SSE (stock code: 600637).

Mr. ZHOU received postgraduate education and has a doctorate degree, and is a Chinese Certified Public Accountant.

Mr. GAO Shanwen

Mr. GAO Shanwen, born in September 1971, currently serves as chief economist of Essence Securities Co., Ltd. and Independent Non-executive Director of the Company.

Mr. GAO served as chief economist of Everbright Securities Research Institute. Prior to this, Mr. GAO also worked at Financial Research Institute of the Development Research Centre of the State Council and the General Office of the Headquarter of the People's Bank of China. Mr. GAO also served as independent non-executive director of Sunshine Insurance Group.

Mr. GAO has a master's degree and a doctorate degree.

None of Mr. BAI Wei, Mr. LEE Ka Sze, Camelo, Mr. LAM Chi Kuen, Mr. ZHOU Zhonghui or Mr. GAO Shanwen entered into a service contract with the Company. Their emoluments will be determined according to the "Remuneration Management System of Directors and Supervisors" approved by the Shareholders at the 2010 annual general meeting of the Company.

Save as disclosed above, Mr. BAI Wei, Mr. LEE Ka Sze, Camelo, Mr. LAM Chi Kuen, Mr. ZHOU Zhonghui and Mr. GAO Shanwen have not held any directorship in other listed companies in the past three years or any position within the Company or any of its subsidiaries, are not connected with any Directors, Supervisors, senior management officers or substantial or controlling Shareholders of the Company, and do not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance in Hong Kong.

Furthermore, there is nothing in respect of Mr. BAI Wei, Mr. LEE Ka Sze, Camelo, Mr. LAM Chi Kuen, Mr. ZHOU Zhonghui or Mr. GAO Shanwen which needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor is there any other thing which needs to be brought to the attention of the Shareholders.

4. SHAREHOLDER REPRESENTATIVE SUPERVISORS

Particulars of the proposed shareholder representative Supervisors of the Company are as follows:

Ms. ZHANG Xinmei

Ms. ZHANG Xinmei, born in November 1959, is currently the vice president of Shanghai Jiushi (Group) Co., Ltd., Supervisor of the Company and supervisor of CPIC Life. Currently, Ms. ZHANG also serves as director of Haitong Securities Co., Ltd., a company listed on the SSE (stock code: 600837).

Ms. ZHANG previously served as deputy section chief of Finance Department of the Shanghai Bureau of Metallurgical Industry, deputy head, head and deputy chief accountant of Finance Department of Shanghai Metallurgical Holding Group, manager of Financial Management Headquarters and manager, chief accountant and deputy general manager of Capital Management Headquarters of Shanghai Jiushi Corporation. Ms. ZHANG also served as director of Shenwan Hongyuan Group Co., Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 000166) and a director of Shenergy Company Limited, a company listed on the SSE (stock code: 600642).

Ms. ZHANG has a master's degree in business administration with designation of Senior Accountant.

Ms. LIN Lichun

Ms. LIN Lichun, born in August 1970, currently serves as general manager of Shanghai Hongta Hotel Co., Ltd., Supervisor of the Company and supervisor of CPIC P/C.

Ms. LIN previously served as chief financial officer and executive deputy general manager of Shanghai Hongta Hotel Co., Ltd., head of Shanghai Office of Hongta Tobacco (Group) Co., Ltd. She also served as supervisor of CPIC Life.

Ms. LIN holds a master's degree and is a Certified Public Accountant in China.

Mr. ZHOU Zhuping

Mr. ZHOU Zhuping, born in March 1963, currently serves as chairman of Fortune Investment Co., Ltd..

Mr. ZHOU previously served as deputy director of the Planning and Finance Department (Asset Operation Department) of Shanghai Baosteel Group Corporation, secretary to the board of directors of Baoshan Iron & Steel Co., Ltd., deputy chief financial officer of Baosteel International Economic and Trade Co., Ltd., deputy general manager of Trade Branch of Baoshan Iron & Steel Co., Ltd., director of the Finance Department of Baosteel Group Corporation, director of operation and director of the Finance Department of Baosteel Group Corporation, general manager of Baosteel Group Enterprise Development Corporation, president of Baosteel Development Co. Ltd., chairman of Baosteel Finance Co., Ltd, deputy general manager of Baosteel Group Corporation and chairman of Baosteel Metal Co., Ltd., chairman of Fortune Investment Co., Ltd., deputy general manager of Ouyeel Co., Ltd., secretary to the board of directors of Baosteel Group Corporation and chairman of the board of supervisors of Baoshan Iron & Steel Co., Ltd., a company listed on the SSE (stock code: 600019).

Mr. ZHOU has a master's degree with the designation of Senior Accountant.

