
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in The People's Insurance Company (Group) of China Limited, you should at once hand this circular, the accompanying proxy form and reply slip for the extraordinary general meeting to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**中国人民保险集团股份有限公司****THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED***(A joint stock company incorporated in the People's Republic of China with limited liability)***(Stock Code: 1339)**

**A SHARE OFFERING AND RELATED MATTERS
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AMENDMENTS TO THE PROCEDURAL RULES FOR THE
SHAREHOLDERS GENERAL MEETING
AND
NOTICE OF EGM**

The EGM of The People's Insurance Company (Group) of China Limited will be held at PICC Building, No. 88 Xichang'an Street, Xicheng District, Beijing, the People's Republic of China on 31 July 2017 at 2:00 p.m.. The notice of EGM is set out on pages 74 to 76 of this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be) (which is 2:00 p.m. on 30 July 2017 (Sunday) (or other date in the event of any adjournment thereof)). If you intend to attend the EGM in person or by proxy, you are required to complete and return the accompanying reply slip in accordance with the instructions printed thereon on or before 11 July 2017 (Tuesday). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

15 June 2017

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DEFINITIONS

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

“A Shares”	the ordinary shares to be subscribed for in RMB which are proposed to be issued by the Company in accordance with the A Share Offering
“A Share Offering”	the proposed allotment and issue of not more than 4,598,807,861 Shares (excluding any shares that may be issued under the over-allotment option) of RMB1.00 each (not exceeding approximately 10.84% of the existing total issued share capital and not exceeding approximately 9.78% of the total issued share capital of the Company upon the issue of A Shares) to qualified natural persons and institutional investors (excluding those in respect of which subscription has been prohibited under national laws, administrative regulations, departmental regulations and regulatory documents and other regulatory requirements applicable to the Company) by the Company, and to be listed on the Shanghai Stock Exchange
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board” or “Board of Directors”	the board of Directors of the Company
“CIRC”	China Insurance Regulatory Commission
“Company”	The People’s Insurance Company (Group) of China Limited, a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Hong Kong Stock Exchange under the Stock Code: 1339
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Shareholders”	holders of Domestic Shares
“Domestic Shares”	the ordinary shares of RMB1.00 each issued by the Company under PRC law, which are subscribed for or credited as fully paid up in RMB

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be held at PICC Building, No. 88 Xichang'an Street, Xicheng District, Beijing, the People's Republic of China on 31 July 2017 (Monday) at 2:00 p.m., to consider, and if thought fit, to approve, inter alia, the proposed A Share Offering, proposed grant of authority to the Board in connection with the proposed A Share Offering, proposed amendments to the Articles of Association, proposed amendment to the Procedural Rules for the Shareholders General Meeting
“General Mandate”	the general mandate expected to be granted by the Shareholders to the Board at the annual general meeting for the year of 2016 to be held on 23 June 2017 to allot, issue or otherwise deal with Domestic Shares and H Shares, and if granted, such general mandate shall be valid until the earliest of (i) the conclusion of the next annual general meeting of the Company, (ii) the expiration of the 12-month period, that is, 22 June 2018, and (iii) the date on which the general mandate is revoked or revised by a special resolution of the Shareholders in a general meeting
“H Shareholders”	holders of H Shares
“H Shares”	the overseas listed foreign invested shares of nominal value of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Third Party(ies)”	persons who, to the best of the Directors' knowledge having made all reasonable enquiries, are not connected persons of the Company
“Latest Practicable Date”	8 June 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

“PRC”	the People’s Republic of China, for the purpose of this circular and for geographical reference only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China, and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary shares in the capital of the Company with a nominal value of RMB1.00 each, including H Shares and Domestic Shares
“Shareholder(s)”	holder(s) of the Shares
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company

LETTER FROM THE BOARD



中国人民保险集团股份有限公司

THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

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

(Stock Code: 1339)

Executive Director:

Wu Yan (*Chairman*)

Non-executive Directors:

Yao Zhiqiang

Wang Qiao

Hua Rixin

Cheng Yuqin

Wang Zhibin

Independent Non-executive Directors:

Lau Hon Chuen

Xu Dingbo

Luk Kin Yu, Peter

Lin Yixiang

Chen Wuzhao

Registered office:

69 Dongheyan Road

Xuanwu District

Beijing, China

Principal Place of business in Hong Kong:

15th Floor

Guangdong Investment Tower

148 Connaught Road Central

Central

Hong Kong

15 June 2017

To the Shareholders

Dear Sir or Madam,

**A SHARE OFFERING AND RELATED MATTERS
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AMENDMENTS TO PROCEDURAL RULES FOR
THE SHAREHOLDERS GENERAL MEETING AND
NOTICE OF EGM**

1. INTRODUCTION

The Company announced on 16 May 2017 that the Company intended to apply to the relevant authorities in the PRC for the allotment and issue of not more than 4,598,807,861 A Shares (excluding any shares that may be issued under the over-allotment option) of RMB1.00 each to qualified natural persons and institutional investors (except those prohibited under national laws and regulations and other regulatory requirements which the Company has to comply with), and the listing of, and permission to deal in, such A Shares on the Shanghai Stock Exchange.

The proposed A Share Offering is subject to (i) approval by Shareholders at the EGM; and (ii) the approvals of the CSRC, and other regulatory authorities.

LETTER FROM THE BOARD

In light of the proposed A Share Offering and pursuant to the requirements of the applicable PRC laws and regulations, the Board further proposed to make certain amendments to the Articles of Association and the Procedural Rules for the Shareholders General Meeting.

The purpose of this circular is to provide you the notice of EGM and the information on the proposed resolutions to be considered at the EGM to enable you to make an informed decision on whether to vote for or against those resolutions at the EGM.

2. MATTERS TO BE CONSIDERED AT THE EGM

Special resolutions to be proposed at the EGM for the Shareholders to consider and approve include: (a) plan of the initial public offering and listing of A Shares; (b) authorization to deal with matters relating to the A Share Offering; (c) use of proceeds from the A Share Offering; (d) accumulated profit distribution plan before the A Share Offering; and (e) amendments to the Articles of Association.

Ordinary resolutions to be proposed at the EGM for the Shareholders to consider and approve include: (a) the three-year dividend plan after A Share Offering; (b) the price stabilization plan of A Shares of the Company within three years after the A Share Offering; (c) the undertakings on the disclosure of information in the prospectus published in connection with the A Share Offering; (d) the dilution of immediate returns as a result of the A Share Offering and remedial measures; (e) report on the status of use of previously raised funds; and (f) amendments to Procedural Rules for the Shareholders General Meeting.

Matters to be considered at the EGM are set out in further details on pages 74 to 76 in the Notice of EGM to this circular. In order to enable you to have a better understanding of the resolutions at the EGM and to make well-informed decisions, we have provided detailed information in this circular, including matters to be considered at the EGM (see Appendix I), amendments to the Articles of Association in respect of A Share Offering (see Appendix II), three-year dividend plan after the A Share Offering (see Appendix III), price stabilization plan of A Shares of the Company within three years after the A Share Offering (see Appendix IV), dilution of immediate returns as a result of the A Share Offering and remedial measures (see Appendix V), report on the status of use of previously raised funds (see Appendix VI) and amendments to Procedural Rules for the Shareholders General Meeting (see Appendix VII).

LETTER FROM THE BOARD

3. IMPACT OF THE A SHARE OFFERING ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming a total of 4,598,807,861 A Shares are permitted to be issued under the A Share Offering (if the over-allotment option is fully exercised, a total of 5,288,629,040 A Shares will be issued) and there are no changes to the share capital of the Company prior to the completion of the A Share Offering, the shareholding structures of the Company as at the Latest Practicable Date and immediately after the completion of the A Share Offering are set out as follows:

	As at the Latest Practicable Date		Immediately after completion of the A Share Offering (assuming the over-allotment option is not exercised) ^(Note 1)		Immediately after completion of the A Share Offering (assuming the over-allotment option is fully exercised) ^(Note 1)	
	Number of Shares	Approximate percentage of the Company's issued share capital	Number of Shares	Approximate percentage of the Company's issued share capital	Number of Shares	Approximate percentage of the Company's issued share capital
Domestic Shares						
Ministry of Finance	29,896,189,564	70.47%	29,896,189,564	63.58%	29,896,189,564	62.66%
National Council for Social Security Fund ^(Note 3)	3,801,567,019	8.96%	3,801,567,019	8.08%	3,801,567,019	7.97%
A Shares to be newly issued under the A Share Offering ^(Note 2)	–	–	4,598,807,861	9.78%	5,288,629,040	11.08%
Sub-total	33,697,756,583	79.43%	38,296,564,444	81.44%	38,986,385,623	81.71%
H Shares						
National Council for Social Security Fund ^(Note 3)	616,436,000	1.45%	616,436,000	1.31%	616,436,000	1.29%
Mr. Wang Dajun ^(Note 4)	50,000	0.00012%	50,000	0.00011%	50,000	0.00010%
Public Shareholders	8,109,757,000	19.12%	8,109,757,000	17.25%	8,109,757,000	17.00%
Sub-total	8,726,234,000	20.57%	8,726,234,000	18.56%	8,726,234,000	18.29%
Total	42,423,990,583	100.00%	47,022,798,444	100.00%	47,712,619,623	100.00%

Note 1: The shareholding structure immediately after the completion of the A Share Offering is illustrated assuming that there is no transfer of Shares by the state-owned Shareholders to the National Council of Social Security Fund or any reduction in the shareholding of the state-owned Shareholders. Such transfer or reduction of shareholding, if any, shall be conducted pursuant to applicable PRC laws and regulations and will be subject to the review and approval of the PRC regulatory authorities. In addition, the Domestic Shares in issue will be converted into A Shares immediately after the completion of the A Share Offering.

LETTER FROM THE BOARD

It is noted that offering size of the A Share Offering is different from the disclosure in the prospectus of the Company dated 26 November 2012. It is because the validity period of the resolutions in relation to the A share offering as disclosed in the prospectus of the Company has passed. The Board therefore re-determined the offering size in accordance with the internal rules and procedures.

Note 2: It is expected that the A Shares will be held by Independent Third Parties and so will be counted as part of the public float.

Note 3: As at the Latest Practicable Date, the National Council for Social Security Fund held approximately 10.41% of the total issued share capital of the Company, and therefore the Shares held by it are not counted as part of the public float.

Note 4: Mr. Wang Dajin is a supervisor of the Company, and therefore the Shares held by him are not counted as part of the public float.

At the time of the listing of the H Shares on the Hong Kong Stock Exchange, the Hong Kong Stock Exchange has granted its consent under Rule 8.08(1) of the Hong Kong Listing Rules (a) to allow the Company to have a total public float of less than 25% upon the completion of the global offering (and before the A Share Offering) subject to the total minimum public float shall be at the higher of (i) 16.28% and (ii) the percentage after the exercise of the H Share over-allotment option; and (b) to allow a reduced public float for the Company's H Shares (upon completion of both the global offering and the A Share Offering) subject to the minimum public float for the H Share shall be higher of (i) 14.43% of the total issued Shares and (ii) such a percentage of H Shares held by the public immediately after completion of the global offering and A Share Offering (as increased by the H Shares to be issued upon exercise of the H Share over-allotment option).

Immediately after the exercise of the H Share over-allotment option, the number of H Shares in public hands represented not less than 18.44% of the total issued Shares.

Based on the publicly available information and to the knowledge of the Directors, the Company had a public float of not less than 18.44% of the Shares as at the Latest Practicable Date which satisfies the public float requirement.

As a result of the A Share Offering and assuming the over-allotment option is not exercised and a maximum of 4,598,807,861 A Shares are issued which are expected to be all held by Independent Third Parties, the Company's minimum public float for the H Shares will be approximately 17.25%. If the over-allotment option is fully exercised, the Company's minimum public float for the H Shares will be approximately 17.00%. The Company would still be able to meet the minimum requirement on the public float percentage as imposed by the Hong Kong Stock Exchange at the time of the Company's listing of H Shares. The Company will closely monitor its public float percentage to make sure its compliance, at all time, with relevant requirements on public float.

The Company has not conducted any fund raising activities in connection with the issue of share capital within the 12 months immediately preceding the Latest Practicable Date.

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4. PRC REGULATIONS ON A SHARE PRICING

Regulatory authorities in the PRC, such as the CSRC, have clear regulations on the pricing methodology of initial public offering and information disclosure of A Shares, such as the “Initial Public Offering Underwriting Business Code” (《首次公開發行股票承銷業務規範》). According to such regulation, the lead underwriter(s) and the Company can determine the issue price of the A Shares by making enquiries with offline investors. The lead underwriter(s) and the Company shall determine the issue price or the range of the issue price after the initial enquiry results. After the range of the issue price is determined, the issue price shall then be determined through cumulative bidding quotation within the range of the issue price. At the same time, the lead underwriter(s) shall carry out book-building in respect of the quotations of offline investors, and record the subscription prices and subscription number of offline investors, and shall determine the issue price or range of issue price according to the result of book-building.

In addition, as a PRC state-owned financial enterprise, the actual issue price of A Shares of the Company is also regulated by the state-owned asset management requirements such as the “Administrative Measures for the Transfer of State-owned Assets of Financial Enterprises” (No. 54 order of the Ministry of Finance of the People’s Republic of China) (《金融企業國有資產轉讓管理辦法》(中華人民共和國財政部令第54號)). As such, the issue price of the A Shares shall not be less than the latest audited net asset value per Share prior to the A Share Offering.

5. EGM

The EGM will be held at PICC Building, No. 88 Xichang’an Street, Xicheng District, Beijing, the People’s Republic of China on 31 July 2017 (Monday) at 2:00 p.m.. The notice of the meeting is set out in this circular.

In order to determine the holders of the H Shares who are entitled to attend the EGM, the H Shares register of members of the Company will be closed from 30 June 2017 (Friday) to 31 July 2017 (Monday), both days inclusive, during which period no transfer of H Shares will be effected. Holders of H Shares who intend to attend the EGM must deposit the share certificates together with the transfer documents at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, at or before 4:30 p.m. on 29 June 2017 (Thursday). Holders of H Shares whose names appear on the H Shares register of members of the Company at the close of business on 29 June 2017 are entitled to attend the EGM.

A proxy form and a reply slip for the EGM are enclosed and also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.picc.com). H Shareholders who intend to attend the EGM by proxy should complete and return the enclosed proxy form to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be) (which is 2:00 p.m. on 30 July 2017 (Sunday) (or other date in the event of any adjournment thereof)). Completion and return of the proxy form will not

LETTER FROM THE BOARD

preclude a Shareholder from attending the EGM and voting in person if he so wishes. H Shareholders who intend to attend the EGM in person or by proxy should complete and return the reply slip in person, by post or by fax to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before 11 July 2017.

Voting at the EGM shall be taken by way of registered poll.

No shareholder is required to abstain from voting in any of the resolutions to be proposed at the EGM.

6. RECOMMENDATION

The Directors consider that all resolutions set out in the notice of EGM for consideration and approval by Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the EGM.

Yours faithfully,

On behalf of the Board

The People's Insurance Company (Group) of China Limited

Wu Yan

Chairman

(I) TO CONSIDER AND APPROVE THE PLAN OF THE A SHARE OFFERING

After the successful listing of the H Shares, the Company proposes to apply for an offering and listing of the Company's A Shares (the "Offering and Listing") in order to further optimize the corporate governance structure and develop domestic and international financing platforms. Under the requirements of the relevant laws, regulations and regulatory documents, such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Measures for the Administration of Initial Public Offerings and Listing of Shares* and the *Opinions of the China Securities Regulatory Commission on Further Promoting the IPO System Reform* issued by the CSRC, the Company has set out the following plans:

- (a) **Class of Shares:** domestically listed RMB ordinary Shares (A Shares)
- (b) **Nominal value per Share:** RMB1.00
- (c) **Proposed stock exchange for the listing:** Shanghai Stock Exchange
- (d) **Offering size:** Subject to the regulatory requirements regarding the minimum issuance size of the listing venue, the number of Shares to be issued shall not exceed 4,598,807,861 Shares, not exceeding 9.78% of the total share capital after the Offering and Listing and shall not include any shares that may be issued under the over-allotment option. Subject to the laws and regulations and regulatory requirements, the Company may authorize the lead underwriter(s) to offer the shares of not more than 15% of the amount to be underwritten pursuant to over-allotment option at the same issue price, that is 689,821,179 A Shares. The number of Shares to be issued will be adjusted accordingly if any events such as bonus issue and the capitalization of capital reserve occurs prior to the issuance. A Shares will be issued as new Shares. The actual total offering size, over-allotment and proportion of placement will be determined according to the capital requirements of the Company, its communications with the regulatory authorities and the prevailing market conditions at the time of offering.
- (e) **Target subscribers:** Target subscribers will be qualified natural persons and institutional investors (excluding those prohibited by the relevant PRC laws, administrative regulations, departmental rules, normative documents and other regulatory requirements applicable to the Company). If any of the above target subscribers of the A Share Offering is a connected person of the Company, the Company will take all reasonable measures to comply with the relevant listing requirements of the jurisdictions in which the Shares are listed.

The Company does not expect any of the target subscribers of the A Share Offering will become a connected person of the Company.

If any of the target subscribers of the A Share Offering is a connected person of the Company, such issue will be conditional upon and subject to the compliance of the requirements under Chapter 14A of the Listing Rules, including announcement, reporting and independent shareholders' approval requirements.

- (f) **Strategic placing:** Subject to the laws and regulations and regulatory requirements, the Company may carry out strategic placings at the time of the A Share Offering, to place some of the shares to investors who satisfy the requirements under applicable laws and regulations and the development strategy of the Company based on the needs for business cooperation and scale of financing. The specific placing ratio will be determined according to the requirements of laws and regulations and subject to market conditions at the time of such placing.

- (g) **Mode of Offering:** Through a combination of placings to target subscribers at a price to be determined between the Company and the subscribers on an offline basis and an offering to qualified public investors online at a fixed price, or through any other methods of offering as authorized by the regulatory authorities.

Online offering refers to placing of shares through the trading system of stock exchange to investors who subscribe online according to market capitalization.

Offline offering refers to placing of shares through the offline electronic subscription platform of the trading system of stock exchange to qualified offline investors who enquired.

- (h) **Pricing methodology:** Taking into full account the interests of the existing Shareholders as a whole, and the conditions of the capital markets and the Company at the time of the A Share Offering, the issue price of A Shares will be fixed through making enquiries with offline investors or fixed directly through negotiations between the lead underwriter(s) and the Company, or by any other legally practicable methods.