None of Ms. ZHANG Xinmei, Ms. LIN Lichun and Mr. ZHOU Zhuping entered into a service contract with the Company. Their emoluments will be determined according to the "Remuneration Management System of Directors and Supervisors" approved by the Shareholders at the 2010 annual general meeting of the Company.

Save as disclosed above, Ms. ZHANG Xinmei, Ms. LIN Lichun and Mr. ZHOU Zhuping have not held any directorship in other listed companies in the past three years or any other position within the Company or any of its subsidiaries, are not connected with any Directors, Supervisors, senior management officers or substantial or controlling Shareholders of the Company, and do not have any interest in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance in Hong Kong.

Furthermore, there is nothing in respect of Ms. ZHANG Xinmei, Ms. LIN Lichun and Mr. ZHOU Zhuping which needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor is there any other thing which needs to be brought to the attention of the Shareholders.

Under the “Interim Measures for the Management of Related Party Transaction of Insurance Companies” (No. 24 [2007] China Insurance Regulatory Commission, the “**Interim Measures**”) of the CIRC, “the board of an insurance company shall report annually to the shareholders’ general meeting on the status of related party transaction and the implementation of a related party transaction management system”. Under the “Guidelines for Consolidated Supervision of Insurance Groups” (the “**Guidelines for Consolidated Supervision**”) promulgated by the CIRC, “The compliance department of the insurance group or the company shall make annual appraisal reports by evaluating the internal transactions of the group. Such annual appraisal reports shall be submitted to the board of directors and the board of supervisors, and the board of directors shall submit the annual report to the general meeting.” In particular, the “internal transactions” mentioned in the “Guidelines for Consolidated Supervision” shall mean within the scope of “related party transaction” stipulated by the Interim Measures. The status of related party transactions (including the internal transactions) of the Company and the implementation of the management system for related party transactions are hereby reported as follows:

I. STATUS OF RELATED PARTY TRANSACTION (INCLUDING THE INTERNAL TRANSACTIONS) IN 2016

(I) Status and appraisal of internal transactions

For details of the specific status of internal transactions among the CPIC Group and its member companies in 2016, please see the financial report of the Company in 2016.

For the year ended 31 December 2016, the Company has formulated the “Interim Measures for the Management of Related Party Transaction of China Pacific Insurance (Group) Co., Ltd.” and its implementation rules to set up the policy and procedure for monitoring, reporting on, controlling and handling the internal transactions in compliance with the regulatory requirements of “Guidelines for Consolidated Supervision”. The internal transactions have been conducted in accordance with the reasonable pricing and normal business standards, with neither damage to the clients’ benefits nor unfavorable impact on the stability of the Group.

(II) New material related party transactions

1. Funds utilisation

- (1) Changjiang Pension Insurance Co., Ltd. (the “**Changjiang Pension**”) subscribed the CPIC – International Power Debt Investment Schemes issued by CPIC AMC. According to the requirements of the Interim Measures, the transaction constituted a material related party transaction of Changjiang Pension, and was reviewed and approved by the 2016 first extraordinary meeting of the third session of the board of directors of Changjiang Pension. The aforesaid material

related party transaction was carried out at fair market prices. Changjiang Pension has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.

- (2) Changjiang Pension subscribed the Changbao No. 1 Trust Scheme issued by Fortune Trust Co., Ltd. (the “**Fortune Trust**”). According to the requirements of the Interim Measures, the transaction constituted a material related party transaction of Changjiang Pension, and was reviewed and approved by the sixth meeting of the third session of the board of directors of Changjiang Pension. The aforesaid material related party transaction was carried out at fair market prices. Changjiang Pension has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.
- (3) Changjiang Pension established a supporting program with the collection rights of policy loan of CPIC Life as the basic assets. According to the requirements of the Interim Measures, the transaction constituted a material related party transaction of Changjiang Pension and CPIC Life, and was reviewed and approved by the 2016 fourth extraordinary meeting of the third session of the board of directors of Changjiang Pension and the 2016 eleventh meeting of the fifth session of the board of directors of CPIC Life. The aforesaid material related party transaction was carried out at fair market prices. Changjiang Pension and CPIC Life have made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.
- (4) Anxin Agricultural Insurance Co., Ltd. (the “**Anxin Agricultural**”) subscribed the Decathlon Stock Product issued by CPIC AMC. According to the requirements of the Interim Measures, the transaction constituted a material related party transaction of Anxin Agricultural, and was reviewed and approved by the 2016 seventh meeting of the second session of the board of directors of Anxin Agricultural. The aforesaid material related party transaction was carried out at fair market prices. Anxin Agricultural has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.