In accordance with relevant policy regulations on the management of state-owned assets, the Company expects the A Share issue price of the Company not to be less than the latest audited net asset value per Share prior to the A Share Offering. For reference only, the audited net asset value per Share as at 31 December 2016 calculated based on financial information prepared under the IFRSs is RMB2.97.

- (i) **Form of underwriting:** The offering will be underwritten by an underwriting syndicate led by a lead underwriter on a standby commitment basis.
- (j) **Conversion into a joint stock company with limited liability with domestic and overseas listed shares:** In accordance with the plans for the listing of the A Share Offering and taking into account that H Shares have been issued in the H Share market, the Company will convert into a joint stock company with limited liability with domestically and overseas listed shares.
- (k) **Valid period of the offering:** The plans for the A Share Offering shall be valid for 12 months from the date of passing of the resolution at the general meeting.

The A Share Offering described above is expected to proceed under the General Mandate. The Domestic Shares in issue of the Company will be converted into A Shares upon the completion of the A Share Offering.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(II) TO CONSIDER AND APPROVE THE AUTHORIZATION TO DEAL WITH MATTERS RELATING TO THE A SHARE OFFERING

For the purposes of the A Share Offering, a resolution will be proposed at the EGM to approve to authorize the Board, or its delegation to the Chairman (who may delegate to other persons), to determine and deal with the matters in connection with the Offering and Listing at the general meeting for considering the Offering and Listing plan and within the valid period of the limit for the grant period, details of which are set out below:

- (a) Amending and improving the plans for the Offering and Listing and organizing its implementation based on the comments from regulatory authorities within and outside China and subject to market conditions, including but not limited to determining the specific offering size, pricing methodology, offer price, over-allotment and strategic placings (including proportion of placement and placement targets), time and method of the offering, targets of the offering, and other specific matters relating to the implementation of this plan for the offering and listing; making corresponding adjustments (including the suspension and termination of the implementation of the offering plan) to matters in relation to the plans on offering and listing as a result of changes in laws, regulations or regulatory documents with respect to the A Share Offering and listing, or changes in policies of regulatory authorities in connection with the A Share Offering and listing, or changes in market conditions, save for those matters required to be voted again on at a general meeting under the requirements of the relevant laws, regulations, regulatory documents and the Articles of Association of the Company.
- (b) Handling the procedures for the review and examination, registration, filing, approval and consent with the regulatory authorities within and outside China in connection with matters relating to the Offering and Listing according to the plan of offering; signing, executing, amending and completing all necessary documents to be submitted to any governments, authorities, organizations and individuals within and outside China with respect to the Offering and Listing; designating an account specifically for the holding the proceeds prior to this Offering and Listing, if needed; issuing statements and undertakings relating to the offering and listing, and the taking of such steps as are necessary, expedient or appropriate with respect to this offering and listing.
- (c) Drafting, amending, signing, submitting, publishing, disclosing, implementing, suspending or terminating any agreements, contracts, announcements, circulars or other documents relating to this offering and listing (including but not limited to the prospectus, listing documents, sponsorship agreements, underwriting

agreements, listing agreements, intermediary service agreements and others); engaging sponsors, underwriters, law firms, auditing firms, valuation agencies, receiving banks and other intermediaries in connection with this offering and listing; determining and paying expenses relating to this Offering and Listing.

- (d) Making any amendments to the Articles of Association and other corporate governance documents which have been considered and approved at general meetings and Board meetings and as amended by the Company pursuant to domestic or foreign laws, regulations and other regulatory documents due to the needs of this offering and listing as a result of any changes in domestic or foreign laws, regulations and other regulatory documents and based on the requirements and advice of the relevant government agencies and regulatory authorities in or out of China, and the actual situation of this offering and listing; making corresponding amendments to the Articles of Association with respect to the registered capital and shareholding structure of the Company and handling the filing and registration procedures with company registration authorities and other relevant government departments upon completion of the A Share Offering, and dealing with matters in relation to an application for the listing of A Shares on a securities exchange.
- (e) Handling the procedures in relation to the approval, filing and change of registration in connection with any change of the registered capital of the Company with the CIRC and the department in charge of industrial and commercial administration and other relevant regulatory authorities according to the actual situation of this offering.
- (f) Subject to the laws and regulations and regulatory requirements, handling relevant matters relating to the transfer of state-owned shares.
- (g) Handling any other matters which the Board thinks necessary, expedient or appropriate for this Offering and Listing, subject to the relevant domestic and foreign laws and regulations.
- (h) Delegating other Directors or relevant persons to deal with, individually or jointly, any matters relating to this Offering and Listing as and when needed.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(III) TO CONSIDER AND APPROVE THE USE OF PROCEEDS FROM THE A SHARE OFFERING

I. USE OF PROCEEDS FROM THE LISTING AND OFFERING

The proceeds from the Offering and Listing, after deduction of issuance expenses, will be used for replenishing the Company's share capital.

II. NECESSITY AND FEASIBILITY ANALYSIS

(1) Necessity analysis of the Listing and Offering

1. Implement the important arrangements for national and industrial policies

Several Opinions of the State Council on Accelerating the Development of the Modern Insurance Service Industry by the State Council (Guo Fa [2014] No.29), has advocated to “promote the reform and open of the insurance industry, improve the level of industry development comprehensively”, and also mentioned “support the listing of insurance companies which fulfill the conditions inside or outside the PRC”. Meanwhile, the CIRC has launched a series of supporting policies to promote the reform of the insurance industry and to play the role of serving the real economy.

2. Further consolidate the capital strength, broaden the financing channels, improve the flexibility of capital replenishment

The Offering and Listing of the Company will further strengthen the development capacity, improve the governance structure and enhance the corporate governance of the Company, which are necessary to implement the relevant arrangements of the State Council and in respond to the industry regulatory spirit of the CIRC.

After the Company’s listing on the main board of the Hong Kong Stock Exchange in 2012, our business grew steadily, hence there is still a large demand for capital replenishment. The offering and listing can further replenish the capital of the Company, enhance the solvency of the Company and strengthen our risk control ability. It can also broaden the financing channels of the Company, which is conducive to the flexible use of the Company’s A and H shares market, and timely choose a more favorable financing platform for capital supplement.

3. To better serve the economic and social development and construction of people’s livelihood

The Company has long adhered to its mission of “People’s Insurance, to serve the people”, and unswervingly fulfills its social responsibility by always focusing on and protecting people’s livelihood and serving the building of a harmonious society and economic development. Agriculture, rural areas and farmers insurance, serve construction of serious medical insurance system disaster claims in the PRC, and have made a prominent contribution, effectively sharing the economic and social development of the risk of loss. To replenish the capital through the Offering and Listing is

conducive to the Company provide long-term financial support to serve the country and construct local economy, to better serve the entity economy and people's livelihood construction.

(2) FEASIBILITY ANALYSIS OF USE PROCEEDS

1. A clear development strategy, determine the use of proceeds scientifically and clearly

The Company implemented a clear development strategy, and promoted implementation of strategic policy. Under the new development strategy, the Company firmly established innovation, coordination, green, open, shared development concepts, continued to promote customer-oriented transformation, and maintaining steady growth, deepened transformation and development. The Company insisted on promoting the innovation on agriculture, rural areas and farmers services, the services were beneficial to the financial development, the Company grasped important opportunities such as innovation – driven development strategy and “going out” strategy, promoted the development and transformation firmly, accelerated the transformation of auto insurance expansion model, consolidated the life insurance transformation foundation, strengthened capacity-building of health insurance professional, and continued to explore the new normal market demand, development opportunities and improved market strategy targeted.

2. To establish an effective corporate governance mechanism to ensure the use of proceeds in a standardized way

H Shares of the Company have been listed in 2012 and the Company has currently built a modern enterprise system and internal control governance structure. It has established, perfected and strengthened the internal control system, strengthened the early warning and prevention of key risks, and built a security line against financial risks that is beneficial to the usage of the raised funds in a safe, standardized and effective way.

III. CONCLUSION

In summary, the proceeds from the Offering and Listing, after deduction of issuance expenses, will be used for replenishing the Company's share capital and enhancing the solvency of the Company. The Company's use of proceeds is in accordance with the national industrial policies and the long-term strategic development of the Company and is beneficial to the promotion of long-term and healthy development of the Company. Such use will also provide capital support to the Company's continuous healthy development, and is in the interests of the Company and the Shareholders as a whole. The thorough internal control mechanism of the Company ensures the proceeds to be used in a standardized and effective way.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(IV) TO CONSIDER AND APPROVE THE ACCUMULATED PROFIT DISTRIBUTION PLAN BEFORE THE A SHARE OFFERING

Before the completion of Offering and Listing, the Company will make profits distribution according to the resolutions of the relevant general meeting; the undistributed profits of the Company prior to the date of the Offering and Listing will be shared by all Shareholders upon completion of the Offering and Listing in proportion to their respective shareholdings.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(V) TO CONSIDER AND APPROVE THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION

As the Company intends to change its registered address (that is, the “domicile” of the Company as stated in the English version of the Articles of Association) and apply for A Share Offering, for the purpose of meeting the regulatory requirements, the Company made amendments to the existing Article 4 of the Articles of Association in accordance with the requirements of the relevant laws, regulations and regulatory documents such as the *Guidance for the Articles of Association of Listed Companies*, the *Guideline No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies*, the *Notice of the China Securities Regulatory Commission on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies*. The amendments to Article 4 of the Articles of Association in respect of the domicile shall take effect on the date of approval by the CIRC. The other amendments to the Articles of Association shall be subject to the approval of the CIRC and become effective upon completion of the A Share Offering. Details of such amendments are set out in Appendix II to this circular.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(VI) TO CONSIDER AND APPROVE THE THREE-YEAR DIVIDEND PLAN AFTER THE A SHARE OFFERING

In order to further strengthening the intent of rewarding Shareholders, to improve the profit distribution system and to offer continuous, stable and reasonable investment returns to Shareholders, the Company has formulated the Three-year Dividend Plan after the Initial Public Offering and Listing of A Share based on the requirements of the *Company Law of the People’s Republic of China*, the *Securities Law of the People’s Republic of China*, the *Notice on Further Implementing Matters Relevant to the Cash Dividend Distribution by*

Listed Companies issued by the CSRC and the *Guideline No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies*, as well as the Articles of Association, and taking into full account its actual operations and the needs of future development. The full text of such plan is set out in Appendix III to this circular.

In addition, it will be proposed at the EGM that the Board or its delegation to the Chairman (who may delegate to other persons) be authorized to adjust the Three-year Dividend Plan After the Initial Public Offering and Listing of the A Shares based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities within and outside China.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(VII) TO CONSIDER AND APPROVE THE PRICE STABILIZATION PLAN OF A SHARES WITHIN THREE YEARS AFTER THE A SHARE OFFERING

In order to strengthen the integrity of the Company, the relevant directors and senior management obligations to protect the interests of minority shareholders, pursuant to the requirements of laws, regulations, and other regulatory documents, such as the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, and the *Opinions on Further Promoting the IPO System Reform* issued by the CSRC, the Company has formulated the Price Stabilization Plan of A Shares within Three Years after the A Share Offering of The People's Insurance Company (Group) of China Limited ("Stabilizing Share Prices Plan"). The Stabilizing Share Prices Plan will be considered and approved at the general meeting of the Company and will be automatically effective when the Offering and Listing is completed. The plan will remain effective for three years thereafter. The full text of such plan is set out in Appendix IV to this circular.

In addition, it will be proposed at the EGM that the Board or its delegation to the Chairman (who may delegate to other persons) be authorized to adjust the Stabilizing Share Prices Plan based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities in, and out of, PRC and the actual circumstance of the Offering and the Listing.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(VIII) TO CONSIDER AND APPROVE THE UNDERTAKINGS REGARDING INFORMATION DISCLOSURE IN THE PROSPECTUS PUBLISHED IN CONNECTION WITH THE A SHARE OFFERING

According to the requirements of the *Opinions on Further Promoting the IPO System Reform* issued by the CSRC and other relevant regulations that require the issuer to make undertakings publicly in its public offering and listing documents, the Company will make relevant undertakings in its public offering and listing document in respect of the information disclosure as follows:

- (a) The Company's prospectus for the A Share Offering does not have false records, misleading statements or material omissions, and the Company bears individual and joint liabilities for the truthfulness, accuracy and completeness of the prospectus for A Share Offering.
- (b) If the competent departments such as the CSRC or people's courts rule that the Company's prospectus for A Share Offering contains false records, misleading statements or major omissions and such circumstances have major and substantial impact on determining whether the Company satisfies the issuance conditions required by laws, the Company will repurchase all the new shares issued in the Offering according to law in the following methods:
 - i. If the above-mentioned circumstances occur after new shares of the Company in the A Share Offering are issued but before trading starts, the Company will, within five working days after the competent department such as the CSRC or a people's court has made a final ruling thereon or a ruling thereon has become effective, will return the proceeds from the A Share Offering and Listing at an issue price plus bank deposit interest over the same period to investors who have paid share subscription monies.
 - ii. If the above-mentioned circumstances occur after the trading of new shares of the Company issued in the Offering has completed, the Company, within 15 trading days after competent departments such as the CSRC or people's courts make a final determination or effective ruling that the above-mentioned circumstances have occurred in the Company, initiate the procedures for share repurchase to repurchase all the new A Shares of the Company under the Offering, the specific share repurchase plan shall follow the internal approval procedures and external approval procedures of the Company and in accordance with the applicable laws, regulations, regulatory documents and the Articles of Association. The repurchase price shall not be lower than the issue price of shares of the Company plus interest on such shares for such periods from issue to such repurchase at the prevailing bank demand deposit interest rate or other prices as approved by the CSRC. In case of any ex-rights or ex-dividend activities such as profit distribution, bonus shares, conversion of reserves to share capital after the Offering and Listing, such repurchase shall cover all the new A Shares and their derived Shares under the public offering, and the above share issue price shall be adjusted for such ex-rights or ex-dividend activities.

- (c) The Company will compensate the investors fully and promptly for any losses in securities trading suffered by them due to any false representation, misleading statement or material omission in the prospectus of A Shares of the Company in accordance with law based on the final determination or the effective ruling handed down by the competent authority such as the CSRC or a people's court.

The Company shall be liable under relevant laws, regulations, regulatory documents and the requirements of the regulatory authorities if it fails to observe the above undertakings.

Should the relevant laws, regulations and regulatory documents (including the listing rules of the jurisdictions where the Shares of the Company are listed) have other requirements in respect of the Company's performance of the above undertakings, the Company shall comply with such other requirements.

It is now proposed at the EGM that the Board or its delegation to the Chairman (who may delegate to other persons) be authorized to adjust the undertakings based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities within and outside China.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(IX) TO CONSIDER AND APPROVE THE DILUTION OF IMMEDIATE RETURNS AS A RESULT OF THE A SHARE OFFERING AND REMEDIAL MEASURES

In accordance with the regulations of relevant laws, regulations, administrative regulations, departmental rules and regulatory documents such as the *Company Law of the PRC*, the *Securities Law of the PRC*, the *Measures for the Administration of Initial Public Offerings and Listing of Shares*, *General Office of State Council on Further Strengthening Protection of the Lawful Rights of Minority Investors in Capital Market* and the *Directive Opinion on Various Matters Relating to Dilution of Immediate Returns by Initial Issue, Refinancing and Major Asset Restructuring*, in order to protect interest of minority shareholders, as the company which propose to apply for the Listing and Offering, if the Offering and Listing is expected to dilute the Company's immediate returns, the Company needs to implement remedial measures according to its own operating characteristics, while directors, senior management shall make relevant undertakings to the implementation of the Company's remedial measures. The Company has conducted relevant analysis in respect of the impact of the Offering and Listing on the dilution of the immediate returns and implemented remedial measures for the immediate returns, the full text of which is set out in Appendix V to this circular.

It is now proposed at the EGM that the Board or its delegation to the Chairman (who may delegate to other persons) be authorized to adjust the above remedial measures based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities.

The above resolution has been passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(X) TO CONSIDER AND APPROVE THE REPORT ON THE STATUS OF USE OF PREVIOUSLY RAISED FUNDS

In accordance with the *Rules on Report on Use of Previously Raised Funds* issued by the China Securities Regulatory Commission and also made reference to market practice, the Company verified the use of previously raised funds, and prepared the *Specific Report on the Status of Use of Previously Raised Funds*. Deloitte Touche Tohmatsu Certified Public Accountants LLP will conduct an audit and inspection on Company's use of the funds raised previously.

The full text of *Report on the Report on the Status of Use of Previously Raised Funds* is set out in Appendix VI to this circular.

It is now proposed at the EGM that the Board or its delegation to the Chairman (who may delegate to other persons) be authorized to provide any material and explanation in accordance with the requirements of regulatory departments and adjust the opinions based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities.

The above resolution has been submitted to and passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

(XI) TO CONSIDER AND APPROVE THE PROCEDURAL RULES FOR THE SHAREHOLDERS GENERAL MEETING

In order to meet the relevant regulatory requirements, the Company has prepared the *Procedural Rules for the Shareholders General Meeting of The People's Insurance Company (Group) of China Limited* on the basis of the existing *Procedural Rules for the Shareholders General Meeting of The People's Insurance Company (Group) of China Limited* and under the requirements of the relevant laws, regulations and regulatory documents, such as the *Guidance for the Articles of Association of Listed Companies* and the *Rules of General Meetings of Listed Companies* issued by the CSRC. The amended *Procedural Rules for the Shareholders General Meeting of The People's Insurance Company (Group) of China Limited* shall be effective and implemented from the date of the Initial Public Offering and Listing of A Shares of the Company. Details of such amendments are set out in Appendix VII to this circular.

The above resolution has been submitted to and passed at the 29th meeting of the second session of the Board and the same is now proposed at the EGM for consideration and approval by the Shareholders.

Current provisions	Proposed amendments	Reasons for or basis of amendment
	Amended by the [●] extraordinary general meeting of The People's Insurance Company (Group) of China Limited on [●] 2017 proposed to be adopted after listing of A Shares, and approved by the China Insurance Regulatory Commission on [●] 2017.	Addition made in accordance with the actual circumstances.
Chapter 1 General Provisions	Chapter 1 General Provisions	
Article 4 Domicile of the Company: 69 Dongheyuan Road, Xuanwu District, Beijing Postal Code: 100052 Tel: 010-62616611	Article 4 Domicile of the Company: PICC Building, No.88 Xichang'an Street, Xicheng District, Beijing Postal Code: 100031 Tel: 010-69008888	Amendments made in accordance with the actual circumstances of the change of the registered address of the Company
<p>Article 7 The Articles were adopted by our shareholders' general meeting on May 14, 2012, with amendments adopted by our shareholders' general meetings on June 14, 2012 and 21 November 2012. Upon approval by the CIRC, the Articles shall be effective upon the initial public offering and listing date of the shares of the Company. The original Articles of Association of the Company shall automatically expire upon the effective date of the Articles.</p> <p>The Articles shall become a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and its shareholders and among the shareholders from the date on which it becomes effective. The Articles shall be binding upon the Company and its shareholders, directors, supervisors, president and other senior management officers. All the above persons may make claims related to matters of the Company in accordance with the Articles.</p> <p>The shareholders shall have the right to sue the Company in accordance with the Articles; the Company shall have the right to sue its shareholders; the shareholders shall have the right to sue other shareholders; the shareholders and the Company shall have the right to sue directors, supervisors, president and senior management officers of the Company in accordance with the Articles.</p> <p>For the purposes of the preceding paragraph, the term "sue" shall include the initiation of proceedings in a court or the application of arbitration to an arbitration organization.</p>	<p>Article 7 The Articles were adopted by our shareholders' general meeting on May 14, 2012, with amendments adopted by our shareholders' general meetings on June 14, 2012 and 21 November 2012. Upon approval by the CIRC, the Articles shall be effective upon the initial public offering and listing date of the A Shares of the Company. The original Articles of Association of the Company shall automatically expire upon the effective date of the Articles.</p> <p>The Articles shall become a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and its shareholders and among the shareholders from the date on which it becomes effective. The Articles shall be binding upon the Company and its shareholders, directors, supervisors, president and other senior management officers. All the above persons may make claims related to matters of the Company in accordance with the Articles.</p> <p>The shareholders shall have the right to sue the Company in accordance with the Articles; the Company shall have the right to sue its shareholders; the shareholders shall have the right to sue other shareholders; the shareholders and the Company shall have the right to sue directors, supervisors, president and senior management officers of the Company in accordance with the Articles.</p> <p>For the purposes of the preceding paragraph, the term "sue" shall include the initiation of proceedings in a court or the application of arbitration to an arbitration organization.</p>	Amendments made in accordance with the actual circumstances of the A Share Offering.

Current provisions	Proposed amendments	Reasons for or basis of amendment																
CHAPTER 3 SHARES	CHAPTER 3 SHARES																	
Section 1 Issue of shares	Section 1 Issue of shares																	
<p>Article 20 Upon approval by the examination and approval authorities authorized by the State Council, the total number of ordinary shares that the Company may issue is 42,423,990,583.</p> <p>The number of shares issued to the promoter when the Company was reorganized and reformed as a joint stock company is 30,600,000,000, approximately representing 72.13% of the total number of ordinary shares that may be issued by the Company.</p> <p>Details of the number of shares subscribed and capital contribution by the promoter when the Company was reorganized and reformed as a joint stock company are set out as follows:</p> <table><tr><th>Name of promoter</th><th>Capital contribution (in billion)</th><th>Numbers of shares subscribed (billion shares)</th><th>Percentage</th></tr><tr><td>the Ministry of Finance</td><td>RMB30.6</td><td>30.6</td><td>100%</td></tr></table> <p>The contribution of the promoter was made by the way of converting the net asset value of the Company before its reformation into share capital, and the amount of contribution of RMB30,600,000,000 has been fully paid before June 20, 2009.</p>	Name of promoter	Capital contribution (in billion)	Numbers of shares subscribed (billion shares)	Percentage	the Ministry of Finance	RMB30.6	30.6	100%	<p>Article 20 Upon approval by the examination and approval authorities authorized by the State Council, the total number of ordinary shares that the Company may issue is <u>42,423,990,583[●]</u>.</p> <p>The number of shares issued to the promoter when the Company was reorganized and reformed as a joint stock company is 30,600,000,000, approximately representing 72.13% of the total number of ordinary shares that may be issued by the Company.</p> <p>Details of the number of shares subscribed and capital contribution by the promoter when the Company was reorganized and reformed as a joint stock company are set out as follows:</p> <table><tr><th>Name of promoter</th><th>Capital contribution (in billion)</th><th>Numbers of shares subscribed (billion shares)</th><th>Percentage</th></tr><tr><td>the Ministry of Finance</td><td>RMB30.6</td><td>30.6</td><td>100%</td></tr></table> <p>The contribution of the promoter was made by the way of converting the net asset value of the Company before its reformation into share capital, and the amount of contribution of RMB30,600,000,000 has been fully paid before June 20, 2009.</p>	Name of promoter	Capital contribution (in billion)	Numbers of shares subscribed (billion shares)	Percentage	the Ministry of Finance	RMB30.6	30.6	100%	Amendments made in accordance with the actual circumstances of the A Share Offering.
Name of promoter	Capital contribution (in billion)	Numbers of shares subscribed (billion shares)	Percentage															
the Ministry of Finance	RMB30.6	30.6	100%															
Name of promoter	Capital contribution (in billion)	Numbers of shares subscribed (billion shares)	Percentage															
the Ministry of Finance	RMB30.6	30.6	100%															
<p>Article 21 Prior to its initial public offering and listing of shares, the Company issued 3,891,050,583 ordinary shares to the National Council for Social Security Fund of the PRC (“NSSF”), representing 9.17% of the total ordinary shares that may be issued by the Company.</p>	<p>Article 21 Prior to its initial public offering and listing of <u>H s</u>Shares, the Company issued 3,891,050,583 ordinary shares to the National Council for Social Security Fund of the PRC (“NSSF”), representing 9.17% of the total ordinary shares that may be issued by the Company <u>upon completion of the initial public offering and listing of H Shares.</u></p>	Amendments made in accordance with the actual circumstances of the A Share Offering.																

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>Article 22 The Company issued 7,932,940,000 overseas listed foreign shares to foreign investors in the course of its initial public offering and listing of shares, representing 18.70% of the total ordinary shares that may be issued by the Company.</p> <p>After its initial public offering and completion of listing of shares, the Company's share capital structure is: 42,423,990,583 ordinary shares in total, among which 29,896,189,564 are domestic shares held by the Ministry of Finance, the promoter, representing 70.47% of the total ordinary shares issued by the Company; and 3,801,567,019 are domestic shares and 793,294,000 are overseas listed foreign shares held by NSSF, representing 8.96% and 1.87% of the total ordinary shares issued by the Company respectively; and 7,932,940,000 are overseas listed foreign shares held by other shareholders, representing 18.70% of the total ordinary shares issued by the Company.</p> <p>Domestic shares issued by the Company are under centralized depository of the Shanghai branch of China Securities Depository and Clearing Corporation Limited; whereas the foreign shares issued by the Company are under centralized depository of Computershare Hong Kong Investor Services Limited.</p>	<p>Article 22 The Company issued 7,932,940,000 overseas listed foreign shares to foreign investors in the course of its initial public offering and listing of H Shares, representing 18.70% of the total ordinary shares that may be issued by the Company <u>upon completion of the initial public offering and listing of H Shares.</u></p> <p>After Prior to its initial public offering and completion of listing of shares A Shares, the Company's share capital structure is: 42,423,990,583 ordinary shares in total, among which 29,896,189,564 are domestic shares held by the Ministry of Finance, the promoter, representing 70.47% of the total ordinary shares issued by the Company <u>upon completion of the initial public offering and listing of H Shares;</u> and 3,801,567,019 are domestic shares and 793,294,000 are overseas listed foreign shares held by NSSF, representing 8.96% and 1.87% of the total ordinary shares issued by the Company <u>upon completion of the initial public offering and listing of H Shares</u> respectively; and 7,932,940,000 are overseas listed foreign shares held by other shareholders, representing 18.70% of the total ordinary shares issued by the Company <u>upon completion of the initial public offering and listing of H Shares.</u></p> <p><u>Upon completion of the offering and listing of A Shares, the Company's share capital structure is: [●] ordinary shares in total, among which [●] are domestically listed shares, representing [●]% of the total ordinary shares issued by the Company upon completion of the offering and listing of A Shares; and [●] are overseas listed foreign shares, representing [●]% of the total ordinary shares issued by the Company upon completion of the initial public offering and listing of A Shares.</u></p> <p>Domestic shares issued by the Company are under centralized depository of the Shanghai branch of China Securities Depository and Clearing Corporation Limited; whereas the foreign shares issued by the Company are under centralized depository of Computershare Hong Kong Investor Services Limited.</p>	<p>Amendments made in accordance with the actual circumstances of the A Share Offering.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>Article 23 After the plan for issuing overseas listed foreign shares and domestic shares has been approved by the securities regulatory authorities of the State Council, the Board of the Company may arrange for implementation of such plan by means of separate issue.</p> <p>The Company's plan for separate issues of overseas listed foreign shares and domestic shares in accordance with the preceding paragraph may be implemented separately within 15 months of being approved by the securities regulatory authorities of the State Council.</p> <p>Subject to the approval of the securities regulatory authorities of the State Council, shares held by domestic shareholders of the Company may be transferred to foreign investors and listed and traded in overseas market; Subject to the approval of the securities regulatory authorities of the State Council, the shares held by the Ministry of Finance of the PRC and the NSSF may be transformed into overseas listed and foreign invested shares and listed and traded in overseas market. Shares transferred or transformed for listing and trading in foreign securities exchanges shall be subject to the regulatory procedures, rules and requirements of the foreign securities market. Subject to the approval of the securities regulatory authorities of the State Council, listing and trading of the transferred shares in foreign securities exchanges do not require voting by the shareholders of relevant classes.</p>	<p>Article 23 After the plan for issuing overseas listed foreign shares and <u>domestically listed</u> shares has been approved by the securities regulatory authorities of the State Council, the Board of the Company may arrange for implementation of such plan by means of separate issue.</p> <p>The Company's plan for separate issues of overseas listed foreign shares and <u>domestically listed</u> shares in accordance with the preceding paragraph may be implemented separately within 15 months of being approved by the securities regulatory authorities of the State Council.</p> <p>Subject to the approval of the securities regulatory authorities of the State Council, <u>domestically listed</u> shares held by domestic shareholders of the Company may be transferred to foreign investors and listed and traded in overseas market; Subject to the approval of the securities regulatory authorities of the State Council, the shares held by the Ministry of Finance of the PRC and the NSSF may be transformed into overseas listed and foreign invested shares and listed and traded in overseas market. Shares transferred or transformed for listing and trading in foreign securities exchanges shall be subject to the regulatory procedures, rules and requirements of the foreign securities market. Subject to the approval of the securities regulatory authorities of the State Council, listing and trading of the transferred shares in foreign securities exchanges do not require voting by the shareholders of relevant classes.</p>	Amendments made in accordance with the actual circumstances of the A Share Offering.
<p>Article 24 If the Company issues overseas listed foreign shares and domestic shares separately within the total number of shares specified in the issue plan, such issues shall be fully subscribed for at their respective offerings. If the shares cannot be fully subscribed for once due to special circumstances, the shares may, subject to the approval of the securities regulatory authorities of the State Council, be issued in several stages.</p>	<p>Article 24 If the Company issues overseas listed foreign shares and <u>domestically listed</u> shares separately within the total number of shares specified in the issue plan, such issues shall be fully subscribed for at their respective offerings. If the shares cannot be fully subscribed for once due to special circumstances, the shares may, subject to the approval of the securities regulatory authorities of the State Council, be issued in several stages.</p>	Amendments made in accordance with the actual circumstances of the A Share Offering.
<p>Article 25 The registered capital of the Company is RMB42,423,990,583, and the paid-up capital of the Company is RMB42,423,990,583.</p>	<p>Article 25 The registered capital of the Company is RMB42,423,990,583[●], and the paid-up capital of the Company is RMB42,423,990,583[●].</p>	Amendments made in accordance with the actual circumstances of the A Share Offering.

Current provisions	Proposed amendments	Reasons for or basis of amendment
CHAPTER 4 SHARE CERTIFICATES AND REGISTER OF MEMBERS	CHAPTER 4 SHARE CERTIFICATES AND REGISTER OF MEMBERS	
Article 46 Whenever the Company convenes a shareholders' general meeting, distributes dividends, liquidates or engages in other acts requiring the confirmation of shareholding, a day shall be determined by the Board or the convener of the shareholders' general meeting as the record date for the registration of shareholdings, upon the expiry of which, those members who appear in the register of members shall be the shareholders of the Company.	Article 46 Whenever the Company convenes a shareholders' general meeting, distributes dividends, liquidates or engages in other acts requiring the confirmation of shareholding, a day shall be determined by the Board or the convener of the shareholders' general meeting as the record date for the registration of shareholdings, upon the expiry <u>closing</u> of which, those members who appear in the register of members shall be the shareholders of the Company.	Amendment made in accordance with Article 31 of the <i>Guidance for the Articles of Association of Listed Companies</i> . Article 31 Whenever the Company convenes a shareholders' general meeting, distributes dividends, liquidates or engages in other acts requiring the confirmation of shareholding, a day shall be determined by the Board or the convener of the shareholders' general meeting as the record date for the registration of shareholdings, upon the <u>closing</u> of which, the shareholders in the register shall be shareholders entitled to relevant interests.

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>Article 48 Any member registered in the register of members or any person requesting for the registration of his/her/its name in the register of members may apply to the Company to reissue new share certificate for his/her/its respective shares (i.e. “relevant shares”) if his/her/its share certificate (i.e. “original share certificate”) is lost or destroyed.</p> <p>Application by a holder of domestic shares who has lost or destroyed his/her/its share certificate and applies for replacement shall be dealt with in accordance with Company Law.</p> <p>Application by a holder of overseas listed foreign shares who has lost or destroyed his/her/its share certificate and applies for replacement shall be dealt with in accordance with the laws of the place where the original copy of the register of members who are holders of overseas listed foreign shares is maintained and the rules of the stock exchange or other relevant laws.</p>	<p>Article 48 Any member registered in the register of members or any person requesting for the registration of his/her/its name in the register of members may apply to the Company to reissue new share certificate for his/her/its respective shares (i.e. “relevant shares”) if his/her/its share certificate (i.e. “original share certificate”) is lost or destroyed.</p> <p>Application by a holder of <u>domestically</u> listed shares who has lost or destroyed his/her/its share certificate and applies for replacement shall be dealt with in accordance with Company Law.</p> <p>Application by a holder of overseas listed foreign shares who has lost or destroyed his/her/its share certificate and applies for replacement shall be dealt with in accordance with the laws of the place where the original copy of the register of members who are holders of overseas listed foreign shares is maintained and the rules of the stock exchange or other relevant laws.</p>	<p>Amendments made in accordance with the actual circumstances of the A Share Offering.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>In case that a holder of overseas listed foreign shares of a Hong Kong listed company has lost or destroyed his/her/ its share certificate and applies for replacement, the issuance of a replacement share certificate shall comply with the following requirements:</p> <p>(1) Applicants shall submit his/her/its application in the standard form prescribed by the Company with the notarial certificate or statutory declaration documents attached. The notarial certificate or statutory declaration documents shall include the ground for application, circumstances and evidences of the loss of share certificate, as well as a declaration that no other person may request for the registration as the holder of the relevant shares.</p> <p>(2) Before the Company makes the decision on the reissuance of new share certificate, no declaration of the request for the registration as members of such shares by any person other than the applicants has been received.</p> <p>(3) In case the Company decides to reissue new share certificate to the applicant, an announcement of such reissuance shall be published on the newspapers designated by the Board at least every 30 days within a period of 90 days</p> <p>(4) Before the Company publishes the announcement of the reissuance of a share certificate, a copy of the announcement intended to be published shall be submitted to the stock exchange of the place where the shares are listed. Upon the receipt of response from such stock exchange that confirms that such announcement has been exhibited in the premises of the stock exchange, the announcement may be published. Such announcement shall be exhibited in the premises of the stock exchange for a period of 90 days.</p>	<p>In case that a holder of overseas listed foreign shares of a Hong Kong listed company has lost or destroyed his/her/ its share certificate and applies for replacement, the issuance of a replacement share certificate shall comply with the following requirements:</p> <p>(1) Applicants shall submit his/her/its application in the standard form prescribed by the Company with the notarial certificate or statutory declaration documents attached. The notarial certificate or statutory declaration documents shall include the ground for application, circumstances and evidences of the loss of share certificate, as well as a declaration that no other person may request for the registration as the holder of the relevant shares.</p> <p>(2) Before the Company makes the decision on the reissuance of new share certificate, no declaration of the request for the registration as members of such shares by any person other than the applicants has been received.</p> <p>(3) In case the Company decides to reissue new share certificate to the applicant, an announcement of such reissuance shall be published on the newspapers designated by the Board at least every 30 days within a period of 90 days</p> <p>(4) Before the Company publishes the announcement of the reissuance of a share certificate, a copy of the announcement intended to be published shall be submitted to the stock exchange of the place where the shares are listed. Upon the receipt of response from such stock exchange that confirms that such announcement has been exhibited in the premises of the stock exchange, the announcement may be published. Such announcement shall be exhibited in the premises of the stock exchange for a period of 90 days.</p>	

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>If the application for the replacement of share certificate is made without the consent of registered holders of the relevant shares, the Company shall deliver a copy of the announcement intended to be published to such shareholder by post.</p> <p>(5) Upon the expiration of 90 days period of the announcement and exhibition referred to in item (3) and (4) of this Article, if no objection on the replacement of the share certificate has been received by the Company, a new share certificate may be issued pursuant to the applicant's application.</p> <p>(6) When the Company issue new share certificate pursuant to this Article, the original share certificate shall be cancelled immediately, and such cancellation and replacement shall be registered in the register of members.</p> <p>(7) All costs for the cancellation of the original share certificate and the issuance of new share certificate incurred shall be borne by the applicant. Until the applicant provides any reasonable guarantee, the Company shall be entitled to reject to take any action.</p>	<p>If the application for the replacement of share certificate is made without the consent of registered holders of the relevant shares, the Company shall deliver a copy of the announcement intended to be published to such shareholder by post.</p> <p>(5) Upon the expiration of 90 days period of the announcement and exhibition referred to in item (3) and (4) of this Article, if no objection on the replacement of the share certificate has been received by the Company, a new share certificate may be issued pursuant to the applicant's application.</p> <p>(6) When the Company issue new share certificate pursuant to this Article, the original share certificate shall be cancelled immediately, and such cancellation and replacement shall be registered in the register of members.</p> <p>(7) All costs for the cancellation of the original share certificate and the issuance of new share certificate incurred shall be borne by the applicant. Until the applicant provides any reasonable guarantee, the Company shall be entitled to reject to take any action.</p>	