- (5) Anxin Agricultural subscribed the hybrid products based on IPO funds or structured funds issued by CPIC AMC. According to the requirements of the Interim Measures, the transaction constituted a material related party transaction of Anxin Agricultural and was reviewed and approved by the 2016 seventh meeting of the second session of the board of directors of Anxin Agricultural. The aforesaid material related party transaction was carried out at fair market prices. Anxin Agricultural has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.
- (6) Anxin Agricultural subscribed the No. 1625 Insurance Asset Management Products issued by CPIC AMC. According to the requirements of the Interim Measures, the transaction constituted a material related party transaction of Anxin Agricultural and was reviewed and approved by the 2016 seventh meeting of the second session of the board of directors of Anxin Agricultural. The aforesaid material related party transaction was carried out at fair market prices. Anxin Agricultural has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.

2. *Additional capital contribution*

- (1) CPIC AMC made an additional capital contribution to Anxin Agricultural. According to the requirements of the Interim Measures, the transaction constituted a material related party transaction between CPIC AMC and Anxin Agricultural, and was reviewed and approved by the 2016 first extraordinary meeting of the fifth session of the board of directors of CPIC AMC. The aforesaid material related party transaction was carried out at fair market prices. CPIC AMC has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the rules of the CIRC.

- (2) The Company, CPIC Life and CPIC P/C jointly made an additional capital contribution to CPIC AMC. According to the requirements of the Interim Measures, the transaction constituted a material related party transaction between the Company, CPIC Life, CPIC P/C and CPIC AMC, and was reviewed and approved by the 2016 first extraordinary meeting of the seventh session of the Board of Directors of the Company, the 2016 fifth extraordinary meeting of the fifth session of the board of directors of CPIC Life, the 2016 third extraordinary meeting of the fifth session of the board of directors of CPIC P/C and the 2016 first extraordinary meeting of the board of directors of CPIC AMC. The aforesaid material related party transaction was carried out at fair market prices. The Company has made filings to the CIRC in accordance with the requirements of the Interim Measures and the Company, CPIC Life, CPIC P/C and CPIC AMC have made the disclosure of information in accordance with the rules of the CIRC.

3. *Reinsurance business*

- (1) Reinsurance business of CPIC P/C and CPIC HK. In order to diversify business risk and expand the areas of reinsurance cooperation, CPIC P/C and CPIC HK renewed “Reinsurance Agreement for Non-life Insurance Agreement” (非壽險協議分保合同). According to the requirements of the Interim Measures, the ceded premiums transactions of reinsurance business in 2016 constituted a material related party transaction between CPIC P/C and CPIC HK and were reviewed and approved by the second extraordinary meeting of the 3th board of directors of CPIC P/C in 2008. According to the board resolution, the aforesaid contract could be renewed upon expiry. The aforesaid material related party transaction was carried out at fair market prices. CPIC P/C has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.
- (2) Reinsurance business of CPIC Allianz and CPIC Life. CPIC Allianz and CPIC Life entered into “2016 Anxin • Yi Inward Reinsurance Agreements” and “2016 Golden Years Inward Reinsurance Agreements”. According to the requirements of the Interim Measures, the 2016 inward reinsurance businesses constituted material related party transactions between CPIC Allianz and CPIC Life and were reviewed and approved by the 2016 first extraordinary general meeting of CPIC Allianz. The aforesaid material related party transactions were carried out at fair market prices. CPIC Allianz has made filings to the CIRC in accordance

with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.

- (3) Reinsurance business of CPIC Allianz and CPIC P/C. CPIC Allianz and CPIC P/C entered into “Inward Sharing Agreement of Insurance Agents” and “CPIC P/C High-end Inward Sharing Agreement”. According to the requirements of the Interim Measures, these premium transactions of the 2016 inward reinsurance businesses constituted material related party transactions between CPIC Allianz and CPIC P/C, and were reviewed and approved by the first extraordinary general meeting of CPIC Allianz for 2016. The aforesaid material related party transactions were carried out at fair market prices. CPIC Allianz has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.

4. Framework agreements

- (1) CPIC Life and Changjiang Pension entered into the Continuing Related Party Transaction Agreement regarding subscription of financial products such as asset management products, infrastructure debt investment schemes, real estate debt investment schemes, equity investment schemes, project asset supporting programs issued by Changjiang Pension. According to the requirements of the Interim Measures, such transaction constituted material related party transactions between CPIC Life and Changjiang Pension and was reviewed and approved by the 2016 second extraordinary meeting of the fifth session of the board of directors of CPIC Life and the 2016 first extraordinary meeting of the third session of the board of directors of Changjiang Pension. The aforesaid material related party transactions were carried out at fair market prices, has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.