Current provisions	Proposed amendments	Reasons for or basis of amendment
CHAPTER 5 SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS	CHAPTER 5 SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETINGS	
Section 1 Shareholders	Section 1 Shareholders	
<p>Article 55 If a resolution of a shareholders' general meeting or a Board resolution violates the laws and regulations, a shareholder shall have the right to request a people's court to determine the same as invalid.</p> <p>If the procedure for convening a shareholders' general meeting or Board' meeting, or the method of voting thereat, violates the laws, administrative regulations or the Articles, or the contents of a resolution violate the Articles, a shareholder shall have the right to request a people's court to rescind such resolution within 60 days from the date of adopting such resolution.</p> <p>If the Company completes the formalities in respect of the change of registration pursuant to a shareholders' resolution or a board resolution, the Company shall apply to the registration authority for cancelling the change of registration after a people's court has declared that such resolution is invalid or has rescinded such resolution.</p>	<p>Article 55 If a resolution of a shareholders' general meeting or a Board resolution violates the laws and regulations, a shareholder shall have the right to request a people's court to determine the same as invalid.</p> <p><u>Controlling shareholders and actual controllers of the Company shall neither restrict or impede minority shareholders from exercising their voting rights in accordance with the law, nor harm the legitimate interests of the Company and its minority shareholders.</u></p> <p>If the procedure for convening a shareholders' general meeting or Board' meeting, or the method of voting thereat, violates the laws, administrative regulations or the Articles, or the contents of a resolution violate the Articles, a shareholder shall have the right to request a people's court to rescind such resolution within 60 days from the date of adopting such resolution.</p> <p>If the Company completes the formalities in respect of the change of registration pursuant to a shareholders' resolution or a board resolution, the Company shall apply to the registration authority for cancelling the change of registration after a people's court has declared that such resolution is invalid or has rescinded such resolution.</p>	<p>Amendments made in accordance with Article 46 of <i>Rules for Shareholders' General Meeting of Listed Companies</i>.</p> <p>Article 46 If a resolution of a shareholders' general meeting resolution violates the laws and regulations, it shall be invalid.</p> <p><u>Controlling shareholders and actual controllers of the Company shall not restrict or interfere with the legal use of voting rights by minority shareholders and shall not harm the legal interests of the Company and its minority shareholders.</u></p> <p>If the procedure for convening a shareholders' general meeting, or the method of voting thereat, violates the laws, administrative regulations or the Articles of the Company, or the contents of a resolution violate the Articles of the Company, a shareholder shall have the right to request a people's court to rescind such resolution within 60 days from the date of adopting such resolution.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
Section 2 General Provisions on Shareholders' General Meetings	Section 2 General Provisions on Shareholders' General Meetings	
<p>Article 65 The Company shall arrange for the venue for a physical meeting to be held. Where the legality and validity of the shareholders' general meeting is ensured, shareholders may be convenient to attend the meeting by the Company making available various modern modes of communication technology, including adopting voting platforms via video, telephone and the internet. Shareholders participating using the above means shall be considered as present at the meeting.</p>	<p>Article 65 The Company shall arrange for the venue for a physical meeting to be held. Where the legality and validity of the shareholders' general meeting is ensured, <u>in accordance with the laws, administrative regulations, requirements of the CSRC and the Articles of Association</u>, shareholders may<u>shall</u> be convenient to attend the meeting by the Company making available various modern means and modes of communication technology; (including adopting voting platforms via video, telephone and the internet <u>etc.</u>) and, <u>in so doing, priority shall be given to modern information technology methods such as online voting platform</u>. Shareholders participating using the above means shall be considered as present at the meeting.</p>	<p>Amendments made in accordance with Article 20 of the <i>Rules for Shareholders' General Meeting of Listed Companies</i> and Article 80 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 20 The Company should hold shareholders' general meeting in the Company's domicile or the place specified in the Articles.</p> <p><u>The Company shall arrange for the venue for a physical meeting to be held. Shareholders' general meeting should adopt safe, economic and convenient network and other method to enable shareholders to attend general meeting conveniently in accordance with the law, administrative regulations or regulations stipulated by China Securities Regulatory Commission or the Articles of Association.</u></p> <p>Shareholders attending the general meeting by the abovementioned methods will be regarded as attending the general meeting.</p> <p>Shareholders can attend the shareholders' general meeting in person or appoint proxies to attend and vote on their behalf</p> <p>Article 80 The Company shall, subject to the general meetings being legally and validly held, make it convenient for the Shareholders to attend the general meetings, through various means, <u>including using modern information technology to establish an online voting platform in priority.</u></p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
Section 3 Convening and Holding of Shareholders' General Meeting	Section 3 Convening and Holding of Shareholders' General Meeting	
<p>Article 77 Notice of shareholders' general meeting shall be served on the shareholders (whether or not entitled to vote at the shareholders' general meeting), by delivery or prepaid mail to their addresses as shown in the register of members. For the holders of domestic shares, notice of the meeting may be issued by way of public notice.</p> <p>The public notice shall be published in one or more newspapers designated by the securities governing authority of the State Council within the interval between 45 days and 50 days before the date of the meeting. After the publication of such notice, the holders of our domestic shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p> <p>For holders of overseas listed foreign shares, subject to the compliance with applicable laws, regulations, other regulatory documents and the relevant requirements of the securities regulatory authority at the place where our Company's shares are listed, the notice of a general meeting notice may be published on the website designated by the said stock exchange and on the website of our Company in place of delivery or prepaid mail to the holders of our overseas listed foreign shares.</p>	<p>Article 77 Notice of shareholders' general meeting shall be served on the shareholders (whether or not entitled to vote at the shareholders' general meeting), by delivery or prepaid mail to their addresses as shown in the register of members. For the holders of domestically listed shares, notice of the meeting may be issued by way of public notice.</p> <p>The public notice shall be published in one or more newspapers designated by the securities governing authority of the State Council within the interval between 45 days and 50 days before the date of the meeting. After the publication of such notice, the holders of our domestically listed shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p> <p>For holders of overseas listed foreign shares, subject to the compliance with applicable laws, regulations, other regulatory documents and the relevant requirements of the securities regulatory authority at the place where our Company's shares are listed, the notice of a general meeting notice may be published on the website designated by the said stock exchange and on the website of our Company in place of delivery or prepaid mail to the holders of our overseas listed foreign shares.</p>	<p>Editorial changes</p> <p>Amendments made in accordance with the actual circumstances of the A Share Offering.</p>
<p>Article 95 The convener shall ensure the truthfulness, accuracy and completeness of the meeting minutes. Directors, Supervisors and the secretary to the Board in attendance, convener or his or her representative and the chairman of the meeting shall sign on the meeting minutes. The minutes shall be kept together permanently with the signature book of shareholders in attendance and instruments of proxy.</p>	<p>Article 95 The convener shall ensure the truthfulness, accuracy and completeness of the meeting minutes. Directors, Supervisors and the secretary to the Board in attendance, convener or his or her representative and the chairman of the meeting shall sign on the meeting minutes, and <u>ensure the truthfulness, accuracy and completeness of the meeting minutes.</u> The minutes shall be kept together permanently with the signature book of shareholders in attendance, and instruments of proxy <u>and valid information on voting via internet and by other means.</u></p>	<p>Amendments made in accordance with Article 41 of the <i>Rules for Shareholders' General Meeting of Listed Companies</i> and Article 73 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 41 <u>Directors, Supervisors and the secretary to the Board in attendance, convener or his or her representative and the chairman of the meeting shall sign on the meeting minutes, and ensure the truthfulness, accuracy and completeness of the meeting minutes.</u></p> <p>The minutes shall be kept together with the signature book of shareholders in attendance and instruments of proxy <u>and valid information on voting via internet and by other means</u> for not less than 10 years.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
Section 4 Voting and Resolutions of Shareholders' General Meetings	Section 4 Voting and Resolutions of Shareholders' General Meetings	
<p>Article 99 Shareholders (including their proxies) exercise voting rights according to the voting shares they hold when voting at the shareholders' meeting, and each share shall have one voting right.</p> <p>Shares held by the Company shall not carry voting rights, and shall not be included in the total number of voting shares present at the shareholders' meeting.</p> <p>The Board, independent directors and shareholders that comply with the relevant provisions of the Articles can collect voting rights.</p>	<p>Article 99 Shareholders (including their proxies) exercise voting rights according to the voting shares they hold when voting at the shareholders' meeting, and each share shall have one voting right.</p> <p><u>When the shareholders' general meeting considers matters that could materially affect the interest of minority shareholders, the votes by minority shareholders shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.</u></p> <p>Shares held by the Company shall not carry voting rights, and shall not be included in the total number of voting shares present at the shareholders' meeting.</p> <p>The Board, independent directors and shareholders that comply with the relevant provisions of the Articles can collect voting rights. <u>Sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being solicited. No consideration or other form of de facto consideration shall be offered for the solicitation of voting rights from shareholders. The Company shall not impose any minimum shareholding limitation on the solicitation of voting rights.</u></p>	<p>Amendments made in accordance with Article 78 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 78 Shareholders (including their proxies) exercise voting rights according to the voting shares they hold when voting, and each share shall have one voting right.</p> <p><u>When the shareholders' general meeting considers matters that could materially affect the interest of minority shareholders, the votes by minority shareholders shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.</u></p> <p>Shares held by the Company shall not carry voting rights, and shall not be included in the total number of voting shares present at the shareholders' meeting.</p> <p>The Board of the Company, independent directors and shareholders that comply with the relevant provisions of the Articles can collect voting rights.</p> <p><u>Sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being solicited. No consideration or other form of de facto consideration shall be offered for the solicitation of voting rights from shareholders. The Company shall not impose any minimum shareholding limitation on the solicitation of voting rights.</u></p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>Article 108 When connected transactions are examined in a shareholders' meeting, affiliated shareholders shall abstain from voting, and the voting shares held by them shall not be counted into valid votes.</p>	<p>Article 108 When connected transactions are examined in a shareholders' meeting, affiliated shareholders shall abstain from voting, and the voting shares held by them shall not be counted into valid votes; <u>The announcement on the results of the shareholders' general meeting shall fully disclose the results of the voting by non-affiliated shareholders.</u></p>	<p>Amendments made in accordance with Article 79 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 79 When connected transactions are examined in a shareholders' meeting, affiliated shareholders shall abstain from voting, and the voting shares held by them shall not be counted into valid votes; <u>The announcement on the results of the shareholders' general meeting shall fully disclose the results of the voting by non-affiliated shareholders.</u></p>
<p>Article 111 Shareholders attending the shareholders' general meeting shall give their opinions on every resolution put forward at the meeting for resolution in the form of any one of the following: "for", "against" or "abstention".</p> <p>Any voter with a vote that is not filled in, incorrectly filled in or in unrecognizable writing or not cast shall be deemed as having waived the voting right and the corresponding voting shall be counted as "abstention".</p>	<p>Article 111 Shareholders attending the shareholders' general meeting shall give their opinions on every resolution put forward at the meeting for resolution in the form of any one of the following: "for", "against" or "abstention", <u>except for those declared by the securities depository and clearing organization in the capacity of a nominee of shares under the Shanghai-Hong Kong Stock Connect mechanism voting at the instructions of the beneficial holders.</u></p> <p>Any voter with a vote that is not filled in, incorrectly filled in or in unrecognizable writing or not cast shall be deemed as having waived the voting right and the corresponding voting shall be counted as "abstention".</p>	<p>Amendments made in accordance with Article 89 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 89 Shareholders attending the shareholders' general meeting shall give their opinions on every resolution put forward at the meeting for resolution in the form of any one of the following: "for", "against" or "abstention", <u>except for those declared by the securities depository and clearing organization in the capacity of a nominee of shares under the Shanghai-Hong Kong Stock Connect mechanism voting at the instructions of the beneficial holders.</u></p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>Article 113 Before the shareholder's general meeting votes on a proposal, the following person shall be recommended as the vote counter and the vote scrutinizer:</p> <p>(1) two shareholder representatives;</p> <p>(2) one Supervisor representative;</p> <p>(3) auditor of the Company, the register agency served for overseas listed foreign shares listed on Hong Kong Exchange or one party or several parties of external qualified auditor of the Company.</p> <p>The connected shareholder and his representative shall not participate in vote counting or scrutinizing if the matters to be considered and approved are connected to such shareholder.</p> <p>When voting on any proposal at the general meetings, the professionals and lawyers recommended according to the first item of this Article shall together undertake the counting and scrutinizing of the votes, and announce the results on the spot. The voting results of the resolutions shall be recorded in the minutes of the meeting.</p>	<p>Article 113 Before the shareholder's general meeting votes on a proposal, the following person shall be recommended as the vote counter and the vote scrutinizer:</p> <p>(1) two shareholder representatives;</p> <p>(2) one Supervisor representative;</p> <p>(3) auditor of the Company, the register agency served for overseas listed foreign shares listed on Hong Kong Exchange or one party or several parties of external qualified auditor of the Company.</p> <p>The connected shareholder and his representative shall not participate in vote counting or scrutinizing if the matters to be considered and approved are connected to such shareholder.</p> <p>When voting on any proposal at the general meetings, the professionals and lawyers recommended according to the first item of this Article shall together undertake the counting and scrutinizing of the votes, and announce the results on the spot. The voting results of the resolutions shall be recorded in the minutes of the meeting.</p> <p><u>Shareholders of the Company or their proxies who cast votes via internet or other means shall be entitled to inspect their own voting results through the relevant voting system.</u></p>	<p>Amendments made in accordance with Article 87 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 87 Before the shareholder's general meeting votes on a proposal, two shareholders representatives shall be elected as vote counters and scrutinizers. Any shareholder and his representatives who are interested in the matter under consideration shall not participate in vote counting or scrutinizing.</p> <p>When the shareholders are voting on the motions, lawyers, shareholder representatives and supervisor representatives shall count and scrutinize the votes jointly, and the voting result shall be announced forthwith. Voting on the resolutions shall be recorded in the minutes of meeting.</p> <p><u>Shareholders of the Company or their proxies who cast votes via internet or other means shall be entitled to inspect their own voting results through the relevant voting system.</u></p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
CHAPTER 6 SPECIAL PROCEDURES FOR VOTING BY CLASS SHAREHOLDERS	CHAPTER 6 SPECIAL PROCEDURES FOR VOTING BY CLASS SHAREHOLDERS	
<p>Article 126 Shareholders of domestic shares and overseas listed foreign shares are deemed as shareholders of different classes.</p> <p>The special procedures for voting by a class of shareholders shall not apply to the following circumstances:</p> <p>(1) where upon the approval by a special resolution of shareholders in a general meeting, either separately or concurrently once every twelve months, the Company issues domestic shares and overseas listed foreign shares not more than 20% of each that has been issued;</p> <p>(2) where the Company's plan to issue domestic shares and overseas listed foreign shares at its establishment is carried out within fifteen (15) months as of the date of approval of the securities regulatory authorities of State Council; or</p> <p>(3) where shareholders of the domestic shares of the Company may transfer to overseas investors, and such transferred shares may be listed or traded on an overseas stock exchange, subject to the approval of the securities regulatory authority of the State Council.</p>	<p>Article 126 Holders of domestically <u>listed</u> shares and overseas listed foreign shares are deemed as shareholders of different classes.</p> <p>The special procedures for voting by a class of shareholders shall not apply to the following circumstances:</p> <p>(1) where upon the approval by a special resolution of shareholders in a general meeting, either separately or concurrently once every twelve months, the Company issues domestically <u>listed</u> shares and overseas listed foreign shares not more than 20% of each that has been issued;</p> <p>(2) where the Company's plan to issue domestically <u>listed</u> shares and overseas listed foreign shares at its establishment is carried out within fifteen (15) months as of the date of approval of the securities regulatory authorities of State Council; or</p> <p>(3) where holders of domestically <u>listed</u> shares of the Company may transfer to overseas investors, and such transferred shares may be listed or traded on an overseas stock exchange, subject to the approval of the securities regulatory authority of the State Council.</p>	<p>Amendments made in accordance with the actual circumstances of the A Share Offering.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
CHAPTER 7 THE BOARD	CHAPTER 7 THE BOARD	
Section 1 Directors	Section 1 Directors	
<p>Article 127 Directors shall be elected at the shareholders' general meeting. The term of office of a Director is 3 years commencing from the date of his inauguration under Article 117 of the Articles and expires at the end of the term of the current session of the Board. The term of office of any person who fills the casual vacancy on, or as an addition to the Board shall expire at the end of the term of the current session of the Board. If a new session of Board is not able to be elected in the shareholders' general meeting before the current session expires, the Directors of the current session of the Board shall continue to perform the functions and powers as a Director in accordance with laws, regulations, regulatory documents and the Articles. A Director may be re-elected after the expiration of his term of office.</p> <p>The shareholders' general meeting may remove any Director prior to the expiration of his/her term of office provided that the removal complies with relevant laws and regulations and is without prejudice to any claim for damages under any contract by the removed Director.</p> <p>An officially appointed Director shall not perform his/her functions and powers without approval on his qualifications. Any votes cast by a Director the qualifications of whom is not approved shall not be counted. A Director is not required to hold shares of the Company.</p> <p>The senior management officers may serve concurrently as Directors</p>	<p>Article 127 Directors shall be elected at the shareholders' general meeting. The term of office of a Director is 3 years commencing from the date of his inauguration under Article 117 of the Articles and expires at the end of the term of the current session of the Board. The term of office of any person who fills the casual vacancy on, or as an addition to the Board shall expire at the end of the term of the current session of the Board. If a new session of Board is not able to be elected in the shareholders' general meeting before the current session expires, the Directors of the current session of the Board shall continue to perform the functions and powers as a Director in accordance with laws, regulations, regulatory documents and the Articles. A Director may be re-elected after the expiration of his term of office. <u>The shareholders' general meeting shall not remove any director without cause prior to the expiry of his/her service term.</u></p> <p>The shareholders' general meeting may remove any Director prior to the expiration of his/her term of office provided that the removal complies with relevant laws and regulations and is without prejudice to any claim for damages under any contract by the removed Director.</p> <p>An officially appointed Director shall not perform his/her functions and powers without approval on his qualifications. Any votes cast by a Director the qualifications of whom is not approved shall not be counted. A Director is not required to hold shares of the Company.</p> <p>The senior management officers may serve concurrently as Directors</p>	<p>Amendments made in accordance with Article 96 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 96 Directors shall be elected at the shareholders' general meeting for a term of years.</p> <p>Upon expiry of the term, a director shall be eligible for re-election and re-appointment. <u>Prior to expiration of a director's term, the shareholders' committee may not remove him without cause.</u></p> <p>The term of office of each director shall commence as of his assumption of office until the expiration of the term of office of the current board of directors. Where the directors fail to be promptly re-elected upon the expiration of their term of office, then before the newly elected directors assume office, the original directors shall retain their directorship in accordance with the laws, administrative rules, departmental regulations, and provisions of the Articles.</p> <p>Managers or other senior management officers may serve concurrently as Directors. However, the total number of directors serving the office of manager or other senior management personnel concurrently and labour union representative holding the office of director shall not exceed half of the total number of directors of the Company.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>Article 129 A Director may resign prior to the expiration of his/her term of office. To resign from office, a Director shall submit a written resignation letter to the Board accompanied by an written explanation specifying any matters that should be brought to the notice of the other Directors and the shareholders of the Company. The company secretary shall report in writing to the other Directors and the shareholders of the Company of the resignation of such Director.</p> <p>Where the number of members of the Board is lower than the minimum number of members of the Board under the Company Law or two thirds of that specified in the Articles as a result of the resignation of any Director, the existing Directors shall continue to perform their functions and powers in accordance with laws, regulations, regulatory documents and the Articles.</p> <p>Other than the circumstances specified in the preceding paragraph, the resignation of a Director shall take effect upon receipt of the resignation letter by the Board.</p> <p>The resignation of Independent Directors shall be governed by section 2 of this Chapter.</p>	<p>Article 129 A Director may resign prior to the expiration of his/her term of office. To resign from office, a Director shall submit a written resignation letter to the Board accompanied by an written explanation specifying any matters that should be brought to the notice of the other Directors and the shareholders of the Company. The company secretary shall report in writing to the other Directors and the shareholders of the Company of the resignation of such Director. <u>The Board shall disclose relevant information within two (2) days.</u></p> <p>Where the number of members of the Board is lower than the minimum number of members of the Board under the Company Law or two thirds of that specified in the Articles as a result of the resignation of any Director, the existing Directors shall continue to perform their functions and powers in accordance with laws, regulations, regulatory documents and the Articles.</p> <p>Other than the circumstances specified in the preceding paragraph, the resignation of a Director shall take effect upon receipt of the resignation letter by the Board.</p> <p>The resignation of Independent Directors shall be governed by section 2 of this Chapter.</p>	<p>Amendments made in accordance with Article 100 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 100 A Director may resign prior to the expiration of his/her term of office. To resign from office, a Director shall submit a written resignation letter to the Board. <u>The Board shall disclose relevant information within two (2) days.</u></p> <p>Where the number of members of the Board falls below the required number as a result of the resignation of a director, the existing Directors shall continue to perform their functions and powers in accordance with laws, administrative regulations, department rules and the Articles.</p> <p>Other than the circumstances specified in the preceding paragraph, the resignation of a Director shall take effect upon receipt of the resignation letter by the Board.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
CHAPTER 9 BOARD OF SUPERVISORS	CHAPTER 9 BOARD OF SUPERVISORS	
Section 2 Board of Supervisors	Section 2 Board of Supervisors	
<p>Article 192 The Board of Supervisors shall exercise the following powers:</p> <ol style="list-style-type: none"> (1) to report its work to the shareholders' general meeting; (2) to examine the Company's financials; (3) to supervise the conduct of the Directors and senior management officers in their performance of duties and propose the removal of Directors and senior management officers who have contravened any law, regulation, the Articles or resolutions of the shareholders' general meeting; (4) to demand rectification from a Director or any senior management officer when the acts of such persons are harmful to the Company's interest; (5) to propose to convene a shareholders' general meeting and to convene and preside over the shareholders' general meeting when the Board fails to perform its duty of convening and presiding over the shareholders' general meeting under the Company Law; (6) to propose resolutions at the shareholders' general meeting; (7) to bring an action against a Director or senior management officer pursuant to Article 152 of the Company Law; (8) to investigate on findings of the Company's abnormal operations when uncovered, and hiring accounting firms, law firms or other professional organizations to assist if necessary with the relevant expenses being paid by the Company; and (9) to exercise other powers specified under laws, regulations, regulatory documents, the Articles and as granted in a shareholders' general meeting. 	<p>Article 192 The Board of Supervisors shall exercise the following powers:</p> <ol style="list-style-type: none"> (1) to report its work to the shareholders' general meeting; (2) to examine the Company's financials; (3) to supervise the conduct of the Directors and senior management officers in their performance of duties and propose the removal of Directors and senior management officers who have contravened any law, regulation, the Articles or resolutions of the shareholders' general meeting; (4) to demand rectification from a Director or any senior management officer when the acts of such persons are harmful to the Company's interest; (5) to propose to convene a shareholders' general meeting and to convene and preside over the shareholders' general meeting when the Board fails to perform its duty of convening and presiding over the shareholders' general meeting under the Company Law; (6) to propose resolutions at the shareholders' general meeting; (7) to bring an action against a Director or senior management officer pursuant to Article 152 <u>relevant provisions</u> of the Company Law; (8) to investigate on findings of the Company's abnormal operations when uncovered, and hiring accounting firms, law firms or other professional organizations to assist if necessary with the relevant expenses being paid by the Company; and (9) to exercise other powers specified under laws, regulations, regulatory documents, the Articles and as granted in a shareholders' general meeting. 	Amendments made in accordance with the provisions of the <i>Company Law</i> .

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>CHAPTER 11 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND INTERNAL AUDIT</p> <p>Article 230 The Company shall publish its financial reports twice every fiscal year, that is, the interim financial report shall be published within 60 days after the expiration of the first six months of each fiscal year and the annual financial report shall be published within 120 days after the expiration of each fiscal year.</p> <p>Any other requirements as required by the securities regulatory authority at the place where the Company's shares are listed should be followed.</p>	<p>CHAPTER 11 FINANCIAL AND ACCOUNTING SYSTEM, PROFIT DISTRIBUTION AND INTERNAL AUDIT</p> <p>Article 230 <u>The Company shall submit its annual financial reports to the CSRC and the stock exchange within four (4) months from the end date of each fiscal year, its half-year financial reports to the local branch of the CSRC and the stock exchange within two (2) months from the end date of the first 6 months of each fiscal year, and the quarterly financial reports to the local branch of the CSRC and the stock exchange within one (1) month from the end date of the first three (3) and first nine (9) months of each fiscal year respectively.</u></p> <p><u>The aforesaid financial reports shall be prepared and announced in compliance with the provisions of relevant laws, regulations and regulatory documents.</u></p> <p><u>The Company shall publish its financial reports twice every fiscal year, that is, the interim financial report shall be published within 60 days after the expiration of the first six months of each fiscal year and the annual financial report shall be published within 120 days after the expiration of each fiscal year.</u></p> <p>Any other requirements as required by the securities regulatory authority at the place where the Company's shares are listed should be followed.</p>	<p>Amendments made in accordance with Article 150 of the <i>Guidance for the Articles of Association of Listed Companies</i>, annual reports, interim reports and quarterly reports that have to be disclosed after the listing of A Shares.</p> <p>Article 150 <u>The Company shall submit its annual financial reports to the CSRC and the stock exchange within four (4) months from the end date of each fiscal year, its half-year financial reports to the local branch of the CSRC and the stock exchange within two (2) months from the end date of the first 6 months of each fiscal year, and the quarterly financial reports to the local branch of the CSRC and the stock exchange within one (1) month from the end date of the first three (3) and first nine (9) months of each fiscal year respectively.</u></p> <p><u>The aforesaid financial reports shall be prepared and announced in compliance with the provisions of relevant laws, administrative regulations and department rules.</u></p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>Article 235 The Company may distribute dividends in the manner of cash, shares, or combination of cash and shares. The Company puts a great emphasis on the reasonable return of the investors, and the Company's profit distribution policy shall remain continuous and stable. The Company shall distribute its after-tax profits based on the financial statements prepared in accordance with PRC accounting standards and regulations or in accordance with either international accounting standards or accounting standards of the foreign stock exchange where the Company's shares are listed, whichever is lesser. The Company shall not distribute any profit to its shareholders if its solvency level fails to meet the regulatory requirements.</p> <p>The profit distribution plans will be formulated by the Board based on factors including the solvency margin ratio, business development status and demand, results of operations and return of the shareholders of the Company and its Subsidiaries. Taking into consideration of the factors above and subject to the laws, regulations and regulatory requirements in effect at that time, the distributed profits in the form of cash each year shall be no less than 10% of the distributable profits of the year. The Company may also distribute interim dividends in the form of cash considering the profitability of the Company. The Board shall formulate the profit distribution plan taking into account factors including the share price and the scale of the share capital of the Company. The plan shall be implemented after being submitted to the shareholders' general meeting for approval following consideration by the Board. Following a resolution approving such profit distribution plan at a shareholders' general meeting, the Board shall complete the distribution of the dividends within two months from the convening of such meeting.</p>	<p>Article 235 <u>The Company's profit distribution policies are as follows:</u></p> <p>(1) <u>The basic principles of profit distribution: The Company will implement a sustainable and stable dividend distribution policy. The Company's dividend distribution shall emphasize on reasonable investment return to investors while taking into account of sustainable development of the Company. Subject to continuous profitability, regulatory compliance and normal operation and long-term development of the Company, priority shall be given to cash dividends for distribution.</u></p> <p>(2) <u>Detailed policies of profit distribution:</u></p> <p>1. <u>Form of profit distribution: The Company shall distribute profits to its shareholders in proportion to their respective shareholdings, either in cash, stock or a combination of both. Priority shall be given to cash dividends for distribution if the conditions for cash dividends are met. The Company shall, in principle, distribute profits once a year. Where conditions allow, the Company may distribute interim dividends.</u></p>	<p>Amendments made in accordance with the <i>Notice on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies</i> and the <i>Guidelines No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies</i> issued by the CSRC, and also made reference to market cases.</p> <p><i>Notice on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies</i></p> <p>B. A listed company shall follow requisite decision-making procedures to develop its profit distribution policies, especially cash dividend distribution policies. Its board of directors shall perform a study and evaluation on the issues concerning shareholders' return to specify, among others, its planning rationale. The listed company shall fully receive comments from the independent director(s) and minority shareholders through a variety of channels and properly make disclosure of the information in respect of cash dividend distribution. In addition, the listed company shall include in its articles of association: (i) the decision-making procedures and mechanisms of its board of directors and general meetings on distribution of profits, especially cash dividends; the conditions, decision-making procedures and mechanisms for the adjustment of established profit distribution policies, especially cash dividend distribution policies; the steps taken to fully receive comments from the independent director(s) and minority shareholders; and (ii) the details of the company's profit distribution policies, especially cash dividend distribution policies; the form of profit distribution; the intervals between profit distributions, especially cash dividend distributions; the conditions for cash dividend distribution; the conditions for issuance of stock dividends; the minimum amount or percentage, if any, of each cash dividend distribution; etc.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
<p>Where the Company has recorded profits in a given year and the Board does not propose a plan for the distribution of profit in the form of cash, the Company shall explain in detail in its periodical reports the reasons and the use of such undistributed cash dividends, taking fully into consideration the opinions of the Independent Directors.</p> <p>Where there is a significant change to the environment in which the Company operates or the conditions of the Company's operation, the Company may adjust its profit distribution policy in accordance with laws, regulations and other regulatory documents; any resolution in respect thereof shall be approved by the Board and passed by the shareholders' general meeting;</p> <p>Any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.</p>	<p>2. <u>Specific conditions and ratio of cash dividend distribution of the Company: No profit shall be paid to shareholders for any year if the solvency of the Company fails to meet the regulatory requirements. Except in special circumstances, the Company shall distribute dividends mainly in cash if the normal operations of the Company are not affected, provided that the net profit for the year, the accumulated and undistributed profit and the capital reserve at the end of the year are positive. Special circumstances include: the Company has significant investment plans or otherwise incurs major cash expenses; its solvency falls below the requirements of regulatory authorities including the State Council's insurance regulatory body; the regulatory authorities such as the State Council's insurance regulatory body take regulatory measures to impose restrictions on the Company's distribution of cash dividends; other circumstances that are not suitable for distribution of cash dividends. The profit distribution plans will be formulated by the Board based on factors including the current solvency margin ratio, business development and demand, operating results and shareholders' return of the Company and its subsidiaries. Taking into consideration of the factors above and subject to the laws, regulations and regulatory requirements then in effect, the distributed profits in the form of cash each year shall be no less than 10% of the distributable profits of the same year. The Company may also distribute interim dividends in the form of cash in view of the profitability of the Company. The plans shall be implemented subject to submission to and approval by the shareholders' general meeting following consideration by the Board.</u></p>	<p><i>Guidelines No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies</i></p> <p>Article 3 A listed company shall follow the decision-making procedures as set forth in its articles of association to develop its profit distribution policies. Its board of directors shall perform a study and evaluation on the issues concerning shareholders' return to set a definite and clear shareholder return plan and specify, among others, its planning rationale. In addition, the listed company shall include in its articles of association:</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
	<p>3. <u>Conditions for distribution of share dividends by the Company: Where the operating income of the Company grows rapidly and the Board considers that the share price of the Company does not reflect the scale of its share capital, the Company may propose and execute a share dividend distribution proposal in addition to payment of the cash dividend distribution above taking into account factors such as the share price, scale of share capital and other circumstances of the Company.</u></p> <p>4. <u>The Board shall take into full account various factors, such as features of the industries in which the Company operates, the stage of its development, its own business model, profitability and whether there are significant capital expenditure arrangements, put forward differentiated cash dividend policies in accordance with the procedures as required by the Articles of Association.</u></p>	<p>(i) the decision-making procedures and mechanisms of its board of directors and general meetings on distribution of profits, especially cash dividends; the conditions, decision-making procedures and mechanisms for the adjustment of established profit distribution policies, especially cash dividend distribution policies; the steps taken to fully receive comments from the independent director(s) and minority shareholders; and (ii) the details of the company's profit distribution policies, especially cash dividend distribution policies; the form of profit distribution; the intervals between profit distributions, especially cash dividend distributions; the conditions for cash dividend distribution; the conditions for issuance of stock dividends; the minimum amount or percentage, if any, of each cash dividend distribution; etc.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
	<p>(3) <u>Decision-making procedures for profit distribution:</u></p> <p>1. <u>When determining a profit distribution plan, the Board shall consider, among other factors, the timing, conditions and minimum ratio of cash dividend distribution, the conditions for adjustments and the requirements of the procedures for decision-making. The Independent Directors shall provide specific opinions in relation to the above. The Independent Directors may seek the opinion of the minority shareholders, devise a dividend distribution proposal accordingly and submit the same directly to the Board for consideration. Prior to the consideration of the specific cash dividend distribution plan by the shareholders at a general meeting, the Company shall communicate and exchange ideas through multiple channels with shareholders (in particular, the minority shareholders), attentively consider the opinions and requests of the minority shareholders and give timely response to the issues that concern them. The Board of Supervisors of the Company shall supervise the formulation and decision-making by the Board of the profit distribution plan of the Company.</u></p>	<p>Article 4 A listed company shall specify, in its articles of association, the priority ranking of cash dividends relative to stock dividends in profit distribution. Cash dividends shall be used for profit distribution if the conditions for cash dividend distribution are satisfied. The use of stock dividends for profit distribution shall be justified by the true and reasonable factors such as the company's growth and diluted net asset value per share.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
	<p>2. <u>Where the Company has satisfied conditions for cash dividend distribution but has not prepared any cash dividend plan, or the profit distributed by the Company in cash is less than 10% of the distributable profits realized by it for that year, the Board shall give specific reasons for not distributing cash dividends, the exact purpose for the retained profits and the estimated investment return, and submit to the shareholders' general meeting for consideration after the Independent Directors have expressed their opinions, and disclosure has been made in the media designated by the Company. The Company shall provide access to online voting platforms for the shareholders.</u></p> <p>(4) <u>Explanation of the reasons for not making profit distribution in cash: The Company shall disclose a profit distribution plan in the annual report for the year. If the Company generated profits during the reporting period but the Board has not made any cash profit distribution plan, the reasons therefor and the use of proceeds retained by the Company not used for distribution shall be explained in detail in its periodic reports and the Independent Directors shall give an independent opinion in this regard.</u></p>	<p>Article 5 The board of directors of a listed company shall follow the procedures as set forth in its articles of association to propose differentiated cash dividend distribution policies by taking into account the factors such as the industry in which it operates, development stage, its own business model, profitability and projected significant capital expenditures (if any), based on the following considerations:</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
	<p>(5) <u>Adjustments to the profit distribution policy: If the operation of the Company is materially affected by war, natural disasters and other force majeure, or any change in its external operating environment, or if there are any significant changes in its own operating conditions, the Company may adjust its profit distribution policy according to relevant laws, regulations and other regulatory documents. When the Company makes such adjustment, the Board shall prepare a written report on specific topics containing detailed discussion and verification of the reasons for adjustment, which, after being considered by the Independent Directors, shall be submitted to the shareholders' general meeting for approval by shareholders representing over 2/3 of the voting rights at such meeting. The Company shall provide access to online voting platforms to shareholders for voting purpose. In considering such adjustments at a shareholders' general meeting, the opinions of minority shareholders shall be fully considered.</u></p> <p>(6) <u>If any shareholder illegally takes up the Company's capital, the Company shall deduct the cash dividends allocated to such shareholder to repay the amount of capital taken.</u></p>	<p>(i) If the company is in the maturity development stage and has no projected significant capital expenditures, the cash dividends shall represent at least 80% of the current profit distribution; (ii) if the company is in the maturity development stage and has projected significant capital expenditures, the cash dividends shall represent at least 40% of the current profit distribution; and (iii) if the company is in the growth development stage and has projected significant capital expenditures, the cash dividends shall represent at least 20% of the current profit distribution; where it is difficult to identify the company's development stage but the company has projected significant capital expenditures, Item (iii) may be applicable <i>mutatis mutandis</i>.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
	<p>(7) <u>The Company shall disclose in detail the formulation and implementation of cash dividend distribution policy in its annual reports, and state whether the policy is in compliance with the Articles of Association or the resolutions passed at shareholders' general meeting, whether the benchmark and ratio of dividend distribution are definite and clear, whether the relevant decision making process and the mechanism are robust, whether the Independent Directors perform their duties diligently and exercise their functions as required, whether the minority shareholders have the opportunities to fully express their opinions and appeals, and whether the legitimate rights and interests of the minority shareholders have been fully protected. Where the Company revise or amend its cash dividend distribution policy, it shall also explain in detail as to whether the revised or amended conditions and procedures are in compliance with regulations and transparent.</u></p>	<p>Article 6 In developing a cash dividend distribution proposal, the board of directors of a listed company shall carefully consider and evaluate the timing, conditions and minimum percentage, the conditions for adjustment and the requirements for decision-making procedures, in respect of the cash dividend distribution of the company for which the independent director(s) shall make clear comments.</p> <p>The independent director(s) may solicit comments from minority shareholders in order to prepare a dividend distribution proposal to be directly presented to the board of directors for consideration.</p> <p>Before a cash dividend distribution proposal is considered at a general meeting, the listed company shall actively communicate and interact with the shareholders, especially minority shareholders, through a variety of channels to fully receive comments from and listen to the demands of minority shareholders, and promptly respond to their concerns.</p> <p>Article 7 A listed company shall be in strict compliance with the cash dividend distribution policies as determined under its articles of association and the cash dividend distribution proposals as considered and approved at the general meetings. If it is necessary to adjust or change the cash dividend policies as determined under the company's articles of association, the appropriate decision-making procedures shall be followed and the adjustment or change shall be approval by 2/3 or more of the voting rights held by the shareholders attending the general meeting following a detailed evaluation, provided that the conditions as set forth in the company's articles of association are satisfied.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
	<p>The Company may distribute dividends in the manner of cash, shares, or combination of cash and shares. The Company puts a great emphasis on the reasonable return of the investors, and the Company's profit distribution policy shall remain continuous and stable. The Company shall distribute its after-tax profits based on the financial statements prepared in accordance with PRC accounting standards and regulations or in accordance with either international accounting standards or accounting standards of the foreign stock exchange where the Company's shares are listed, whichever is less. The Company shall not distribute any profit to its shareholders if its solvency level fails to meet the regulatory requirements.</p> <p>The profit distribution plans will be formulated by the Board based on factors including the solvency margin ratio, business development status and demand, results of operations and return of the shareholders of the Company and its Subsidiaries. Taking into consideration of the factors above and subject to the laws, regulations and regulatory requirements in effect at that time, the distributed profits in the form of cash each year shall be no less than 10% of the distributable profits of the year. The Company may also distribute interim dividends in the form of cash considering the profitability of the Company. The Board shall formulate the profit distribution plan taking into account factors including the share price and the scale of the share capital of the Company. The plan shall be implemented after being submitted to the shareholders' general meeting for approval following consideration by the Board. Following a resolution approving such profit distribution plan at a shareholders' general meeting, the Board shall complete the distribution of the dividends within two months from the convening of such meeting.</p> <p>Where the Company has recorded profits in a given year and the Board does not propose a plan for the distribution of profit in the form of cash, the Company shall explain in detail in its periodical reports the reasons and the use of such undistributed cash dividends, taking fully into consideration the opinions of the Independent Directors.</p>	<p>Reason for deletion: redundancy with previous additions.</p>