- (2) The Group entered into the Related Party (Connected) Transactions Framework Agreement with Fortune Trust and Fortune Sg Fund Management Co., Ltd. (collectively, the “**Fortune Parties**”) regarding trading of debt securities, pledge-style bond repurchase, purchase of trust plans, application, purchase and redemption of funds, sale of asset management products or collective pension products at fair market prices in its ordinary course of business. According to the requirements of the Interim Measures, such transaction constituted material related party transactions of the Group (including CPIC P/C, CPIC Life and Changjiang Pension), Fortune Trust and Fortune Sg Fund, and was reviewed and approved by the 2015 annual general meeting of the Company, the tenth meeting of the fifth session of the board of directors of CPIC P/C, the tenth meeting of the fifth session of the board of directors of CPIC Life and the ninth meeting of the third session of the board of directors of Changjiang Pension. The aforesaid material related party transactions were carried out at fair market prices, has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.
- (3) The Group entered into the Related Party (Connected) Transactions Framework Agreement with Orient Securities Co., Ltd. (the “**Orient Securities**”) regarding trading of debt securities, pledge-style bond repurchase, purchase of asset management products at fair market prices in its ordinary course of business. According to the requirements of the Interim Measures, such transaction constituted material related party transactions of the Group (including CPIC P/C and CPIC Life) and Orient Securities, and was reviewed and approved by the 2015 annual general meeting of the Company, the tenth meeting of the fifth session of the board of directors of CPIC P/C and the tenth meeting of the fifth session of the board of directors of CPIC Life. The aforesaid material related party transactions were carried out at fair market prices, has made filings to the CIRC in accordance with the requirements of the Interim Measures and made the disclosure of information in accordance with the regulations of the CIRC.

(III) Funds utilisation for routine related party transaction

The Company and its holding subsidiaries carry out the routine trading of debt securities, securities investment funds, pledge-style bond repurchase, trust products, asset management products and routine transaction in respect of funds utilization and financial products with various counterparties at fair market prices in its ordinary course of business. The 2016 general meeting of the Company approved the routine related party transactions of the fund utilization by all holding subsidiaries of the Company within the expected annual maximum amounts, without the necessity for separate submission to the Board of Directors for consideration for each of such transactions. The routine related party transactions of the fund utilization in 2016 are categorized and summarized as follows:

Unit: RMB100 million

Funds utilization

| Content of Transactions | Connected Party | Amount | Amount | Total Amounts of Comparable Transactions | Proportion |
|------------------------------------|--|--|----------------------------------|--|------------|
| | | Expected to be Generated in 2016 | Actually Generated in 2016 | | |
| Trading of debt securities | Bohai Bank (渤海銀行) | 30 | 0.62 | 2,688.84 | 0.0231% |
| | Orient Securities (東方證券) | 100 | 11.75 | 2,688.84 | 0.4370% |
| | Haitong Securities (海通證券) | 200 | 1.90 | 2,688.84 | 0.0707% |
| Application for fund redemption | Fortune Sg Fund (華寶興業基金) | 1,065 | 30.69 | 1,690.16 | 1.8158% |
| Purchase of trust plans | Fortune Trust (華寶信託) | 140 | 11.75 | 356.60 | 3.2950% |
| | Shanghai International Trust (上海國際信託) | 150 | 9.50 | 356.60 | 2.6641% |

Financial products business

| Content of Transactions | Connected Party | Amount | Amount | Total Amounts of Comparable Transactions | Proportion |
|---|---------------------------|-------------------------------------|----------------------------|--|------------|
| | | Expected to be Generated in 2016 | Actually Generated in 2016 | | |
| Sale of asset management products and collective pension products | Fortune Investment (華寶投資) | 20 | 1.55 | 1,507.76 | 0.1028% |
| | Fortune Trust (華寶信託) | 20 | 0.08 | 1,507.76 | 0.0056% |
| | Connected natural person | Subject to actual generated amounts | 0.01 | 108.15 | 0.0092% |

The above routine related party transactions which were conducted by the Group in accordance with the normal commercial terms during its ordinary course of business, had no influence on the independence of the Company. Though the above routine related party transactions were not required to be approved at the Shareholders' general meetings, it was required to be disclosed collectively pursuant to the Listing Rules and therefore a disclosure was made in the Company's annual report.

II. IMPLEMENTATION OF MANAGEMENT SYSTEM FOR RELATED PARTY TRANSACTIONS

With the establishment of a comprehensive management system of the related party transactions, the Company and each of its holding subsidiaries have kept on enhancing and optimizing the management of related party transactions. In 2016, the Company stringently put forward the management system for related party transactions. Based on its experience in managing related party transactions, it further organized and optimized the update of information on related parties and strengthened the management of processes, such as the review, approval and disclosure of related party transactions, and continuously enhanced the effectiveness of its management of related party transactions, in order to ensure that the related party transactions of the Company meet the requirements of the regulatory authorities and the listing rules of the Company's places of listing, and prevent the risks related to the related party transactions so as to safeguard the interests of the Company and its Shareholders.