Current provisions	Proposed amendments	Reasons for or basis of amendment
	<p>Where there is a significant change to the environment in which the Company operates or the conditions of the Company's operation, the Company may adjust its profit distribution policy in accordance with laws, regulations and other regulatory documents; any resolution in respect thereof shall be approved by the Board and passed by the shareholders' general meeting;</p> <p>Any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.</p>	

According to the relevant requirements of the *Notice on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies* and the *Guideline No. 3 on Supervision and Administration of Listed Companies – Cash Dividends of Listed Companies* issued by the CSRC, and the *Guidelines on Distribution of Cash Dividends by Companies Listed on the Shanghai Stock Exchange* issued by the Shanghai Stock Exchange, and in order to further increase Shareholders' return, optimize and implement the cash dividend policy, clarify the Company's plan for providing reasonable investment returns to Shareholders, improve the transparency and operability of decision-making on profit distribution and to facilitate supervision of the Company's operations and profit distribution by the Shareholder, the Board of the Company has formulated the *Three-year Dividend Return Plan After the Initial Public Offering and Listing of the A Shares of The People's Insurance Company (Group) of China Limited* (the "Plan"), the detailed contents of which are set out below:

1. PRINCIPLES FOR FORMULATION OF THE PLAN

According to the provisions of the *Company Law of the PRC* and the Articles of Association, all Shares of the Company are ordinary shares. The Company will distribute dividends to Shareholders in proportion to their shareholdings under the "pari passu" principle.

The Company will implement a continuous and stable dividend distribution policy. The Company shall emphasize on reasonable investment return to investors and ensure sustainable development of the Company when distributing dividends.

The Company shall prioritize the distribution of dividends in cash based on the principle of continuous profitability, compliance with regulatory requirements and its normal operation and long-term development.

2. FACTORS CONSIDERED IN DEVELOPING THE PROFIT DISTRIBUTION PLAN

In developing the dividend distribution policy, the Company focuses on its existing operations and sustainable development at the current stage, conducts comprehensive analysis and takes into full consideration the following material factors:

(1) Safeguarding Shareholders' legal interests in a practical manner and implementing regulatory requirements

The Company shall perform its social and legal responsibilities, safeguard Shareholders' legal interests in a practical manner and provide reasonable investment returns to investors.

The Company shall implement the regulatory requirements of the CSRC on profit distribution and cash dividend policy for listed companies. The *Guideline No. 3 on Supervision and Administration of Listed Companies – Cash Dividends of Listed Companies* issued by the CSRC provides specific requirements on further improving the profit

distribution decision-making process, perfecting its cash dividend distribution system, enhancing transparency in cash dividend distribution and maintaining the consistency, reasonableness and stability of its cash dividend policy.

(2) Actual business development of the Company

The Company maintains good operating results and strong profitability. After the initial public offering and listing of its A Shares, the Company will formulate a continuous and stable dividend distribution policy based on its actual operations of that year.

(3) Development stage of the Company

Each of the Company's business lines currently maintains a good development momentum with huge development potentials. Therefore, the Company needs sufficient capital to guarantee its future development. Taking into full consideration the impact of various factors, the Company will formulate a dividend distribution policy that is able to meet the requirements of its normal operation and sustainable development.

(4) Demands and wishes of the Shareholders

The Company's dividend distribution policy, which focuses on providing reasonable investment returns to investors while acknowledging the expectation of investors of an ongoing and rapid development of the Company, will take into full consideration the demands and wishes of the Shareholders. The specific dividend distribution plan, including the ratio of cash dividend and whether distributing dividends in form of shares, will be determined, considered and approved at a Shareholders' general meeting according to the actual operations of the Company of the relevant year and the future development of its normal operation.

(5) Cost of social capital and external financing environment

The Company may currently increase its capital scale by means of issuing ordinary shares, debts instruments and profit retention. Among them, profit retention is one of the important means of the Company to increase its capital. When formulating a dividend distribution policy, the Company will take into consideration various factors comprehensively, such as the reasonable capital structure, capital cost and external financing environment of the Company.

(6) Limitation on the solvency margin ratio

The operation and development of an insurance company shall meet the requirements of solvency margin ratio stipulated under the relevant laws and regulations as well as those issued by the regulatory authorities. In addition, an insurance company shall establish a management system for solvency margin ratio to enhance capital limitation and ensure the Company has sufficient solvency. Therefore, when the Company establishes its dividend distribution policy, it will consider the impact of solvency margin ratio under ongoing

business development on the distribution of dividend, based on which, the Company will determine whether the distribution ratio of cash dividend is reasonable to ensure the dividend policy is practicable.

3. SPECIFIC DIVIDEND RETURN PLAN

(1) Sequence of profit distribution

When the Company distributes after-tax profits, it shall allocate 10% of its profits to the statutory reserve. The Company can stop allocating its profits to such statutory reserve when the accumulative amount of the statutory reserve of the Company amounts to more than 50% of the registered capital of the Company. If the statutory reserve is insufficient to make up for the losses of the preceding years, the profits of the current year shall first be used to make up for such losses before any allocation is made to the statutory reserve.

After an allocation is made out of the after-tax profits to the statutory reserve, the Company may make allocations out of the after-tax profits to the discretionary reserve after a relevant resolution has been passed at a Shareholders' general meeting.

The after-tax profits of the Company, after being used for making up losses and making allocations to the reserve, may be distributed as dividends to the Shareholders in proportion to their shareholdings.

(2) Form of profit distribution and payment interval

The Company shall distribute profits to Shareholders in proportion to their respective percentage interest, either in cash, stock or a combination of both. Priority shall be given to cash dividends for distribution if the conditions for cash dividends are met. Subject to compliance with the principle of profit distribution, and provided that normal operation and long term development of the Company is guaranteed, the Company shall, in principle, distribute profits once a year. Where conditions allow, the Company may distribute interim profit dividends. Profit distribution shall not exceed the accumulated distributable profit and shall not harm the Company's ability as a going concern.

(3) Conditions and ratio of cash dividend distribution

No profit shall be paid to Shareholders for any year if the solvency of the Company fails to meet the regulatory requirements. Except in special circumstances, the Company shall distribute dividends mainly in cash if the normal operation of the Company are not affected, provided that both the net profit for the year and the accumulated undistributed profit at the end of the year are positive. Special circumstances include: the Company has significant investment plans or otherwise incurs major cash expenses; its solvency falls below the levels required by regulatory authorities including the State Council's insurance regulatory body; the regulatory authorities such as the State Council's insurance regulatory body take regulatory measures to impose restrictions on the Company's distribution of cash dividends; other circumstances that are not suitable for distribution of cash dividends. The profit distribution plans will be formulated by the Board based on factors including the

current solvency margin ratio, business development and demand, operating results and shareholders' return of the Company and its subsidiaries. Taking into consideration of the factors above and subject to the laws, regulations and regulatory requirements then in effect, the distributed profits in the form of cash each year shall be no less than 10% of the distributable profits of the year (including annual profit distribution and interim profit distribution). The Company may also distribute interim dividends in the form of cash in view of the profitability of the Company. The plans shall be implemented subject to submission to and approval by the Shareholders' general meeting following consideration by the Board.

The Board of the Company shall take into full account various factors, such as features of the industries where the Company operates, stage of development, its own business model, profitability and whether there is significant capital expenditure arrangement, to distinguish the following situations and put forward differentiated cash dividend policy in accordance with the procedures as required by the Articles of Association:

- (i) If the Company is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 80% when the profit distribution is made;
- (ii) If the Company is at the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 40% when the profit distribution is made;
- (iii) If the Company is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 20% when the profit distribution is made.

If it is difficult to distinguish the Company's stage of development and the Company has significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the preceding provisions.

Where the operating income of the Company grows rapidly and the Board considers that the share price of the Company does not reflect its market capitalization, the Company may propose and execute a share dividend distribution proposal in addition to payment of the cash dividend distribution above taking into account factors including the share price and scale of the share capital of the Company. The Company may distribute profits by means of stock dividend with the preconditions of providing Shareholders with reasonable cash dividend and maintaining proper scale of capital stock, while comprehensively considering the factors such as growth of the Company and dilution of net assets per share.

4. DECISION-MAKING AND SUPERVISION MECHANISM OF THE RETURN PLAN

When determining a profit distribution plan, the Board of the Company shall consider, among other things, the timing, conditions and minimum ratio for cash dividend distribution, its conditions for adjustments and the requirements of the procedures for decision-making.

The independent Directors shall provide specific opinions in relation to the above. The independent Directors may seek the opinion of the minority Shareholders, devise a dividend distribution proposal accordingly and submit the same directly to the Board for consideration. Prior to the consideration of the plan by the Shareholders at a general meeting, the Company shall communicate and exchange ideas through multiple channels with Shareholders (in particular, the minority Shareholders), consider the opinion and requests of the minority Shareholders and give timely responses to the issues that concern them. The board of supervisors of the Company shall supervise the formulation and decision-making by the Board of the profit distribution plan of the Company.

Where the Company has satisfied conditions for cash dividend distribution but has not prepared any cash dividend plan, or the profit distributed by the Company in cash is less than 10% of the distributable profits realized by it for that year, the Board shall give specific reasons for not distributing cash dividends, the exact purpose for the retained profits and the estimated investment return, and submit to the Shareholders' general meeting for consideration after the independent Directors have expressed their opinion, and make disclosure in the media designated by the Company. The Company shall provide access to online voting platforms for Shareholders.

A profit distribution plan shall be disclosed in the annual report for the year. If the Company generated profits during the reporting period but the Board of the Company has not made any cash profit distribution plan, the reasons thereof and the use of proceeds retained by the Company not used for distribution shall be explained in detail in its periodic reports and independent Directors shall give an independent opinion in this regard.

5. IMPLEMENTATION OF PROFIT DISTRIBUTION PLAN

After a resolution is adopted by the Company's Shareholders' general meeting in respect of the profit distribution plan, the Board of the Company must complete the dividend (or Share) distribution within two months after the general meeting.

6. FORMULATION PERIOD AND ADJUSTMENT MECHANISM OF THE RETURN PLAN

1. The Company shall formulate the plan for Shareholders' return based on the profit distribution policy set out in the Articles of Association, and shall perform appropriate and necessary amendments to the profit distribution plan implemented by the Company once every three years, as well as the plan for the dividend distribution policy for the next three years. When formulating the plan of Shareholders' return, the Board of the Company shall fully listen to and take advice and suggestions from Shareholders (especially the minority Shareholders), independent Directors, and independent Supervisors through various channels. The dividend distribution policy and the plan of Shareholders' return for three years as made by the Board of the Company shall not be implemented until they are approved by a general meeting.
2. If the production and operation of the Company are materially affected as a result of war, natural disasters and other events of force majeure, or any significant changes in its external operating environment or its own operating conditions, or

relevant laws, regulations or regulatory requirements are amended or adjusted, or when the Board deems necessary, the Company may adjust its profit distribution policy. When the Company makes such adjustment, the Board shall prepare a written report on special topics containing detailed discussion and verification of the reasons for adjustment, which, after being considered by the independent Directors, shall be submitted to the general meeting for approval by Shareholders representing over 2/3 voting rights at such meeting. The Company shall provide access to online voting platforms for Shareholders for voting purpose. In considering such adjustments at a general meeting, the opinions of minority Shareholders must be sufficiently considered.

- 7. Matters which are not covered under this Plan shall be implemented in accordance with the relevant laws and regulations, regulatory documents and the Articles of Association. The Plan shall be interpreted by the Board of the Company and shall become effective upon approval at a general meeting of the Company and from the date of the initial public offering and listing of the A Shares.**

According to the requirements of the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Opinions of the CSRC on Further Promoting the IPO System Reform* and other relevant laws and regulations, and the listing rules of the jurisdictions where Shares of the Company are listed, this plan is hereby formulated to reinforce the duties of good faith of the Company, its relevant Directors and senior management and protect the interests of minority Shareholders.

1. MEASURES FOR STABILIZING SHARE PRICES

(1) If, within three years after the initial public offering and listing of A Shares of the Company, the closing prices of the A Shares for the 20 consecutive trading days are lower than its latest audited net asset per share (if, after the date of the audit for the latest period, net assets or the total number of shares of the Company has changed due to profit distribution, conversion of capital reserve into share capital, additional offering, placing of shares, the net asset per share shall be adjusted accordingly, same as below) (“Condition for Stabilizing Share Prices”) which is not attributable to any event of force majeure, and the situation of the Company meets the requirements of laws, regulations, other regulatory documents and regulatory institutions regarding actions of changes in equity including share repurchase and increase in holdings, the Company and relevant subjects shall implement the following measures for stabilizing share prices:

1. The Board of the Company will publish an announcement in relation to the price stabilization plan of the Company within 20 trading days after the Condition for Stabilizing Share Prices is met. The price stabilization plan shall include, but not limited to, the proposal of share repurchase by the Company or other proposals in compliance with the requirements of the relevant laws, regulations and other regulatory documents (including the rules of the place where the shares of the Company are listed). If the Company adopts the share repurchase proposal, the share repurchase plan shall include, but not limited to, the proposed number of shares to be repurchased, the price range and the source of capital for the repurchase, the completion time, and the total amount of the repurchase in principle shall not be less than 5% of the net profit attributable to the Company's Shareholders for the preceding year. The Company shall implement the price stabilization plan after completing the internal approval procedures of the Company in accordance with the applicable laws, regulations, regulatory documents and the Articles of Association, and after performing other relevant procedures stipulated by the relevant laws, regulations and other regulatory documents and obtaining the necessary approval required.
2. If the Board of the Company fails to announce the aforementioned price stabilization plan as scheduled, or the aforementioned price stabilization plan have not been approved at the Shareholders' general meeting or by regulatory departments due to various reasons, the obligation of the Directors (except for independent Directors and Directors that do not receive remuneration from the Company) (“Relevant Directors”) and senior

management of the Company for increasing shareholdings in the Company will be triggered. Subject to compliance with the applicable laws, regulations, and regulatory documents (including the listing rules of the listing venue of the Company), the Relevant Directors and senior management shall within 10 trading days after the obligation to increase shareholdings in the Company is triggered, (if Relevant Directors and senior management are restricted from trading shares for N trading days during the period, then the obligation of the Relevant Directors and senior management to increase shareholdings in the Company shall be within 10+N trading days) unconditionally increase shareholdings of A Shares of the Company. Their respective accumulated amount for additional holdings shall not be less than 10% of their total remuneration (after tax) received from the Company during the preceding year.

- (2) Within 120 trading days after one of the aforementioned measures for stabilizing share prices is completed, the obligation of the Company, Relevant Directors and senior management to stabilize share price shall automatically be discharged. From the 121st trading day after one of the above measures for stabilizing share prices is completed, if the closing prices of A Shares of the Company are lower than the latest audited net assets per share of the Company for the 20 consecutive trading days, it is considered that the Condition for Stabilizing Share Prices is met again.
- (3) When taking the aforementioned measures for stabilizing share prices, the Company, the Relevant Directors and senior management shall fulfill relevant information disclosure duties according to the corresponding listing rules of the Company's listing venue and other applicable regulatory rules. Relevant requirements such as regulations for state-owned assets supervision shall also be followed.

2. SCENARIOS WHERE THE IMPLEMENTATION OF MEASURES FOR STABILIZING SHARE PRICES OF THE COMPANY SHALL BE TERMINATED

If one of the following scenarios occurs after the Condition for Stabilizing Share Prices is met, it is considered that the implementation of the measures for stabilizing share prices is concluded, the undertaking is fulfilled and the execution of the share price stabilization plan is terminated:

1. The Company's A Share closing price remains no lower than the latest audited net asset per share for the five consecutive trading days.
2. The continuation to execute measures for stabilizing share prices will cause failure of the Company's equity distribution to meet listing conditions or trigger violation of then-effective prohibitive regulations, or the Relevant Directors and senior management's obligation to increase shareholdings in the Company's will trigger a general tender offer obligation.