(I) Timely update of information on related parties

In order to further enhance the quality of information about related parties and improve the management of related party transactions, the Company will update information on related parties annually in a timely manner. The Company also regularly requests related parties to take note of new regulations and rules, and to actively make voluntary reports on the related parties in accordance with regulatory requirements. In view of the increase in equity investments, the Company has further enhanced its management on the collection of information of related parties regarding external equity investments. As of 31 December 2016, the Company and its holding subsidiaries had 1,456 related legal persons and other organizations (including subsidiaries of Allianz SE), and 987 related natural persons.

(II) Strengthening review of related party transactions

According to the Interim Management Measures on Related Party Transactions of China Pacific Insurance (Group) Co., Ltd and the Interim Management Measures on Connected Transactions of H Shares of China Pacific Insurance (Group) Co., Ltd, Board meetings or Shareholders' general meetings of the Company are responsible for reviewing and approving major related party transactions, and delegating the Company and its relevant departments to review general related party transactions.

(III) Proper information disclosure and reporting

In compliance with the relevant regulations and due completion of the disclosure on related party transaction as well as regulatory reporting work, based on the regulation of "Standards for Disclosure of Information on Funds Utilisation by Insurance Companies No. 1: Related Party Transaction" (Bao Jian Fa [2014] No.44) and "Notice of Relevant Problems Relating to Further Enhancement of Information Disclosure Work on Related Party Transaction by Insurance Companies" (Bao Jian Fa [2016] No.52) of the CIRC, the Company made public disclosure of information in respect of related party transaction through the website of the Company and the website of Association of Insurance Industry and urged its holding subsidiaries to complete the filing and disclosure obligation on the related party transactions in 2016 that required disclosure in accordance with the requirements of the CIRC.

(IV) Conducting special audit of related party transactions regularly

Based on the requirements of the Interim Measures of the CIRC, the audit department of the Company carried out special audits of related party transactions and the implementation of its procedures during the year of 2016 and gave opinions on the policy implementation problems. The compliance management department of the Company asked the relevant departments to promptly rectify such problems so as to ensure the compliancy and fairness of the Company's related party transactions and to safeguard the legitimate interests of the Company and its Shareholders.

III. CHALLENGES IN AND RESPONSE TO MANAGEMENT OF RELATED PARTY TRANSACTIONS IN 2016

In 2016, the issuance of "Notice of Relevant Problems Relating to Further Enhancement of Information Disclosure Work on Related Party Transaction by Insurance Companies" (Bao Jian Fa [2016] No.52) brought material impact to management of related party transactions of insurance companies, which further enlarged the scope of information disclosure, refined the disclosure content, lowered the recognition standard of material related party transactions, determined legal liabilities and regulatory measures, and increased the management pressure of related party transactions of insurance companies. Meanwhile, with the increasingly complex business type of the Company, rapid growth of trading volume and continuous increase in subsidiaries, it was more difficult to manage related party transactions. The management of related party transactions of the Company was subject to compliance of multi-legal system and multi-industry norms in various places, which was also involved corporate governance, financial management, business operations and many other aspects. The notice put forward higher professional requirements on management of related party transactions. In response to the above challenges, the Company intended to improve the management level of related party transactions to the next level through deepening the sense of responsibility, optimizing the management process, strengthening the system control, and refining the human resources policy.

NOTICE OF ANNUAL GENERAL MEETING



中國太平洋保險(集團)股份有限公司
CHINA PACIFIC INSURANCE (GROUP) CO., LTD.
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02601)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2016 annual general meeting (“AGM” or “Annual General Meeting”) of China Pacific Insurance (Group) Co., Ltd. (the “Company”) will be held at Sheraton Dameisha Resort, Shenzhen, Guangdong, the People’s Republic of China (the “PRC”) on Friday, 9 June 2017 at 1:00 p.m., for the following purposes:

ORDINARY RESOLUTIONS:

1. To consider and approve the report of the Board of Directors of the Company for the year 2016
2. To consider and approve the report of the Board of Supervisors of the Company for the year 2016
3. To consider and approve the full text and the summary of the annual report of A shares of the Company for the year 2016
4. To consider and approve the annual report of H shares of the Company for the year 2016
5. To consider and approve the financial statements and report of the Company for the year 2016
6. To consider and approve the profit distribution plan of the Company for the year 2016
7. To consider and approve the proposal on the appointment of auditors for the year 2017
8. To consider and approve the due diligence report of the Directors for the year 2016
9. To consider and approve the report on performance of Independent Directors for the year 2016
10. To consider and approve proposed amendments to the interim administrative measures on related party transactions of the Company
11. To consider and approve the development plan of the Company for the years 2017 to 2019

NOTICE OF ANNUAL GENERAL MEETING

12. To consider and approve the election of Directors for the eighth session of the Board of Directors of the Company
 - 12.1 To consider and approve Mr. KONG Qingwei as an executive director of the eighth session of the Board of Directors of the Company
 - 12.2 To consider and approve Mr. HUO Lianhong as an executive director of the eighth session of the Board of Directors of the Company
 - 12.3 To consider and approve Mr. WANG Jian as a non-executive director of the eighth session of the Board of Directors of the Company
 - 12.4 To consider and approve Mr. WANG Tayu as a non-executive director of the eighth session of the Board of Directors of the Company
 - 12.5 To consider and approve Mr. KONG Xiangqing as a non-executive director of the eighth session of the Board of Directors of the Company
 - 12.6 To consider and approve Mr. ZHU Kebing as a non-executive director of the eighth session of the Board of Directors of the Company
 - 12.7 To consider and approve Ms. SUN Xiaoning as a non-executive director of the eighth session of the Board of Directors of the Company
 - 12.8 To consider and approve Mr. WU Junhao as a non-executive director of the eighth session of the Board of Directors of the Company
 - 12.9 To consider and approve Mr. CHEN Xuanmin as a non-executive director of the eighth session of the Board of Directors of the Company
 - 12.10 To consider and approve Mr. BAI Wei as an independent non-executive director of the eighth session of the Board of Directors of the Company
 - 12.11 To consider and approve Mr. LEE Ka Sze, Carmelo as an independent non-executive director of the eighth session of the Board of Directors of the Company
 - 12.12 To consider and approve Mr. LAM Chi Kuen as an independent non-executive director of the eighth session of the Board of Directors of the Company
 - 12.13 To consider and approve Mr. ZHOU Zhonghui as an independent non-executive director of the eighth session of the Board of Directors of the Company
 - 12.14 To consider and approve Mr. GAO Shanwen as an independent non-executive director of the eighth session of the Board of Directors of the Company

NOTICE OF ANNUAL GENERAL MEETING

13. To consider and approve the election of shareholder representative Supervisors for the eighth session of the Board of Supervisors of the Company
 - 13.1 To consider and approve Ms. ZHANG Xinmei as a shareholder representative Supervisor of the eighth session of the Board of Supervisors of the Company
 - 13.2 To consider and approve Ms. LIN Lichun as a shareholder representative Supervisor of the eighth session of the Board of Supervisors of the Company
 - 13.3 To consider and approve Mr. ZHOU Zhuping as a shareholder representative Supervisor of the eighth session of the Board of Supervisors of the Company

SPECIAL RESOLUTIONS:

14. As special business, to authorize the Board of Directors of the Company to determine if the Company shall allot, issue and deal with, A shares and H shares, separately or concurrently, according to market conditions and the needs of the Company, provided that the respective number of shares shall not exceed 20% of each of the A shares or H shares of the Company in issue on the date of the passing of this special resolution. However, notwithstanding the granting of the general mandate to the Board of Directors, any issue of new A shares would require another shareholders' approval at a shareholders' general meeting in accordance with the relevant PRC laws and regulations.
 - (1) Subject to paragraphs (3) and (4) below and pursuant to the Company Law of the People's Republic of China (the "**Company Law**") and the relevant regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed, the Board of Directors shall be granted a general and unconditional mandate to exercise all the powers of the Company to allot, issue and deal with new shares during the "**Relevant Period**" (as hereinafter defined) and to determine the terms and conditions for the allotment and issue of new shares which include, without limitation, the following terms:
 - (a) the class and number of new shares to be issued;
 - (b) the method of determining the issue price of new shares and/or the issue price (including the price range);
 - (c) the starting and closing dates for the issue;
 - (d) class and number of the new shares to be issued to existing shareholders; and
 - (e) the making or granting of offers, agreements and options which might require the exercise of such powers.

NOTICE OF ANNUAL GENERAL MEETING

- (2) The approval in paragraph (1) shall authorize the Board of Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period.
- (3) The aggregate nominal amount of the new A shares and new H shares allotted, issued and dealt with conditionally or unconditionally (whether pursuant to an option or otherwise) by the Board of Directors pursuant to the approval in paragraph (1), other than the shares issued pursuant to a Rights Issue (as hereinafter defined) or the rights to purchase the shares of the Company under any option scheme or similar arrangement, shall not exceed 20% of each of the A shares and H shares of the Company in issue as at the date of passing this resolution.
- (4) In exercising the powers granted in paragraph (1), the Board of Directors must: (a) comply with the Company Law and the relevant regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed; and (b) obtain approval from China Securities Regulatory Commission and other relevant PRC government departments.
- (5) For the purpose of this resolution:

“**Relevant Period**” means the period from the date of passing this resolution until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the 12-month period following the passing of this resolution; and
 - (c) the revocation or variation of the mandate granted under this resolution by a special resolution of the Company’s shareholders in a shareholders’ general meeting. “**Rights Issue**” means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the law of that place) and, where appropriate, the holders of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities.
- (6) The Board of Directors, subject to the approval of the relevant authorities of the PRC and in accordance with the Company Law, shall be authorized to increase the registered capital of the Company to the required amount upon the exercise of the powers pursuant to paragraph (1) above.