3. RELEVANT RESTRICTIVE MEASURES

- (1) If due to subjective reasons, the Relevant Directors and senior management of the Company fail to perform their obligations to increase shareholdings after the announcement of the relevant proposal by the Company, the Company will be entitled to temporarily withhold the remuneration payable to the Relevant Directors and senior management (i.e. starting from the month that they fail to perform the obligation to increase shareholdings in the Company, deduct 10% monthly remuneration (after-tax) of the relevant parties concerned, but the deduction shall be stopped when the accumulated amount of deductions reach 10% of the total amount of remuneration (after-tax) received from the Company in the preceding year when the obligation of measures for stabilizing share prices shall be performed), until the Relevant Directors and senior management fulfill their obligation to increase shareholdings.
- (2) If any securities regulations such as the listing rules of the Company's listing venue regarding the minimum public float of the Company cause the Company, the Relevant Directors and senior management unable to fulfill their obligations to increase shareholdings or repurchase shares in a certain period, the relevant responsible bodies may be exempted from the aforementioned punishment but shall still implement other price stabilization measures proactively.

4. MISCELLANEOUS

During the effective period of the plan, the newly elected Relevant Directors and newly appointed senior management of the Company shall carry out the obligations of Relevant Directors and senior management required by the plan and perform other undertakings and obligations made by the Relevant Directors and senior management of the Company according to the same standards for the initial public offering and listing of A Shares of the Company. For Relevant Directors proposed to be elected and senior management of the Company proposed to be appointed, they should provide written consent agreeing to carry out the aforementioned undertakings and obligations prior to receiving nomination.

When implementing the plan, unless otherwise required by the relevant laws, regulations and regulatory documents (including the listing rules of the venues where shares of the Company are listed), the Company shall comply with the relevant requirements.

During the effective period of the plan, when the plan is required to be amended in accordance with the relevant new rules issued by regulatory authorities such as the CSRC and the Shanghai Stock Exchange, the Board shall be authorized by a Shareholders' general meeting of the Company to amend the plan accordingly.

5. VALID PERIOD OF THE PLAN

The plan will be considered and approved by the Shareholders' general meeting of the Company and will be automatically effective when the Offering and Listing is completed. The plan will remain effective for three years thereafter.

1. RISK ALERT IN RELATION TO THE DILUTION OF IMMEDIATE RETURNS AS A RESULT OF THE OFFERING

Upon the Offering and Listing, the Company will, in a timely manner, use the proceeds effectively, thereby achieving reasonable capital returns. However, in view of the fact that the benefits from the use of proceeds may not emerge in the short term, indicators such as the basic earnings per share and diluted earnings per share of the Company may be exposed to risk of a decrease resulting from the increase in share capital of the Company.

2. NECESSITY AND RATIONALITY OF THE OFFERING AND LISTING**(I) Implement the important arrangements of the PRC and industrial policies**

Several Opinions of the State Council on Accelerating the Development of the Modern Insurance Service Industry (Guo Fa [2014] No.29), has advocated to “promote the reform and open of the insurance industry, improve the level of industry development comprehensively”, and also mentioned “support the listing of insurance companies which fulfill the conditions inside or outside the PRC”. Meanwhile, the CIRC has launched a series of supporting policies to promote the reform of the insurance industry and to play the role of serving the real economy.

The offering and listing of the Company will further strengthen the development capacity, improve the governance structure and enhance the corporate governance of the Company, which are necessary to implement the relevant arrangements of the State Council and in respond to the industry regulatory spirit of the CIRC.

(II) Further enhance capital strength, expand financing channels and enhance the flexibility of capital replenishment

After the Company’s listing on the main board of the Hong Kong Stock Exchange in 2012, our business grew steadily, hence there is still a large demand for capital replenishment.

The Offering and Listing can further replenish the capital of the Company, enhance the solvency of the Company and strengthen our risk control ability. It can also broaden the financing channels of the Company, which is conducive to the flexible use of the Company’s A and H shares markets, and timely choose a more favorable financing platform for capital supplement.

(III) Better serve the economic and social development and people’s livelihood construction

The Company has long adhered to its mission of “People’s Insurance, to serve the people”, and unswervingly fulfills its social responsibility always by focusing on and protecting people’s livelihood and serving the building of a harmonious society and economic development. Agriculture, rural areas and farmers insurance, serve

construction of serious medical insurance system disaster claims in the PRC, and have made a prominent contribution, effectively sharing the economic and social development of the risk of loss.

To replenish the capital through the Offering and Listing is conducive to the Company provide long-term financial support to serve the country and construct local economy, to better serve the entity economy and people's livelihood construction.

3. RELATIONSHIP BETWEEN THE PROJECTS INVESTED IN WITH THE PROCEEDS FROM THE OFFERING AND LISTING AND THE EXISTING BUSINESS OF THE COMPANY, PREPARATIONS IN TERMS OF HUMAN RESOURCES, TECHNOLOGIES AND MARKET MADE BY THE COMPANY FOR THE PROJECTS INVESTED WITH THE PROCEEDS

(I) Relationship between the projects invested in with the proceeds from the Offering and Listing and the existing business of the Company

The proceeds from the Offering and Listing, after deduction of issuance expenses, will be used for replenishing the Company's share capital, to develop the principal business of the Company, which fulfills the interests of the Company and Shareholders.

(II) Preparations in terms of human resources, technology and market made by the Company for the projects invested with the proceeds

In terms of human resources, the Company will enhance the overall quality of staff and work efficiency through measures such as establishing of a variety of career development channels, strengthening staff training, and implementing performance appraisal. The Company attaches importance to the introduction of talent, focuses on key talent development around the Company's business transformation and development strategies, so as to further strengthen the professional team building.

In terms of technology, the Company has always attached importance to professional skills and product innovations, the Company has taken a leading position in professional skills, technology and experience and powerful products and service innovations within the fields of insurance, claims, reinsurance, and asset management. In addition, IT construction of the Company further improved, and the continued construction of the unified data platform and the unified customer sharing platform, etc. provided good support for the business development and synergy of the Company.

From the market perspective, as the first national insurance company in the new China, the Company maintained a leading position in the rapidly growing insurance market in China, and formed a nationwide distribution network and a huge customer base. In the new development period, the Company will grasp the market initiative, continue to promote customer-oriented transformation, comply with national policy, continue to explore the new market norm and demand, and further improve the focus of its market strategy.

4. SPECIFIC MEASURES TO THE REMEDIAL MEASURES OF IMMEDIATE RETURNS

In connection with the immediate return of the Offering and Listing may be reduced, the Company will follow and adopt the following principles and measures to effectively use the proceeds to further enhance the operating efficiency of the Company, strengthen risk management and fully protect the interests of the Shareholders of the Company, especially the minority Shareholders, and pay attention to the short-term and long-term Shareholders' value return.

(I) Give priority to profit retention, replenish capital by a variety of ways

The Company insisted on giving priority to replenish capital by way of profit retention, and by using capital instruments in a flexible way based on development needs, regulatory requirements and capital market conditions, so that the Company's capital can be maintained at a sufficient level and with better capital quality, so as to support the business development requirements of the Company and meet the return requirements of Shareholders.

(II) Strengthening proceeds management and enhancing proceeds efficiency

The proceeds from the Offering and Listing will be used to replenish the capital of the Company, which will enhance the Company's capital strength, facilitate the rapid growth of businesses, satisfy future needs arising from development strategies and provide strong support to the long-term development of the Company.

However, due to the special nature of insurance companies, proceeds raised will be used for capital replenishment instead of project investment. Therefore, its use and effectiveness cannot be measured on its own. The Company will strengthen the management of, and the efficient use of, proceeds raised, and proactively increase the return on capital.

(III) Strengthening operational management and internal control of the Company

The Company will further strengthen its operational management and internal control, improve its operational decision-making procedures and control its capital cost by reasonably using financing instruments and channels and saving expenditures and expenses so as to comprehensively and effectively control its operational and management costs.

(IV) Strengthening risk management measures

The Company will continue to reinforce its risk management framework construction by enhancing its risk management standards, capabilities of effective risk prevention and measurement and enhancing the comprehensive risk management system spanning the front, middle and back offices to effectively support its steady business development.

(V) Further improving profit distribution system and investor return mechanism

The Company further refined policies relating to cash dividends and cash dividend appropriation, and stipulated its minimum cash distribution under normal circumstances in order to provide stable return expectation for investors. The Company highly values the protection of Shareholders' interests and their reasonable investment return. Taking into account the above as well as its own sustainable development, the Company has formulated a steady, stable and scientific dividend policy to provide good return to minority Shareholders.

5. THE UNDERTAKINGS OF THE COMPANY'S DIRECTORS AND SENIOR MANAGEMENT TO TAKING REMEDIAL MEASURES FOR THE DILUTION OF IMMEDIATE RETURNS AS A RESULT OF THE OFFERING AND LISTING

Directors and senior management of the Company have undertaken to fulfill their duties faithfully and diligently, and protect the legitimate rights and interests of the Company and all its Shareholders. They have made the following undertakings so as to ensure the implementation of the Company's remedial measures to dilution of immediate returns according to relevant regulations by the CSRC in respect of the Offering and Listing:

1. Undertake not to transfer benefits to other entities or individuals of a gratuitous nature or under unfair conditions, nor will adopt other means to prejudice the Company's interests;
2. Undertake to restrict the expenditures incurred by Directors and senior management in the course of duty;
3. Undertake not to use the Company's assets to make any investment or participate in any consumption activities not related to their responsibilities;
4. Undertake to proactively promote the enhancement of the Company's remuneration system so that it is more in line with the requirements for refilling immediate returns; support the Board or the nomination and remuneration committee under the Board to stipulate the remuneration system that is linked with the implementation of the Company's measures to remediate immediate returns and to strictly follow such system;
5. Undertake to proactively support the linkage between the vesting conditions of stock incentive scheme and the implementation of the remedial measures if the Company sets up a stock incentive scheme (if any);
6. Before the completion of the Offering and Listing, if the CSRC, the Shanghai Stock Exchange publish relevant suggestions and implement regulations or other regulations on the remedial measures for the dilution of immediate returns and the Company's relevant regulations and undertakings of the Company and Directors, senior management of the Company do not conform to the aforementioned regulations, the Company and Directors and senior management of the Company

undertake to immediately offer additional undertakings according to the regulations stipulated by the CSRC and the Shanghai Stock Exchange and proactively push the Company to make new regulations so as to meet the requirements by the CSRC and the Shanghai Stock Exchange.

THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED
REPORT ON THE STATUS OF USE OF PREVIOUSLY RAISED FUNDS**I. BASIS OF PREPARATION**

This report and its annexes are prepared based on *the Rules on Report on Use of Previously Raised Funds* issued by the CSRC (Zhen Jian Fa Xing Zi [2007] No. 500).

II. AMOUNT, TIME OF RECEIPT AND DEPOSITING

As approved by the *Reply of the CSRC on the Approval of the Issue of Overseas Listed Foreign Shares by The People's Insurance Company (Group) of China Limited* (Zheng Jian Xu Ke [2012] No. 849), the Company carried out its initial public offering of overseas listed foreign shares (H Shares) on the main board of the Hong Kong Stock Exchange on 7 December 2012, issuing in aggregate 7,932,940,000 ordinary Shares (including 1,034,731,000 Shares under over-allotment) with a nominal value of RMB1.00 each at an issue price of HK\$3.48 per Share, raising proceeds of HK\$27,606,631,200.00 in aggregate. After deduction of overseas issuance expenses paid amounting to HK\$4,740,534.71 in aggregate, the proceeds, together with interest thereon of HK\$35,561.22 amounting to HK\$27,601,926,226.51 (equivalent to RMB22,410,219,713.90) was deposited into a HK\$ account with the Bank of China (Hong Kong) Limited on 7 December 2012 and 21 December 2012, respectively. After deducting other issuance expenses payable equivalent to RMB656,639,641.60 in aggregate, the net proceeds from the initial public offering and listing of overseas listed foreign shares (H Shares) raised by the Company were equivalent to RMB21,753,580,072.30. The availability of the above proceeds has been verified by Ernst & Young Hua Ming LLP, and a capital verification report (Ernst & Young Hua Ming (2013) Yan Zi No. 60469332_A01) of which was issued on 31 January 2013.

III. USE OF THE PREVIOUSLY RAISED FUNDS**(I) Information on reconciliation table of use of previously raised funds**

According to the commitments made in the prospectus for the initial public offering of H Shares, the Company undertook to utilize the net proceeds for the following purposes: strengthening capital base in support of business development. The use of proceeds as at 31 December 2016 was consistent with the commitments made in the prospectus.

As at 31 December 2016, the Company utilized a total of HK\$27,598,488,140.19 out of the proceeds (excluding deposit interests), equivalent to RMB21,418,740,859.67. As there was an exchange difference between the amounts at settlement and at the offering of RMB333,266,162.33, the actual proceeds in RMB available for use by the Company decreased correspondingly. Details are set out in Annex "Reconciliation Table of Use of Previously Raised Funds" in this report.

(II) Change in the projects invested in with the previously raised funds

There was no change in projects invested in with the previously raised funds.

(III) External transfer or replacement of projects invested in with the previously raised funds

There was no external transfer or replacement of projects invested in with the previously raised funds.

(IV) Balance of the specific account of the previously raised funds

As at 31 December 2016, the remaining balance in the Company's proceeds account opened at the Bank of China (Hong Kong) Limited was equivalent to RMB1,573,050.30 in total. Such balance is planned to be continued to use in the committed usage in the prospectus.

(V) Benefits realized from projects invested in with the previously raised funds

As the proceeds were intended to use to support business development of the Company, gains therefrom cannot be measured on its own.

**IV. COMPARISON BETWEEN THE USE OF PROCEEDS AND INFORMATION
DISCLOSED IN ANNUAL REPORTS OF THE COMPANY**

The use of the proceeds is consistent with relevant information disclosed in reports for the years 2014, 2015 and 2016 and other disclosure documents of the Company.

V. CONCLUSION

The Board of Directors considered that, the Company utilized the previously raised funds according to the use as disclosed in the prospectus in relation to the initial public offering of H Shares.

The People's Insurance Company (Group) of China Limited
16 May 2017

ANNEX TO THE REPORT ON THE STATUS OF USE OF PREVIOUSLY RAISED FUNDS

Reconciliation Table of Use of Previously Raised Funds

Closing date: 31 December 2016

Unit: RMB

Total amount of proceeds raised (excluding part of the issue fee paid overseas)	22,410,219,713.90	Total amount of proceeds utilized and accumulative use (Note 1)	21,418,740,859.67
Net amount of proceeds raised:	21,753,580,072.30	Total amount of proceeds utilized in each year:	21,418,740,859.67
Total amount of proceeds raised with changes of use:	-	- Utilization of proceeds in each year:	2012 317,550,475.96
Proportion of amount of proceeds raised with changes of use:	-	- Total amount of fund (Note 1)	2013 20,896,792,075.88
			2014 136,372,435.18
			2015 60,231,302.69
			2016 7,794,569.96

Investment Project		Total investment from proceeds			Total investment from proceeds as at the closing date (Note 1)		Difference between actual investment amount and the investment undertaken after the Offering (Note 2)	Date for projects to reach intended use
No.	Project undertaken	Actual investment project	Investment undertaken before offering	Investment undertaken after offering	Actual investment amount	Investment undertaken after offering		
1	Use to strengthen the capital base, and to support business development	Use to strengthen the capital base, and to support business development	21,753,580,072.30	21,753,580,072.30	21,418,740,859.67	21,753,580,072.30	334,839,212.63	N/A

Note 1: Total amount of proceeds used in each year and for accumulative use are presented in RMB after translation.

Note 2: Among the difference between actual investment amount and the investment undertaken after the offering, there were exchange differences between the amounts at actual settlement and at the offering in the amount of RMB333,266,162.33, the remaining amount of raised funds was RMB1,573,050.30.

APPENDIX VII AMENDMENTS TO PROCEDURAL RULES FOR THE SHAREHOLDERS GENERAL MEETING

Existing Article of Working Rules	Amended Article of Working Rules	Reasons for or basis of amendment
Chapter 4 Resolutions and Notice of Shareholders' General Meetings	Chapter 4 Resolutions and Notice of Shareholders' General Meetings	
<p>Article 28 Notice of shareholders' general meeting shall be served on the shareholders (whether or not entitled to vote at the shareholders' general meeting), by delivery or prepaid mail to their addresses as shown in the register of members. For the holders of domestic shares, notice of the meeting may be issued by way of public notice.</p> <p>The public notice shall be published in one or more newspapers designated by the securities governing authority of the State Council within the interval between 45 days and 50 days before the date of the meeting. After the publication of such notice, the holders of our domestic shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p> <p>For holders of overseas listed foreign shares, subject to the compliance with applicable laws, regulations, other regulatory documents and the relevant requirements of the securities regulatory authority at the place where our Company's shares are listed, the notice of a general meeting notice may be published on the website designated by the said stock exchange and on the website of our Company in place of delivery or prepaid mail to the holders of our overseas listed foreign shares.</p>	<p>Article 28 Notice of shareholders' general meeting shall be served on the shareholders (whether or not entitled to vote at the shareholders' general meeting), by delivery or prepaid mail to their addresses as shown in the register of members. For the holders of domestically listed shares, notice of the meeting may be issued by way of public notice.</p> <p>The public notice shall be published in one or more newspapers designated by the securities governing authority of the State Council within the interval between 45 days and 50 days before the date of the meeting. After the publication of such notice, the holders of our domestically listed shares shall be deemed to have received the notice of the relevant shareholders' general meeting.</p> <p>For holders of overseas listed foreign shares, subject to the compliance with applicable laws, regulations, other regulatory documents and the relevant requirements of the securities regulatory authority at the place where our Company's shares are listed, the notice of a general meeting notice may be published on the website designated by the said stock exchange and on the website of our Company in place of delivery or prepaid mail to the holders of our overseas listed foreign shares</p>	<p>Amendment made in accordance with the actual circumstances of the A Share Offering.</p>