NOTICE OF ANNUAL GENERAL MEETING

- (7) The Board of Directors shall be authorized to sign the necessary documents, complete the necessary formalities and take other necessary steps to complete the allotment, issue and listing of new shares, provided that the same do not violate the relevant laws, administrative regulations, and regulatory stipulations (as amended from time to time) of the places where the shares of the Company are listed, and the Articles of Association.
- (8) Subject to the approval of the relevant PRC authorities, the Board of Directors shall be authorized to make amendments to the Articles of Association as appropriate and necessary after the completion of the allotment and issue of new shares according to the method of the allotment and issue of new shares by the Company the class and number of new shares to be allotted and issued by the Company, and the actual shareholding structure of the Company at the time of completion of the allotment and issue of new shares, in order to reflect the changes in the share capital structure and the registered capital of the Company pursuant to the exercise of this mandate.
15. To consider and approve the proposed amendments to the Articles of Association of the Company in the manner as set out in the section headed “8. Proposed Amendments to The Articles of Association and The Procedural Rules for Shareholders’ General Meetings” in the circular of the Company dated 25 April 2017, to grant an authorization to the chairman or his authorized person to make such revisions to the Articles of Association as he deems necessary and appropriate in accordance with the requirements of regulatory authorities during the Company’s approval process for the Articles of Association. Such amendment is subject to and shall take effect after the approval from CIRC has been obtained.
16. To consider and approve the proposed amendments to the Procedural Rules for Shareholders’ General Meetings in the manner as set out in the section headed “8. Proposed Amendments to The Articles of Association and The Procedural Rules for Shareholders’ General Meetings” in the circular of the Company dated 25 April 2017, to grant an authorization to the chairman or his authorized person to make such revisions to the Procedural Rules for Shareholders’ General Meetings as he deems necessary and appropriate in accordance with the requirements of regulatory authorities during the Company’s approval process for the Procedural Rules for Shareholders’ General Meetings. Such amendment is subject to and shall take effect after the approval from CIRC has been obtained.

REPORT TO BE REVIEWED

The report on the status of related party transactions and the implementation of management system for related party transactions of the Company for the year 2016.

Note: The English version of this notice is an unofficial translation and is for reference only. In case of inconsistency between the English and Chinese versions, the Chinese version shall prevail.

**The Board of Directors of
China Pacific Insurance (Group) Co., Ltd.**

Shanghai, the PRC, 25 April 2017

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Eligibility for attending the AGM and closure of register of members for H shares

The AGM will be held on Friday, 9 June 2017. The H Share Register of Members of the Company will be closed for the purpose of determining holders of H shares entitlement to attend the AGM, from Wednesday, 10 May 2017 to Friday, 9 June 2017 (both days inclusive), during which no transfer of H shares will be registered. In order to attend the AGM, holders of H shares should ensure that all transfer documents, accompanied with the relevant share certificates, are lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by no later than 4:30 p.m. on Tuesday, 9 May 2017.

2. Proposed final dividend

On 29 March 2017, the Board of Directors recommended a final dividend of RMB0.70 per share (including tax) for the year ended 31 December 2016, amounting to approximately RMB6.343 billion in aggregate. The proposed final dividend is subject to the approval of shareholders at the 2016 AGM. If approved, it is expected that the payment of the final dividend will be made on or before Wednesday, 2 August 2017 to the shareholders whose names appear on the H Share Register of Members of the Company on Tuesday, 20 June 2017.

3. Withholding of dividend income tax

Pursuant to the applicable provisions of the Enterprise Income Tax Law of the PRC and its implementation rules enacted in 2008, the Company is required to withhold 10% of corporate income tax when it distributes the final dividend to its non-resident enterprise shareholders whose names appear on the H Share Register of Members of the Company on Tuesday, 20 June 2017.

Pursuant to the applicable provisions of the Individual Income Tax Law of the PRC and its implementation rules and confirmed by the relevant tax authorities in the PRC after consulting with them by the Company, the Company will withhold individual income tax at the tax rate of 10% when it distributes the final dividend for 2016 to individual holders of H shares appeared on the Company's H Share Register of Members on Tuesday, 20 June 2017. However, if it is otherwise stated in the tax regulations and relevant tax treaty, the Company will withhold individual income tax based on their dividend at the required tax rate and in accordance with the relevant procedures. If the applicable dividend tax rate is less than 10%, the individual holders of H shares are entitled to apply for refund of the over-deducted amount on their own or appoint an agent to act on their behalf according to the tax treaty entered into between their countries of domicile and the PRC and the regulations of the relevant PRC tax authorities.

The Company will withhold the enterprise income tax as well as the individual income tax as required by law for holders of H shares whose names appeared on the Company's H Share Register of Members on Tuesday, 20 June 2017. The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual holders of H shares and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual holders of H shares or any disputes over the withholding mechanism or arrangements.

Withholding of Income Tax for Holders of H Shares via the Hong Kong Stock Connect

Pursuant to the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) promulgated on 17 November 2014:

- In respect of the dividends received by mainland individual investors who invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will withhold individual income tax at the rate of 20%. Individual investors may, by producing valid tax payment proofs, apply

NOTICE OF ANNUAL GENERAL MEETING

to the competent tax authority of China Securities Depository and Clearing Company Limited for tax credit relating to the withholding tax already paid abroad. In respect of the dividends received by mainland securities investment funds that invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will withhold individual income tax in the same way as the foregoing requirements;

- In respect of the dividends received by mainland corporate investors that invest in the H shares of the Company via the Shanghai-Hong Kong Stock Connect Program, the Company will not withhold any income tax from the dividend and the mainland corporate investors shall file the tax returns on their own.

Withholding of Income Tax for Holders of A Shares via the Shanghai Stock Connect

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A shares of the Company listed on the Shanghai Stock Exchange (the “**Shanghai Stock Connect**”), the dividends received by them will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited as the nominee account holding such A shares. Pursuant to the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market (Cai Shui [2014] No. 81) (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)), the Company will withhold income tax at the rate of 10% on behalf of those investors and will undertake the reporting procedures on the tax withholding and payment with the tax authorities, and the after-tax cash dividend will be RMB0.63 per share. For investors of Shanghai Stock Connect who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the amount paid in excess of the tax payable based on the tax rate according to such tax treaty will be refunded.

All investors should read this notice carefully. Shareholders are recommended to consult their tax advisors on the PRC, Hong Kong and other tax effects regarding their holding and disposing of H shares of the Company.

4. Eligibility for proposed final dividend and closure of H Share Register of Members

The H Share Register of Members of the Company will be closed from Thursday, 15 June 2017 to Tuesday, 20 June 2017 (both days inclusive), during which period no transfer of H shares will be registered. In order to be eligible for the entitlement of the final dividend, holders of H shares should ensure that all transfer documents, accompanied with the relevant share certificates, are lodged with the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited, at Room 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, by no later than 4:30 p.m. on Wednesday, 14 June 2017.

5. Proxy

- (1) Each shareholder entitled to attend and vote at the AGM may appoint one or more proxies in writing to attend and vote on his behalf. A proxy need not be a shareholder of the Company.
- (2) The instrument appointing a proxy must be in writing by the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorized attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign or other document of authorization must be notarized. To be valid, for holders of H Shares, the form of proxy and notarized power of attorney or other document of authorization must be delivered to Computershare Hong Kong Investor Services Limited, not less than 24 hours before the time appointed for the AGM (i.e. before 1:00 p.m. on Thursday, 8 June 2017) (form of proxy for use at the AGM is attached herewith).
- (3) If a shareholder appoints more than one proxy, such proxies shall only exercise the right to vote by poll.

NOTICE OF ANNUAL GENERAL MEETING

6. Registration procedures for attending the AGM

- (1) A shareholder or his proxy should produce proof of identity when attending the AGM. If a shareholder is a legal person, its legal representative or other person authorized by the Board of Directors or other governing body of such shareholder may attend the AGM by producing a copy of the resolution of the Board of Directors or other governing body of such shareholder appointing such person to attend the meeting.
- (2) Shareholders of the Company intending to attend the AGM in person or by their proxies should complete and return the reply slip for attending the AGM to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before Friday, 19 May 2017.

7. Voting by poll

According to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a shareholders' general meeting must be taken by poll except where the chairman in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the chairman of the AGM will demand a poll in relation to all the proposed resolutions at the AGM in accordance with Article 91 of the Articles of Association of the Company.

8. Miscellaneous

- (1) The AGM is expected to be held for no more than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
- (2) The address of Computershare Hong Kong Investor Services Limited is: 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (3) The address of China Securities Depository and Clearing Corporation Limited Shanghai Branch is: Level 36, China Insurance Building, 166 East Lujiazui Road, Pudong New District, Shanghai, the People's Republic of China.
- (4) The registered office of the Company is at:

South Tower, Bank of Communications Financial Building, 190 Central Yincheng Road, Pudong New District, Shanghai, the People's Republic of China
Postal Code: 200120
Contact office: Office of the Board of Directors
Contact Person: JIANG Zhenxiang
Telephone No.: 86 (21) 3396 8598
Facsimile No.: 86 (21) 6887 0791