APPENDIX VII AMENDMENTS TO PROCEDURAL RULES FOR THE SHAREHOLDERS GENERAL MEETING

Existing Article of Working Rules	Amended Article of Working Rules	Reasons for or basis of amendment
Chapter 5 Holding of Shareholders' General Meeting	Chapter 5 Holding of Shareholders' General Meeting	
<p>Article 31 The Company shall arrange for the venue for a physical meeting to be held. Where the legality and validity of the shareholders' general meeting is ensured, shareholders may be convenient to attend the meeting by the Company making available various modern modes of communication technology, including adopting voting platforms via video, telephone and the internet. Shareholders participating using the above means shall be considered as present at the meeting.</p>	<p>Article 31 The Company shall arrange for the venue for a physical meeting to be held. Where the legality and validity of the shareholders' general meeting is ensured, <u>in accordance with the laws, administrative regulations, requirements of the CSRC and the Articles of Association</u> shareholders may <u>shall</u> be convenient to attend the meeting by the Company through various means <u>and modes</u> (including voting platforms via video, telephone and the internet etc.), making available various modern modes of communication technology <u>and, in doing so, priority shall be given to modern information technology methods such as online voting platform.</u> Shareholders participating using the above means shall be considered as present at the meeting.</p>	<p>Amendment made in accordance with Article 20 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i>, Article 80 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p><i>Rules for the General Meetings of Shareholders of Listed Companies</i></p> <p>Article 20 The Company shall hold a general meeting at the place where the company is dominated or as set forth in its articles of association. A venue shall be made available for the general meeting to be held in the form of physical meeting. In addition, <u>secure, economical and convenient electronic network and other means shall be provided to facilitate shareholders' participation in the general meeting in accordance with the laws, administrative regulations, the CSRC requirements or the company's articles of association.</u> Participation in a general meeting by foregoing meanings is to be considered as present at the meeting.</p> <p>Shareholders may attend a general meeting and exercise their voting rights in <i>person or by proxy</i> provided however that the exercise of voting rights by proxy shall be within the power of attorney.</p> <p><i>Guidance for the Articles of Association of Listed Companies</i></p> <p>Article 80 Provided that the holding of general meeting is lawful and valid, the company shall <u>facilitate shareholders' participation in the general meeting</u> in a variety of forms and means. In so doing, the company shall give priority to online voting platform and other modern information technology means.</p>

APPENDIX VII AMENDMENTS TO PROCEDURAL RULES FOR THE SHAREHOLDERS GENERAL MEETING

Existing Article of Working Rules	Amended Article of Working Rules	Reasons for or basis of amendment
Chapter 6 Voting and Resolutions of the Shareholders' General Meetings	Chapter 6 Voting and Resolutions of the Shareholders' General Meetings	
<p>Article 54 Shareholders (including their proxies) exercise voting rights according to the voting shares they hold, and each share shall have one voting right.</p> <p>Shares held by the Company shall not carry voting rights, and shall not be included in the total number of voting shares present at the shareholders' meeting.</p> <p>The Board, independent directors and shareholders that comply with the relevant provisions of the Articles can collect voting rights.</p>	<p>Article 54 Shareholders (including their proxies) exercise voting rights according to the voting shares they hold, and each share shall have one voting right.</p> <p><u>Where material issues considered at a shareholders' general meeting affect the interests of minority investors, the votes of minority shareholders shall be counted separately. The results of the separate vote count shall be disclosed publicly in a timely manner.</u></p> <p>Shares held by the Company shall not carry voting rights, and shall not be included in the total number of voting shares present at the shareholders' meeting.</p> <p>The Board, independent directors and shareholders that comply with the relevant provisions of the Articles can collect voting rights. <u>Information including the specific voting preference shall be fully provided to the shareholders for whom voting rights are being solicited. Soliciting shareholders' voting rights with consideration or any consideration in disguised form is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting voting rights.</u></p>	<p>Amendment made in accordance with Article 78 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 78. Shareholders (including their proxies) shall exercise their voting rights in the number of voting shares represented by them with each share having one vote.</p> <p><u>Where material issues considered at a shareholders' general meeting affect the interests of minority investors, the votes of minority shareholders shall be counted separately. The results of the separate vote count shall be disclosed publicly in a timely manner.</u></p> <p>Shares held by the company shall not carry voting rights, and shall not be included in the total number of voting shares present at the general meeting.</p> <p>The board of directors, independent directors and qualified shareholders may publicly solicit proxies. <u>Information including the specific voting preference shall be fully provided to the shareholders for whom voting rights are being solicited. Soliciting shareholders' voting rights with consideration or any consideration in disguised form is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting voting rights.</u></p>

APPENDIX VII AMENDMENTS TO PROCEDURAL RULES FOR THE SHAREHOLDERS GENERAL MEETING

Existing Article of Working Rules	Amended Article of Working Rules	Reasons for or basis of amendment
<p>Article 61 Shareholders attending the shareholders' general meeting shall give their opinions on every resolution put forward at the meeting for resolution in the form of any one of the following: "for", "against" or "abstention".</p> <p>Any voter with a vote that is not filled in, incorrectly filled in or in unrecognizable writing or not cast shall be deemed as having waived the voting right and the corresponding voting shall be counted as "abstention".</p>	<p>Article 61 Shareholders attending the shareholders' general meeting shall give their opinions on every resolution put forward at the meeting for resolution in the form of any one of the following: "for", "against" or "abstention", <u>except for those declared by the securities depository and clearing organization in the capacity of a nominee of shares under the Shanghai-Hong Kong Stock Connect mechanism voting at the instructions of the beneficial holders.</u></p> <p>Any voter with a vote that is not filled in, incorrectly filled in or in unrecognizable writing or not cast shall be deemed as having waived the voting right and the corresponding voting shall be counted as "abstention".</p>	<p>Amendment made in accordance with Article 89 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 89 Shareholders who attend a general meeting shall express their opinions by casting affirmative, opposing or abstention vote on the proposal submitted for voting. <u>The securities depository and clearing body shall be the holder (in the capacity of a nominee) of shares under the stock connect mechanism covering the stock markets of the PRC and Hong Kong, except for those to be declared at the intention of their de-facto holders.</u></p> <p>Any voter with a vote that is not filled in, incorrectly filled in, in illegible handwriting or fails to be casted shall be deemed as having waived the voting rights, and the votes of its shares shall be counted as abstention votes.</p>
<p>Article 77 Public announcement of the voting results of a shareholders' general meeting shall be issued in a timely manner. The public announcement shall contain the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and its proportion of shares with voting rights held by them to the total number of shares with voting rights held in the Company, the total number of shares required to abstain from voting in the concurring votes/or voting as requested by the securities regulatory authorities where the Company's shares are listed to individual proposals (if there are any), the form of voting method, the voting result of each resolution and content of each adopted resolution as well as the vote scrutinizers identity.</p> <p>The Company should calculate and announce the attendance and voting of holders of domestic shares and overseas-listed foreign shares separately.</p>	<p>Article 77 Public announcement of the voting results of a shareholders' general meeting shall be issued in a timely manner. The public announcement shall contain the number of shareholders and proxies attending the meeting, the total number of voting shares held by them and its proportion of shares with voting rights held by them to the total number of shares with voting rights held in the Company, the total number of shares required to abstain from voting in the concurring votes/or voting as requested by the securities regulatory authorities where the Company's shares are listed to individual proposals (if there are any), the form of voting method, the voting result of each resolution and content of each adopted resolution as well as the vote scrutinizers identity.</p> <p>The Company should calculate and announce the attendance and voting of holders of <u>domestically listed</u> shares and overseas-listed foreign shares separately.</p>	<p>Amendment made in accordance with the actual circumstances of the A Share Offering.</p>

APPENDIX VII AMENDMENTS TO PROCEDURAL RULES FOR THE SHAREHOLDERS GENERAL MEETING

Existing Article of Working Rules	Amended Article of Working Rules	Reasons for or basis of amendment
Chapter 7 Minutes of Shareholders' General Meeting	Chapter 7 Minutes of Shareholders' General Meeting	
<p>Article 80 Minutes of Shareholders' General Meetings shall be signed by convener or his/her representative, Meeting Chairman, Directors, Supervisors, Secretary to the Board in attendance and the minutes keeper. The minutes shall be maintained at the domicile of the Company by the Secretary to the Board together with the register for attendance of shareholders present in person and the proxy forms of their proxies on a permanent basis.</p>	<p>Article 80 The Minutes of Shareholders' General Meetings shall be signed by convener of the meeting or his/her representative, Meeting Chairman, Directors, Supervisors, Secretary to the Board in attendance and the minutes keeper, <u>and ensure the truthfulness, accuracy and completeness of the meeting minutes.</u> The minutes shall be maintained at the domicile of the Company by the Secretary to the Board together with the register for attendance of shareholders present in person, the proxy forms of their proxies, <u>valid information on voting via internet and by other means</u> on a permanent basis.</p>	<p>Amendment made in accordance with Article 41 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i> and Article 73 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p><i>Rules for the General Meetings of Shareholders of Listed Companies</i></p> <p>Article 41 The minutes of a general meeting shall be kept by the secretary of the board of directors. The minutes of the meeting shall include:</p> <ul style="list-style-type: none"> (a) the time, place, agenda for the meeting and the convener's name; (b) the names of chairperson and the directors and supervisors, secretary of the board of directors, managers and other senior management members attending the meeting; (c) the number of shareholders and proxies attending the meeting, the total number of voting shares present and their percentage in the total number of shares of the company; (d) the consideration, key points of discussion and voting results in respect of each proposal; (e) the inquiries or suggestions of the shareholders and the answers or explanations in response thereto; (f) the names of attorney, teller and scrutineer; (g) any other information required by the articles of association to be included in the minutes of the meeting.

**APPENDIX VII AMENDMENTS TO PROCEDURAL RULES FOR THE
SHAREHOLDERS GENERAL MEETING**

Existing Article of Working Rules	Amended Article of Working Rules	Reasons for or basis of amendment
		<p>The attending directors, the secretary of board of directors, the convenor or his/her representative, the chairperson shall sign on the minutes of the meeting and <u>ensure that the minutes of the meeting are true, accurate and complete</u>. The minutes of the meeting shall be kept in custody together with <u>meaningful information including the attendance book of the attending shareholders and the power of attorneys for appointing proxies, online and other means of voting, for a term of not less than 10 years</u>.</p> <p><i>Rules of the General Meetings of Listed Companies:</i></p> <p>Article 73 <u>The convenor shall ensure that the minutes of the meeting are true, accurate and complete</u>. The attending directors, the supervisors, the secretary of board of directors, the convenor or his/her representative, the chairperson shall sign on the minutes of the meeting. <u>The minutes of the meeting shall be kept in custody together with meaningful information including the attendance book of the attending shareholders and the power of attorneys for appointing proxies, online and other means of voting, for a term of not less than 10 years</u>.</p>

APPENDIX VII AMENDMENTS TO PROCEDURAL RULES FOR THE SHAREHOLDERS GENERAL MEETING

Existing Article of Working Rules	Amended Article of Working Rules	Reasons for or basis of amendment
Chapter 8 Execution of Resolutions of Shareholders' General Meeting	Chapter 8 Execution of Resolutions of Shareholders' General Meeting	
<p>Article 86 If a resolution of a shareholders' general meeting resolution violates the laws and regulations, a shareholder shall have the right to request a people's court to determine the same as invalid.</p> <p>If the procedure for convening a shareholders' general meeting, or the method of voting thereat, violates the laws, administrative regulations or the Articles of the Company, or the contents of a resolution violate the Articles of the Company, a shareholder shall have the right to request a people's court to rescind such resolution within 60 days from the date of adopting such resolution.</p> <p>If the Company completes the formalities in respect of the change of registration pursuant to a shareholders' resolution, the Company shall apply to the registration authority for cancelling the change of registration after a people's court has declared that such resolution is invalid or has rescinded such resolution.</p>	<p>Article 86 If a resolution of a shareholders' general meeting resolution violates the laws and regulations, a shareholder shall have the right to request a people's court to determine the same as invalid.</p> <p><u>Controlling shareholders and actual controllers of the Company shall not restrict or interfere with the legal use of voting rights by minority shareholders and shall not harm the legal interests of the Company and minority shareholders.</u></p> <p>If the procedure for convening a shareholders' general meeting, or the method of voting thereat, violates the laws, administrative regulations or the Articles of the Company, or the contents of a resolution violate the Articles of the Company, a shareholder shall have the right to request a people's court to rescind such resolution within 60 days from the date of adopting such resolution.</p> <p>If the Company completes the formalities in respect of the change of registration pursuant to a shareholders' resolution, the Company shall apply to the registration authority for cancelling the change of registration after a people's court has declared that such resolution is invalid or has rescinded such resolution.</p>	<p>Amendment made in accordance with Article 46 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Article 46 Any resolution made at the Company's general meeting in violation of laws and administrative regulations shall be invalid.</p> <p><u>Controlling shareholders and actual controllers of the Company shall not restrict or interfere with the legal use of voting rights by minority shareholders and shall not harm the legal interests of the Company and minority shareholders.</u></p> <p>If the procedure for convening a shareholders' general meeting, or the method of voting thereat, violates the laws, administrative regulations or the Articles of the Company, or the contents of a resolution violate the Articles of the Company, a shareholder shall have the right to request a people's court to rescind such resolution within 60 days from the date of adopting such resolution.</p>

APPENDIX VII AMENDMENTS TO PROCEDURAL RULES FOR THE SHAREHOLDERS GENERAL MEETING

Existing Article of Working Rules	Amended Article of Working Rules	Reasons for or basis of amendment
Chapter 9 Special Procedures for Class Meetings	Chapter 9 Special Procedures for Class Meetings	
<p>Article 93 Shareholders of domestic shares and overseas listed foreign shares are deemed as shareholders of different classes.</p> <p>The special procedures for voting by a class of shareholders shall not apply to the following circumstances:</p> <p>(1) where upon the approval by a special resolution of shareholders in a general meeting, either separately or concurrently once every twelve months, the Company issues domestic shares and overseas listed foreign shares not more than 20% of each that has been issued;</p> <p>(2) where the Company's plan to issue domestic shares and overseas listed foreign shares at its establishment is carried out within fifteen (15) months as of the date of approval of the securities regulatory authorities of State Council; or</p> <p>(3) where shareholders of the domestic shares of the Company may transfer to overseas investors, and such transferred shares may be listed or traded on an overseas stock exchange, subject to the approval of the securities regulatory authority of the State Council.</p>	<p>Article 93 Shareholders of <u>domestically listed</u> shares and overseas listed foreign shares are deemed as shareholders of different classes.</p> <p>The special procedures for voting by a class of shareholders shall not apply to the following circumstances:</p> <p>(1) where upon the approval by a special resolution of shareholders in a general meeting, either separately or concurrently once every twelve months, the Company issues <u>domestically listed</u> shares and overseas listed foreign shares not more than 20% of each that has been issued;</p> <p>(2) where the Company's plan to issue <u>domestically listed</u> shares and overseas listed foreign shares at its establishment is carried out within fifteen (15) months as of the date of approval of the securities regulatory authorities of State Council; or</p> <p>(3) where shareholders of the <u>domestically listed</u> shares of the Company may transfer to overseas investors, and such transferred shares may be listed or traded on an overseas stock exchange, subject to the approval of the securities regulatory authority of the State Council.</p>	Amendment made in accordance with the actual circumstances of the A Share Offering.
Chapter 10 Miscellaneous	Chapter 10 Miscellaneous	
<p>Article 97 Upon approval by the general meeting, the rules are valid from the listing date of shares of the initial public offering of the Company.</p>	<p>Article 97 Upon approval by the general meeting, the rules are valid from the listing date of <u>shares</u> of the initial public offering <u>of A Shares</u> of the Company.</p>	Amendment made in accordance with the actual circumstances of the A Share Offering.

NOTICE OF EGM



中国人民保险集团股份有限公司

THE PEOPLE'S INSURANCE COMPANY (GROUP) OF CHINA LIMITED

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

(Stock Code: 1339)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2017 first extraordinary general meeting (the “EGM”) of The People's Insurance Company (Group) of China Limited (the “Company”) will be held at PICC Building, No. 88 Xichang'an Street, Xicheng District, Beijing, the People's Republic of China on 31 July 2017 (Monday) at 2:00 p.m. for the purposes of considering and, if thought fit, passing the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and approve the plan of the initial public offering and listing of the A Shares of the Company as follows:
 - (a) class of shares
 - (b) nominal value per share
 - (c) proposed stock exchange for listing
 - (d) offering size
 - (e) target subscribers
 - (f) strategic placing
 - (g) mode of offering
 - (h) pricing methodology
 - (i) form of underwriting
 - (j) conversion into a joint stock company with limited liability with domestically and overseas listed shares
 - (k) valid period of the offering plan
2. To consider and approve the authorization to deal with matters relating to the offering of the A Shares
3. To consider and approve the use of proceeds from the offering of the A Shares

NOTICE OF EGM

4. To consider and approve the accumulated profit distribution plan before the offering of the A Shares
5. To consider and approve the amendments to the Articles of Association

ORDINARY RESOLUTIONS

1. To consider and approve the three-year dividend plan after the offering of the A Shares
2. To consider and approve the price stabilization plan of A Shares within three years after the offering of the A Shares
3. To consider and approve the undertakings regarding the information disclosure in the prospectus published in connection with the offering of the A Shares
4. To consider and approve the dilution of immediate returns as a result of the offering of the A Shares and remedial measures
5. To consider and approve the report on the status of use of previously raised funds
6. To consider and approve the amendments to Procedural Rules for the Shareholders General Meeting

The above resolutions are set out in the circular for the EGM of the Company dated 15 June 2017. Unless otherwise stated, terms and expressions defined in the circular shall have the same meanings in this notice.

For and on behalf of the Board
The People's Insurance Company (Group) of China Limited
Wu Yan
Chairman

Beijing, the PRC, 15 June 2017

Notes:

1. The register of members of the Company will be closed from 30 June 2017 (Friday) to 31 July 2017 (Monday), both days inclusive, during which period no transfer of Shares will be effected. Holders of H Shares and domestic shares whose names appear on the register of members of the Company at the close of business on 29 June 2017 (Thursday) shall be entitled to attend and vote at this EGM. In order for holders of H Shares to qualify for attending and voting at this EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 29 June 2017 for registration.
2. A Shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote in his stead. A proxy need not be a Shareholder of the Company but must attend the EGM in person to represent the relevant shareholder.

NOTICE OF EGM

3. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its director(s) or duly authorised attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorising that attorney to sign or other authorisation document must be notarised.
4. In order to be valid, the proxy form together with the notarised power of attorney or other authorisation document (if any) must be deposited at the Secretariat of the Board of Directors of the Company for holders of domestic shares and at the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H shares not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof (i.e. 2:00 p.m. on 30 July 2017) (as the case may be)(or other date in the event of any adjournment thereof). Completion and return of a proxy form will not preclude a shareholder from attending and voting in person at this meeting or any adjournment thereof if he so wishes.
5. Holders of domestic shares and holders of H Shares who intend to attend the EGM in person or by proxy should deposit the reply slip at the Secretariat of the Board of Directors of the Company and at the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong respectively on or before 11 July 2017 (Tuesday) by hand, by post or by fax (fax no: (852) 2865 0990).
6. Shareholders or their proxies attending the general meeting (or any adjournment thereof) shall produce their identity certifications. 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 EGM 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.
7. Pursuant to the Articles of Association of the Company, any vote of shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notice of this meeting will be voted on by poll.
8. The EGM is expected to last for half a day. Shareholders (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses.
9. In the case of joint Shareholders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint Shareholder(s), and for this purpose seniority will be determined by the order in which the names stand on the register of members in respect of the relevant joint holding.